

Proposal Concerning Modifications to LIPA's Tariff for Electric Service

Requested Action:

The Long Island Power Authority ("LIPA") staff proposes revisions to the LIPA Tariff for Electric Service to authorize the purchase of solar photovoltaic (PV) renewable resources from customers for a fixed term of 20 years at a fixed price for the entire term. The proposed purchase offer would be included under Service Classification No. 11 – Buyback Service.

Background:

The Trustees have set goals for LIPA with respect to future power supply in LIPA's Electric Resource Plan (2010-2020) (the "Plan"). Specifically, the Plan contemplates, among other things, the development of renewable resources by customers and for the purchase of renewable energy from newly constructed resources within the service territory including an incremental 50 MW, utility-scale solar PV program during the Plan period. The Plan supports LIPA's mission statement, which includes being a leader in the advancement of renewable resources, as well as LIPA's voluntarily support for achieving its share of the State's Renewable Portfolio Standard objectives.

The term "Feed-in Tariff" has been adopted throughout the industry to describe an offer to purchase a specific type of renewable generation from willing suppliers at a fixed price per kWh for a fixed period of time. The offer price would be stated in the Tariff and would be available to every supplier that meets the criteria specified in the Tariff, up to the maximum level of enrollment. Once a renewable resource supplier is enrolled under the Tariff, that supplier would receive the fixed price for 20 years pursuant to a non-negotiable, standard form Power Purchase Agreement (PPA), which, among other things, would memorialize the agreement with LIPA related to the terms of the Tariff. The PPA may assist the supplier with obtaining financial resources for the project, since it would reflect a commitment on the part of LIPA to purchase the output of the facility for the fixed term at a fixed price. A copy of the proposed PPA is attached.

Staff proposes to purchase up to 50 MW of distributed solar PV generation located on our customers' premises through June 30th, 2014 to supplement the existing purchases from the two large solar facilities completed last year and the ongoing Solar Pioneer and Solar Entrepreneur rebate programs. Each customer site must offer at least 50 kW of solar PV generation to participate.

Customers who enroll in the Feed-in Tariff must sell 100% of the output from their eligible generation directly to LIPA. A separate meter would be installed to measure the output directly at the generator. None of the output of the eligible generation would be available to serve the customer's own load and by definition, a customer that participates in the Feed-in Tariff cannot participate in net metering. Similarly, a customer that has

received a rebate from LIPA's solar program or received other funding from LIPA (such as a research and development grant) cannot participate in the Feed-in Tariff and a customer that has enrolled in the Feed-in Tariff cannot receive a solar generation rebate.

Benefits of a Feed-in Tariff

The Feed-in Tariff structure has been adopted in several States including Vermont, California, Florida and Hawaii, as well as abroad. The Feed-in Tariff pricing structure gives greater certainty to the renewable resource owners who require a steady stream of revenue to support their fixed investment. It also provides advantages to LIPA in that LIPA would only pay for renewable generation that is actually delivered by the participant over the twenty-year life of the PPA, as that generation is produced. This has several benefits compared to the rebate program.

First, it spreads the cost of the program over 20 years. Spreading the cost over 20 years, as the benefits are received, is much more affordable to LIPA's customers both now and in the future, compared to the upfront recovery of rebate expenses that is currently provided for under the Efficiency & Renewables Charge.

Second, it reduces the risk of under-performance by the solar installation after the rebate has been paid. Under the rebate program structure, the customer receives the benefit as soon as the solar resource is attached to our system. If performance degrades over time, or the system fails in whole or in part, the rebate has already been paid and the other customers bear the loss from non-performance. Here, LIPA only pays for what is actually produced.

Third, there is no loss of revenue under the Feed-in Tariff proposal. Under the current NY State net metering laws, which are incorporated into LIPA's tariff, a retail customer with solar generation avoids LIPA's full retail rates for every kWh of generation they produce. Since the participants in the Feed-in Tariff would have their generators directly connected to the LIPA system, and are not serving their own loads, there would be no lost revenue associated with that generation. The Feed-in Tariff would create a direct power purchase transaction and LIPA's retail revenues would be preserved as originally intended.

Program Considerations

In order to promote stability in the solar industry on Long Island, and maintain the level of green jobs that are supported by the local solar industry, staff is proposing to reserve portions of the overall capacity requested for the Feed-in Tariff: 5 MWs would be reserved for systems smaller than 150 kW and 10 MWs would be reserved for systems between 151 kW and 500 kW. Without these specific allotments, bigger systems in excess of 500 kW that are sited and installed by the large national solar developers might quickly fill up the program and crowd out the local solar industry players if they were given unlimited opportunity to participate in the feed-in tariff. Also, the specific allotment would help to ensure that a larger number of generators can participate, adding to the diversity of the program and disseminating the benefits to a broader range of participants and locations. Smaller systems can enroll in the 35 MW of unrestricted

capacity, if the 5 MW or 10 MW reservations are oversubscribed, but larger systems cannot artificially request multiple meters at the same location solely to qualify as part of the capacity reserved for smaller systems.

In order to better manage the enrollment process, staff is requesting the authority to develop a reservation system that allows potential participants to reserve their place in the reservation queue. A reservation system is required because potential solar generators would likely need to know whether they would be receiving the Feed-in Tariff rate in order to qualify for financing that would be needed to construct the solar facilities. Staff would organize the reservation system on a first come – first served basis, based on the date that the applicant is either considered ready to provide service or the applicant makes a commitment to fund the interconnection studies required under the *Small Generator Interconnection Procedures*, and would further charge a non-refundable reservation fee between \$500 and \$5,000, depending on the size of the generator, to ensure that only bona fide applicants are entering the reservation queue. No reservation fee would be required for applicants who are ready to provide service, assuming that the queue is not already fully subscribed. Staff also requests the authority to develop and modify the reservation system to best manage the enrollment process, within the general guidelines provided within the proposed tariff.

Staff would need to manage the enrollment and monthly processing of the Feed-in Tariff participants. Since several hundred individual contracts may result from the full allotment of 50 MWs requested for this program, the processing and management workload would increase by at least an order of magnitude, compared to the score of contracts currently managed under Service Classification No. 11. As staff investigates the potential for automating the tracking and billing processes in the future, an interim manual process would need to be developed and resources dedicated to the program to support the efforts of the Renewables, Power Markets, Finance, and Customer Service departments.

Financial Impacts:

Enrolling 50 MW of solar generation under the Feed-in Tariff for 20 years has an expected cost of \$11.5 million per year. That cost results from purchasing approximately 79.4 million kWhs per year at \$0.22 per kWh for a gross payment of \$17.5 million per year, which displaces generation that would have been purchased from other sources. The reduction in these other purchases was estimated at \$0.075 per kWh, or \$6.0 million per year. The cost of the Feed-in Tariff would be recorded as purchases of electricity under Service Classification No. 11 Buy-Back Service¹, and recovered from customers through the Power Supply Charge². This would represent a 0.7% increase to the Power Supply Charge, which was set to recover \$1,621 million as of January 1st, 2012. The

¹ Currently, LIPA purchases energy from more than a dozen qualifying facilities under SC-11, including four resource recovery plants, two landfills and several cogeneration or combined –heat-and-power (CHP) facilities. The costs of all these purchases are currently recovered through the Power Supply Charge.

² This treatment is identical to other purchases of generation from renewable resources such as the BP Solar and EnXco solar projects and the Bear Swamp (Brookfield) hydropower contract.

impact on the typical residential customer using 775 kWh per month is estimated to be 44¢ per month.

Proposed Tariff Changes:

1. **Expand Service Classification No. 11 – Buyback Service to include the purchase of specified renewable resources at a specified price for a specified term.**

Affected Tariff Leaves: 254, 255

Reason for Tariff Change

To incorporate special provisions for the purchase of renewable generation resources.

Summary of Proposed Changes:

In summary, the proposed changes to LIPA's Tariff for Electric Service would improve LIPA's ability to purchase renewable generating resources in a cost-effective manner, consistent with the goals of LIPA's Electric Resource Plan.

The proposed revised Tariff Leaf Nos. 254 and 255 and the proposed non-negotiable standard form agreement are attached.

VIII. SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)****5. Feed-in Tariff for Solar Photovoltaic Renewable Resources**

- a. The Authority will offer to purchase specific amounts of solar photovoltaic power and all environmental attributes at a fixed price per kWh for a term of 20 years at a fixed price to meet its objectives for specific renewable resources. The terms of the offer are defined below.
- b. Generators must enter into a Feed-In Tariff Solar Power Purchase Agreement (the "PPA") and qualify under and satisfy all the requirements of the *Small Generator Interconnection Procedures*, including attachment at distribution voltages and with a minimum output of greater than 50 kW and maximum output of no more than 20,000 kW.
- c. Generators that were interconnected to the Authority's system prior to July 1, 2012 are not eligible to participate.
- d. Generators that received a solar pioneer rebate, a solar entrepreneur program rebate or research and development funding from the Authority are not eligible to participate, regardless of whether the payment was made to the current Customer or a previous Customer at the same location.
- e. The eligible generator will be connected directly to the Authority's system with a dedicated stand-alone meter, and 100% of the output from the facility will be sold to the Authority pursuant to the PPA, including any beneficial attributes associated with renewable generation.
- f. The eligible generator will be responsible for all interconnection costs and other costs of developing, installing and maintaining the renewable generating resource, as specified in this Service Classification or elsewhere in the Tariff. The eligible Generator must meet all the requirements of the *Small Generator Interconnection Procedures* and maintain the PPA and an Interconnection Agreement with the Authority for the duration of their participation in the Purchase of Specific Resources.

VIII. SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)****5. Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)**

- g. Specified renewable resources that are not selected for the program may sell their excess generation to the Authority under the general terms of this Service Classification if they meet the qualifications.
- h. The generator will be paid on a monthly basis for each kilowatt-hour delivered to the Authority as measured by that stand-alone meter. Any energy flowing back to the customer on that same meter will be deducted from the amount flowing to the Authority at the same rate as the purchase price. If the Authority determines that more than an incidental amount of energy (1% of gross output of the generator in a given month) is flowing to the generator under this arrangement, then purchases and payments may be terminated until such time as the cause of the amount flowing to the customer can be determined and remedied by the generator to the Authority's satisfaction.
- i. Rates and Charges for Purchase:
The Authority will pay the following rates for the purchase of the output of the generators and the environmental attributes (subject to the terms of the PPA) that are accepted into the reservation queue as specified in the table below.

<u>Type of Resource</u>	<u>Enrollment Period</u>	<u>Total Capacity</u> (nameplate)	<u>Term of Purchase</u>	<u>Purchase Price</u> (per kWh)
Solar Photo-Voltaic	7/1/12 to 6/30/14	50 MW	20 Years	\$0.220

Within the July 2012 through June 2014 enrollment period, 5 MW of total capacity will be reserved for generators between and including those greater than 50 kW and 150 kW in nameplate capacity and 10 MW of total capacity will be reserved for generators larger than 150 kW up to and including 500 kW in nameplate capacity. Additional generators in these two smaller size ranges can be enrolled as part of the remaining 35 MW of unreserved capacity. Generators may not request multiple meters at the same location for purposes of qualifying for the capacity reserved for smaller generators.

VIII. SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)****5. Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)**

- j. Reservation System for Enrollment:
The Authority may establish a reservation queue for prospective generators that apply to participate in the specific years of enrollment for specific types of resources. A specific generator's position in the reservation queue will be established through the *Small Generator Interconnection Procedures*, and in the manner to be established by the Authority for applying for participation in the queue.
- i) Generators may apply for this program at the same time as they apply for interconnection with the Authority's system under the *Small Generator Interconnection Procedures*. The applicant's position in the Reservation Queue will be determined by the earliest of:
- (a) The date on which the applicant meets all the requirements for immediate interconnection to the Authority's system, or
 - (b) For generators up to 2,000 kW, the date on which the Authority receives the applicant's "commitment to the completion of the Coordinated Electric System Interconnection Review (CESIR)" as defined in the *Small Generator Interconnection Procedures*.
 - (c) For generators greater than 2,000 kW, the date on which the Authority receives the applicant's "feasibility study agreement" or, if no feasibility study is performed, the applicant's "system impact study agreement", as defined within the *Small Generator Interconnection Procedures*.
- ii) The Authority may determine how long an applicant may remain in the queue without completing the interconnection process before forfeiting its position. That duration will apply equally to all applicants in the reservation queue at that point in time. The duration begins upon notification to the applicant by the Authority that the applicant's capacity has been placed in the reservation queue.
- iii) In the event that any applicant drops out of the reservation queue or fails to comply with the PPA or the *Small Generator Interconnection Procedures*, the Authority reserves the right to terminate such project and will advance every other applicant in order and may, at its sole discretion, notify additional applicants that their enrollment now falls within the total capacity designated for participation.
- iv) The Authority may establish a non-refundable fee for entering the reservation queue between \$500 and \$5,000 depending on the size of the generator, except that generators that meet all the requirements for immediate interconnection to the Authority's system will not be required to pay the reservation fee to obtain their position in the reservation queue.



FEED-IN TARIFF SOLAR POWER PURCHASE AGREEMENT

Seller Name: _____

Seller Address: _____

Facility Address: _____

This Solar Power Purchase Agreement ("PPA") is made by and between the "Seller" and the Long Island Lighting Company d/b/a LIPA ("LIPA" or "Buyer"), a corporation organized under the laws of the State of New York and a wholly-owned subsidiary of the Long Island Power Authority ("Authority"), which is a corporate municipal instrumentality and political subdivision of the State of New York, each with its principal place of business at 333 Earle Ovington Boulevard, Suite 403, Uniondale, New York 11553. Seller and Buyer are hereinafter referred to individually as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, Buyer is engaged in, among other things, the distribution and sale of electricity for heat, light and power to the public in the State of New York;

WHEREAS, Buyer desires to purchase solar photovoltaic ("PV") electric capacity and energy ("Solar Generation") together with all of the Environmental Attributes (as defined herein) associated with such Solar Generation (the "Solar Products") from solar electric generating facilities to be constructed on customer premises pursuant to a feed-in tariff as defined and provided in Service Classification No. 11 in LIPA's Tariff for Electric Service (the "Tariff");

WHEREAS, Seller desires to develop, design, construct, own and operate a PV electric generating facility with an expected rated capacity of approximately _____ net kilowatts [**must exceed 50 kW up to and including 20,000 kW and conform to the Tariff**] alternating current ("AC") ("Nameplate Capacity") that is located in the Town of [**TOWN**], New York which is further described below as the "Facility"; and

WHEREAS, Seller desires to sell to Buyer one hundred percent (100%) of the Solar Products produced by the Facility and deliver such Solar Products to LIPA's Electrical System in accordance with the terms and conditions set forth in this PPA.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1 - MILESTONE DATES

1.1 "Effective Date" means the date by which all required signatures to this PPA have been received.

1.2 "Target Commercial Operation Date" or "Target COD" is _____, _____, 20_____.
[NOTE: Parties to insert date as defined in Section 12.2.]

- 1.3 "Termination Date" is the date that is twenty (20) years from the earlier of the (i) the original Target COD (without regard to any extensions pursuant to Sections 12.1 or 12.2), or (ii) Commercial Operation Date, as defined herein.

ARTICLE 2 - DEFINITIONS

- 2.1 "AC" – means alternating current, as set forth in the third (3rd) paragraph of the Recitals.
- 2.2 "Arbitrators" has the meaning set forth in Section 9.2(iii).
- 2.3 "Authority" has the meaning set forth in the Preamble, including its successors and assigns as permitted hereunder.
- 2.4 "Authorized COD Extension" has the meaning set forth in Section 12.2.
- 2.5 "Business Day" means Monday through Friday, except for federal or New York State holidays, 9:00 AM to 5:00 PM eastern time.
- 2.6 "Buyer" has the meaning set forth in the Preamble, including its successors and assigns as permitted hereunder.
- 2.7 "Commercial Operation Date" or "COD" means the date on which both of the following conditions have been met: (i) the Facility is substantially complete, operational and capable of delivering Solar Generation, and Seller has accepted such Facility from its equipment supplier(s) and installer(s); and (ii) the Facility has been interconnected with LIPA's Electrical System in full compliance with the Interconnection Procedures, and applicable law.
- 2.8 "COD Notice" has the meaning set forth in Section 3.6.
- 2.9 "Completion Notice" has the meaning set forth in Section 3.6.
- 2.10 "Delivery Point" is the point at which Seller's interconnection facilities are connected to Buyer's interconnection facilities and where Buyer's metering facilities are located, which is identified in Exhibit 2 to Attachment A in the three-line diagram/sketch.
- 2.11 "Environmental Attributes" means any and all current and future regulatory credits, benefits, emissions reductions, offsets, and allowances, or market value accrued, howsoever entitled, statutory or voluntary, as the result of generating solar energy from the Facility, including but not limited to (i) renewable energy credits and certificates; (ii) certificates or offsets for avoided emissions of pollutants regulated by the Clean Air Act and greenhouse gases that have or may be determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; (iii) all set-aside allowances and/or allocations from emissions trading programs, including but not limited to allocations available under 6 NYCRR §§ 204, 237 and 238; or (iv) other emission offsets, and any other environmental benefits, reductions, offsets, allowances, certificates, or green tags resulting from generation of Solar Products.
- 2.12 "Event of Default" has the meaning set forth in Section 8.1.
- 2.13 "Facility" means Seller's newly manufactured and installed solar PV electric generating equipment having the Nameplate Capacity and address set forth in the Recitals above, which produces Solar Products in accordance with this PPA. The Facility will include equipment or other tangible assets necessary for the operation and maintenance of the Facility, including but not limited to solar modules, mounting systems, wiring harnesses, conduits, inverters, transformers, breakers, lightning protection, and grounding apparatus, together with any

easements or leases Seller needs for the construction operation and maintenance of the Facility and the delivery of Solar Generation to the Delivery Point. Any Facility covered by this PPA will be owned or leased, operated and maintained by Seller at Seller's sole cost and expense, for Seller's benefit as legal and beneficial owner of the Facility.

- 2.14 "Facility Address" is the address identified in the Preamble in which the Facility will be installed.
- 2.15 "FERC" has the meaning set forth in Section 3.9.
- 2.16 "FOIL" has the meaning set forth in Section 6.1.
- 2.17 "Forced Outage" means an unplanned outage of one or more of the Facility's components that results in a reduction of the ability of the Facility to produce Solar Generation.
- 2.18 "Force Majeure" means an event or circumstance, which prevents a Party from performing its obligations under this PPA, and which is not in the reasonable control of, or the result of negligence of, the Party claiming Force Majeure, and which by the exercise of due diligence the claiming Party is unable to overcome or cause to be avoided. Force Majeure shall include (i) an act of nature, riot, insurrection, war, explosion, labor dispute, fire, flood, earthquake, storm, ice, lightning, tidal wave, backwater caused by flood, act of the public enemy, terrorism, or epidemic; (ii) interruption of transmission or distribution services as a result of a physical emergency condition (and not congestion-related or economic curtailment) not caused by the fault or negligence of the Party claiming Force Majeure and reasonably relied upon and without a reasonable source of substitution to make or receive deliveries hereunder, civil disturbances, strike, labor disturbances, labor or material shortage, national emergency, restraint by court order or other public authority or governmental agency, actions taken to limit the extent of disturbances on the electrical grid; or (iii) other similar causes beyond the control of the Party affected, which causes such Party could not have avoided by the exercise of due diligence and reasonable care. A Party's financial incapacity, Seller's ability to sell the Solar Products at a more favorable price or under more favorable conditions, or Buyer's ability to acquire the Solar Products at a more favorable price or under more favorable conditions or other economic reasons shall not constitute an event of Force Majeure. Force Majeure does not include a Forced Outage to the extent such event is not caused or exacerbated by an event of Force Majeure, as described above, and does not include Seller's inability to obtain financing, permits, or other equipment and instruments necessary to plan for, construct, operate or maintain the Facility.
- 2.19 "Interconnection Procedures" means the Smart Grid Small Generator Interconnection Procedures as found in LIPA's Tariff, including the relevant interconnection agreement appended thereto, which will be between LIPA and Seller setting forth the terms and conditions under which Seller's Facilities are interconnected with LIPA's Electrical System, which by this reference is incorporated herein.
- 2.20 "Interest Rate" has the meaning set forth in Section 6.2.
- 2.21 "Nameplate Capacity" means the expected rated capacity of the Facility, as set forth in the third (3rd) paragraph of the Recitals.
- 2.22 "LIPA" has the meaning set forth in the Preamble, including its successors and assigns.
- 2.23 "LIPA's Electrical System" means the electric transmission and distribution system owned and operated by LIPA and consisting of all real and personal property, equipment, machinery, tools and materials and other similar items (including LIPA's interconnection facilities) now or hereafter comprising LIPA's system for transmission and/or distribution of electricity, as modified or expanded from time to time.

- 2.24 "NYISO" means the New York Independent System Operator Inc., or any successor or assignee thereof.
- 2.25 "Party" or "Parties" has the meaning set forth in the Preamble, including the successors and assigns as permitted hereunder.
- 2.26 "PPA" has the meaning identified in the Preamble and shall include all attachments, exhibits, schedules, appendices and other attachments hereto and amendments thereto that may be made from time to time pursuant to the terms of this PPA.
- 2.27 "PURPA" means the Public Utility Regulatory Policies Act of 1978, as may be amended from time to time.
- 2.28 "PV" has the meaning set forth in the second (2nd) paragraph of the Recitals.
- 2.29 "Qualifying Facility" or "QF" means a "qualifying small power production facility", as that term is defined in Section 3(17)(C) of the Federal Power Act, and meets the requirements set forth in 18 C.F.R. § 292.203(a) within the meaning of PURPA and the applicable regulations of the Federal Energy Regulatory Commission adopted thereunder.
- 2.30 "Seller" has the meaning set forth in the preamble, including its successors and assigns as permitted hereunder.
- 2.31 "Solar Generation" has the meaning set forth in the second (2nd) paragraph of the Recitals.
- 2.32 "Solar Products" has the meaning set forth in the second (2nd) paragraph of the Recitals.
- 2.33 "Target COD" has the meaning set forth in Section 1.2.
- 2.34 "Tariff" means LIPA's Tariff for Electric Service (as set forth in the second (2nd) paragraph of the Recitals), as it may be modified or superseded from time to time.
- 2.35 "Term" has the meaning set forth in Section 4.1.
- 2.36 "Termination Date" has the meaning set forth in Section 1.3.
- 2.37 "T&D Manager" means the entity, or any successor or assignee thereof providing certain operation, maintenance and other services to LIPA related to LIPA's electrical transmission and distribution system, pursuant to that Amended and Restated Management Services Agreement, dated as of January 1, 2006, as amended from time to time, or any other similar agreement or arrangement.

ARTICLE 3 - GENERAL PROVISIONS

- 3.1 Applicability. This PPA shall only apply to the Facility approved pursuant to Attachment A that is to be installed by Seller at the aforementioned Facility Address. This PPA shall only apply to Solar Products produced by the Facility and Seller shall not have the right under this PPA to sell to Buyer any Solar Products procured by Seller from sources other than the Facility.
- 3.2 Interconnection Requirements. At all times during the Term, commencing with the COD, Seller and the Facility shall comply with the Interconnection Procedures for the Facility and Seller's failure to do so shall be an Event of Default. If any conflict arises between any portion of this PPA and the requirements of the Interconnection Procedures, the Interconnection Procedures shall take precedence. Disconnection of the Facility from LIPA's Electrical System for any contractual, operational or safety reason shall not obligate Buyer to replace any revenues thus lost by Seller.

- 3.3 Metering. Seller shall, at Seller's sole cost and expense, provide and install the meter socket approved by Buyer. Except as provided in the Interconnection Procedures, Buyer shall provide a revenue meter to be read by Buyer at approximately monthly intervals for determination of payment due to Seller. Seller will incur monthly maintenance charges as imposed by LIPA pursuant to the Interconnection Procedures in accordance with the applicable Service Classification in the Tariff (presently Service Classification No. 11), and the charge will be deducted from Seller's monthly payment received from Buyer. Any request by Seller to test the metering accuracy shall be conducted at Seller's cost pursuant to Buyer's prevailing rates, practices and policies for testing retail revenue meters. In the event that upon examination any meter is found to be inaccurate by more than one percent (1%), prior readings of the meter for billing purposes going back to the date from which the error arose (or if not known halfway to the date of the last inspection from which the meter was found to be accurate) shall be adjusted accordingly.
- 3.4 No Electric Supply to the Facility. The Parties recognize that this PPA does not provide for the supply of any electric service by LIPA to Seller or to Seller's Facility, and Seller must enter into separate arrangements for the supply of electric services to the Facility. Should the Facility need any electric service, LIPA will identify a connection point, to which Seller shall make the appropriate connection arrangements. Seller shall pay LIPA for power consumed and customer service charges in accordance with the prevailing rates set forth in LIPA's Tariff.
- 3.5 Facility Operation. Seller shall provide staff as may be needed to control, operate and maintain the Facility in a manner consistent at all times with Attachment A. Personnel employed by Seller capable of energizing, operating, maintaining and de-energizing the Facility shall be reachable by mobile telephone or other communication device at all times. Seller shall provide Buyer with and maintain a current emergency contact list for the duration of this PPA. Seller is solely responsible for all operations of the Facility, including asset retirement obligations at the end of the Facility's useful life, including dismantling and decommissioning, and Buyer shall have no responsibility or liability whatsoever for such Facility operation, maintenance, replacement or disposal costs.
- 3.6 Information Requirements. Upon completion of the Facility, as defined in Section 2.7(i), Seller shall send Buyer a written notice accompanied by a copy of the results of any required tests stating that the conditions specified in Section 2.7(i) have been met ("Completion Notice"). Upon interconnection of the completed Facility to LIPA's Electrical System, as defined in Section 2.7(ii), LIPA shall send Seller a written notice stating that the conditions specified in Section 2.7(ii) have been met and that COD has occurred ("COD Notice"). Within thirty (30) days after COD, Seller shall provide documentation signed by Seller's equipment provider(s) and installer(s) of the final total installed cost and installed Nameplate Capacity of the Facility covered by this PPA.
- 3.7 Title, Risk of Loss. Title and risk of loss of Solar Products passes from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Solar Products free and clear of all liens, security interests, claims, encumbrances or any interest therein or thereto by any person, arising prior to the Delivery Point.
- 3.8 Adherence with Program Rules. Seller agrees to abide by the Interconnection Procedures and all applicable feed-in tariff program rules and guidelines promulgated by LIPA which are in effect in the Tariff (which is in Service Classification No. 11 in LIPA's Tariff SC-11) on and after the Effective Date of this PPA.
- 3.9 FERC Qualifying Facility Compliance. If the Facility has a Nameplate Capacity of greater than one (1) megawatt AC, then Seller covenants and agrees that, within thirty (30) days of the Commercial Operation Date or longer period allowed by law, it will self-certify the Facility as a Qualifying Facility either by completing and filing Form No. 556 or other similar form with the Federal Energy Regulatory Commission ("FERC") as the same may be amended or otherwise required by law or by obtaining such determination by FERC. If the Plant fails to maintain its status as a Qualifying Facility under PURPA, then notwithstanding anything to the contrary in this

PPA, such event shall constitute an Event of Default and Buyer may terminate this PPA. Thereafter, Seller shall be entitled to sell the Solar Products in the wholesale market and arrange for transmission service with the NYISO pursuant to the NYISO's Open Access Transmission Tariff and in compliance with applicable law.

- 3.10 Time for Performance. Time is of the essence for performance of all obligations under this PPA. In the event a Party's performance is delayed or prevented by Force Majeure, provided such affected Party gives prompt notice to the other Party and commences and diligently continues commercially reasonable efforts to resolve or overcome such Force Majeure, except as otherwise expressly provided in this PPA such obligation shall be suspended until such Force Majeure is resolved or overcome, following which such affected Party shall perform such obligation as soon as reasonably practicable.

ARTICLE 4 - TERM OF AGREEMENT

- 4.1 Term. The term hereof ("Term") shall begin on the Effective Date and shall, unless sooner terminated or amended as provided herein, end on the Termination Date as defined in Section 1.3.

ARTICLE 5 - SALE AND PURCHASE OF SOLAR PRODUCTS

- 5.1 Sale and Purchase Obligation. During the Term and subject to the provisions of this PPA, Seller shall sell and deliver or cause to be delivered, and Buyer shall purchase and receive or cause to be received, one hundred percent (100%) of the Solar Products generated by the Facility up to the Nameplate Capacity. Buyer is not obligated to purchase Solar Products from any replacement facility or Solar Products delivered to any point other than the Delivery Point. Buyer shall have the right to resell the Solar Products.
- 5.2 Solar Fuel Exclusivity. Seller shall not sell or deliver Solar Products to the Buyer generated from any source other than the Facility.
- 5.3 Solar Products Price. Buyer shall pay Seller a price of \$0.22 per kWh for all Solar Generation that is produced and delivered by Seller to the Delivery Point, which shall be the total consideration paid for the provision of all Solar Products. The amount of electricity will be measured using the dedicated meter for the Facility. This rate will remain in effect for the entire Term without adjustment or escalation for any reason.
- 5.4 Taxes and Fees. Seller shall have sole responsibility for paying any applicable taxes or fees applicable to the Facility or from the sale of Solar Products to Buyer, including any federal, state or local income, production, gross receipts or sales tax. These fees include the monthly service administrative charge required by the Tariff and deducted from Seller's monthly payment received from Buyer for Solar Products.
- 5.5 Environmental Attributes. Should Buyer create, sanction, adopt or begin participation in a tracking system of accounting for generation-related environmental attributes or certificates associated with renewable generation in the New York Control Area, Buyer shall give Seller written notice thereof, together with instructions and any necessary forms, and thereafter Seller shall deliver such attributes or certificates associated with each Environmental Attribute at the earliest time such certificates or attributes become available for delivery to Buyer. Seller will take all other steps to execute and deliver all such instruments or documents to ensure availability of Environmental Attributes to Buyer.

ARTICLE 6 - BILLING AND PAYMENT

- 6.1 Records, Invoices and Payments. Each Facility shall be treated as a unique account in Buyer's or its T&D Manager's accounting system which shall record the amount of Solar Generation delivered by Seller and which will produce the invoice of payment due from Buyer. The meter at the Delivery Point of the Facility shall be read as part of Buyer's normal meter reading procedures, which is approximately once a month. Buyer shall pay Seller's invoices for Solar Products received in good order on a monthly basis. Prior invoices may be reissued to correct meter inaccuracies in accordance with Section 3.3. All documents received or created by Buyer shall be subject to disclosure under the Freedom of Information Law of New York ("FOIL") as may be amended from time to time.
- 6.2 Billing Disputes. Either Party may dispute invoiced amounts, but shall pay to the other Party the undisputed portion of invoiced amounts on or before the invoice due date. To resolve any billing dispute, the Parties shall use the procedures set forth in Section 9.2. When a billing dispute is resolved, the Party owing shall pay within thirty (30) Business Days of the date of such resolution, with late payment interest computed at the effective interest rate as established by Section 2880 of the Public Authorities Law of the State of New York, and any successor thereto ("Interest Rate").

ARTICLE 7 - SUCCESSORS AND ASSIGNS

- 7.1 Assignment by Seller. This PPA shall not be freely assignable by Seller to any third party without written consent of Buyer, which shall not be unreasonably withheld, conditioned or delayed, and, provided said third party assignee executes a written undertaking acceptable in form to Buyer by which assignee agrees to be bound by all the terms and conditions of this PPA; and further provided, that Seller may collaterally assign its interest in this PPA, with the consent of the Buyer, to any lender or any financial institution or institutions participating in the financing of the Facility. No such assignment shall alter or impair the rights of any surety. Provided that Seller reimburses Buyer for Buyer's reasonable legal fees, Buyer agrees upon reasonable request of Seller to provide such legal opinions and consents as may be reasonably requested by Seller and Seller's lender in connection with such financing.
- 7.2 Assignment by Buyer. This PPA shall not be assigned by Buyer without the prior written consent of Seller, which shall not be unreasonably withheld, conditioned or delayed; provided, however, that Buyer may, without the consent of Seller (i) collaterally transfer, sell, pledge, encumber or assign this PPA or the account, revenues, or proceeds hereof in connection with any financing, (ii) transfer or assign this PPA to an affiliate of Buyer, or (iii) transfer or assign this PPA to any person or entity succeeding to all or substantially all of the transmission and distribution assets of Buyer.
- 7.3 Successors and Assigns. This PPA shall bind and inure to the benefit of the Parties to this PPA and any permitted successor or assignee acquiring an interest hereunder consistent with Sections 7.1 and 7.2 hereof. LIPA is not obligated to continue to purchase Solar Products until Seller's successor has accepted and complied with all conditions of this PPA.

ARTICLE 8 - EVENTS OF DEFAULT; DAMAGES

8.1 Events of Default. The following shall constitute an event of default, unless excused by Force Majeure ("Event of Default"):

(a) Failure of either Party to comply with any terms, provisions and conditions set forth in this PPA and such failure continues more than thirty (30) days after receiving written notice of the same; or

(b) (i) any Seller breach or inaccuracy of representations or warranties as and when made; (ii) wrongful termination of this PPA by Seller; (iii) failure by Seller to maintain QF status, as described in Section 3.9; (iv) failure by Seller to maintain insurance as required by Article 10; (v) failure by Seller to

comply with the Interconnection Procedures causing LIPA's termination of the interconnection, as set forth in Section 12.4; or (vi) any form of diversion and/or theft of electricity from the Buyer by Seller.

8.2 Damages. Upon an Event of Default by Seller, Buyer may, upon written notice, at Buyer's option:

(a) suspend performance or payments pending Seller's remediation of the circumstances constituting the Event of Default;

(b) Terminate this PPA;

(c) Recover from Seller the damages Buyer incurred as a direct result of the Event of Default; and

(d) Except as may be limited under the terms of this PPA, exercise any other right or remedy Buyer may have at law or equity, including specific performance.

8.3 Limitation of Remedies. Neither Party shall be liable to the other Party for consequential, exemplary or punitive damages, except and to the extent Seller is liable to indemnify Buyer with respect to any claim by a third party pursuant to Article 11.

ARTICLE 9 - CONTRACT ADMINISTRATION AND NOTICES; DISPUTE RESOLUTION

9.1 Notices in Writing. Except as provided below, notices required by this PPA shall be addressed to the other Party at the addresses as noted below:

Seller: _____

Buyer: [ADD CONTRACT ADMINISTRATOR]
Long Island Lighting Company d/b/a LIPA
333 Earle Ovington Boulevard, Suite 403
Uniondale, New York 11553
[ADD TELEPHONE AND FAX #]

[T&D Manager's Contact Information]

For the purpose of making emergency or other communications relating to the operation of the Facility under the provisions of this PPA, the Parties designate the following for said notification:

Seller: _____

Buyer: [ADD EMERGENCY CONTACT]
Long Island Lighting Company d/b/a LIPA
333 Earle Ovington Boulevard, Suite 403
Uniondale, New York 11553
[ADD TELEPHONE AND FAX #]

[T&D Manager's Contact Information]

9.2 Dispute Resolution.

(i) This Section 9.2 shall constitute the sole and exclusive procedures for the resolution of disputes with respect to interpretation and enforcement of this PPA.

(ii) The Parties shall use commercially reasonable efforts to settle promptly any disputes or claims through negotiation in good faith between representatives with final authority to reach settlement. Either Party may, by written notice to the other Party, refer any such dispute or claim to a suitable mediator chosen by mutual agreement. If the Parties are unable to agree, each shall designate a qualified mediator, who together shall choose a single mediator. If not resolved by mediation within thirty (30) days, the matter shall be referred to arbitration as set forth below. Discussions and offers pursuant to this Section 9.2 shall be confidential, subject to applicable law, and shall be treated as compromise and settlement negotiations for purposes of Federal Rule of Evidence 408 and applicable New York State rules of evidence.

(iii) Any dispute not subject to the FERC's jurisdiction and not resolved within thirty (30) days from the date that either negotiations or mediation have been requested by a Party or commenced shall be settled exclusively by arbitration in accordance with the then current commercial rules of the American Arbitration Association before three (3) arbitrators (the "Arbitrators"), selected within thirty (30) days in accordance with such rules. The Arbitrators shall be experts in the electric utility industry, qualified in the subject area of the issue in dispute. Judgment on the award rendered by the Arbitrators may be entered in any court having competent jurisdiction.

(iv) Buyer may, without prejudice, proceed in the courts of the State of New York to obtain provisional judicial relief if necessary, in Buyer's sole discretion, to protect public safety, avoid imminent irreparable harm, or provide uninterrupted electrical and other services. Except for temporary injunctive relief under this Section, neither Party shall bring any action at law or in equity to enforce or interpret this PPA without first complying with the provisions of this Section 9.2; provided, however, that if the Arbitrators fail to issue a decision within one hundred eighty (180) days after the commencement of arbitration then either Party may bring such action at law or in equity.

(v) The Arbitrators shall have no authority to make any award inconsistent with this PPA or award damages aside from the prevailing Party's actual, direct damages plus interest at the Interest Rate for each day commencing on the date such damages were incurred through date of payment. The award shall be in writing setting forth factual and legal bases thereof. The Parties shall each bear their own expenses for the arbitration and shall evenly divide the common costs of the arbitration.

(vi) The Arbitrators shall have the discretion to order a pre-hearing exchange of information, including, without limitation production of requested documents, exchange of summaries of testimony, and examination by deposition. The Parties will produce all such information as ordered by the Arbitrators and certify that such information is true, accurate and complete.

(vii) The site of any arbitration brought pursuant to this PPA shall be in Nassau County, New York.

ARTICLE 10 - INSURANCE

- 10.1 Coverage. Seller shall maintain in full force and effect, general liability insurance for personal injury and property damage of at least \$1,000,000 per occurrence per Facility. A home or business owner's policy that provides at least this level of coverage is acceptable for meeting the insurance requirement of this PPA.
- 10.2 Certificate of Insurance. Seller shall provide a Certificate of Insurance documenting the required coverage as set forth in Section 10.1 hereof to Buyer, naming Buyer and T&D Manager as additional named insureds, and the certificate shall become a part of this PPA. Automatic notification to Buyer must be established for both annual renewals and, if appropriate, any termination of such insurance

ARTICLE 11 - INDEMNIFICATION; REPRESENTATIONS AND WARRANTIES

- 11.1 Seller Indemnification. Seller shall indemnify, hold harmless and defend Buyer, its officers and employees from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property, including the Facility, in any manner directly or indirectly connected with, or arising out of the installation, operation or maintenance of Seller's Facility, except in those cases where loss occurs due solely to the negligence or willful misconduct of Buyer, its officers or employees.
- 11.2 Tariff Indemnification Provisions. In addition to the foregoing, Section 1.C.7. of LIPA's Tariff (See Leaf Nos. 27-29), is incorporated by reference and shall apply with respect to indemnification.
- 11.3 Representations and Warranties. Seller makes the representations and warranties set forth in Attachment A Exhibit 1, which are incorporated herein by reference as if set forth herein in full.

ARTICLE 12 - TERMINATION OF AGREEMENT

- 12.1 Commercial Operation Date. Subject to Section 12.2 and except in the event of Force Majeure, this PPA will terminate automatically without notice or opportunity to cure if Seller's Facility as described in Exhibit 2 of Attachment A is not fully completed and operational by the Target Commercial Operation Date defined in Section 1.2 unless Buyer grants an extension in writing. A single extension may be granted by Buyer in its sole discretion pursuant to Section 12.2. If the PPA is terminated in accordance with this Section 12.1, Buyer may award one or more new power purchase agreements to projects awaiting capacity on Buyer's waiting list. In the event of Force Majeure, the Target Commercial Operation Date will be extended day for day for each day in which the Force Majeure event or circumstance is continuing.
- 12.2 Authorized COD Extension. The Target Commercial Operation Date has been calculated to be (i) six (6) months after the Effective Date in the case of Facilities with a Nameplate Capacity of up to and including one hundred fifty (150) kW, (ii) nine (9) months after the Effective Date in the case of Facilities with a Nameplate Capacity exceeding one hundred fifty (150) kW and up to and including five hundred (500) kW, and (iii) one (1) year after the Effective Date in the case of Facilities with a Nameplate Capacity exceeding five hundred (500) kW. In the event that Seller cannot achieve the Target Commercial Operation Date specified herein and seeks an authorized extension thereof pursuant to this paragraph ("Authorized COD Extension"), Seller shall deliver written notice to Buyer requesting the Authorized COD Extension provided herein and pledging to achieve commercial operation by the Authorized COD Extension date as provided herein. Buyer shall grant such Authorized COD Extension provided that Seller demonstrates to Buyer's reasonable satisfaction that Seller can meet such date. In the case of Facilities with a Nameplate Capacity of up to and including one hundred fifty (150) kW, the Authorized COD Extension date shall be six (6) months from the Target COD. In the case of Facilities with a Nameplate Capacity exceeding one hundred fifty (150) kW and up to and including five hundred (500) kW, the

Authorized COD Extension date shall be nine (9) months from the Target COD. In the case of Facilities with a Nameplate Capacity exceeding five hundred (500) kW, the Authorized COD Extension date shall be one (1) year from the Target COD. Notwithstanding any Authorized COD Extension, in no event shall the Termination Date be changed for any PPA for such Facilities.

- 12.3 Force Majeure After COD. If a Force Majeure event completely preventing delivery of Solar Products continues for more than one (1) year, the Party not claiming the Force Majeure will be entitled to terminate this PPA upon written notice.
- 12.4 Audit/Disconnection. Buyer may perform periodic audits and testing of the Facility, including meters, at such intervals as it may deem proper. In the event that LIPA has, pursuant to the provisions of any interconnection agreement, disconnected the Facility, LIPA shall provide written notice thereof as soon as practicable to Seller of the issue or deficiency causing LIPA to disconnect the Facility and all payments shall cease as of the date of disconnection. If after thirty (30) days from the receipt of the aforementioned notice the issue which caused the disconnection is not remedied to Buyer's satisfaction, Buyer may terminate this PPA and provide written notification to Seller.
- 12.5 Right to Lock Out. Upon termination of this PPA for any reason, Buyer may pursuant to the Interconnection Procedures padlock the manual disconnect switch in the open (disconnected) position and may modify or remove any Buyer installed equipment.
- 12.6 Post-Termination Purchases of Solar Products. After any termination of the PPA, Buyer will have no obligation to extend or re-enter this PPA or a similar feed-in tariff agreement with Seller and this Facility will not be eligible for any net metering program of Buyer.

ARTICLE 13 - NO THIRD PARTY BENEFICIARIES

Nothing in this PPA confers, is intended to confer, or shall be deemed to confer upon any party other than the Parties hereto and their permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this PPA except as expressly provided in this PPA.

ARTICLE 14 - COMPLETE AGREEMENT

- 14.1 Complete Agreement. The terms and provisions contained in this PPA constitute the entire agreement between Buyer and Seller and supersede any prior agreement between the Parties regarding the subject matter hereof. There will be no amendments to this PPA.
- 14.2 Severability. In the event any provision hereof is determined by a final, non-appealable judgment to be invalid or unenforceable, the remainder of this PPA shall continue in effect in the absence of such invalid or unenforceable provisions, provided that if performance or enforcement of this PPA in the absence of such provision would be inequitable or deprive a Party of a material element of its original bargain, the Parties will reform the PPA in good faith to reflect the original intent of the Parties as closely as possible.

ARTICLE 15 - CONTROLLING LAW; VENUE

The validity, performance, and all matters relating to the interpretation and effect of this PPA shall be governed by the laws of the State of New York, without regard to conflicts of laws principles thereof, and the exclusive jurisdiction and venue for any dispute shall be the courts in and for Nassau County, New York, having subject matter jurisdiction. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this PPA.

ARTICLE 16 – MISCELLANEOUS PROVISIONS

New York State Freedom of Information Law. Each Party expressly acknowledges that LIPA is subject to the requirements of FOIL and must comply therewith. If LIPA is requested by a third party to disclose proprietary technical or personal information, LIPA will (i) promptly notify Seller of the request, (ii) provide Seller the opportunity to provide information regarding the need for confidential treatment, including pursuant to NYS Public Officers Law §87, (iii) evaluate Seller's request for confidential treatment, and (iv) determine if the information is subject to disclosure under FOIL. If LIPA determines that the information is subject to disclosure, it will provide prompt written notice of such determination to Seller so that Seller may seek to appeal LIPA's determination or seek another appropriate remedy, or both, and the Parties may pursue their respective rights and remedies pursuant to NYS Public Officers' Law § 89(5).

IN WITNESS WHEREOF, the Parties have executed this PPA.

Seller:

Name of Company if applicable

Signature of Authorized Representative

Print Name

Title

Date

Buyer:

**Long Island Lighting Company d/b/a LIPA
by and through its agent
[Name of the T&D Manager]**

Signature of Authorized Representative

Print Name

Title

Date

ATTACHMENT A

EXHIBIT 1

REPRESENTATIONS AND WARRANTIES

Seller's Representations and Warranties. As of the Execution Date, Seller represents and warrants to Buyer that:

1. it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
2. it has all regulatory authorizations necessary for it to execute this PPA;
3. the execution, delivery and performance of this PPA are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;
4. this PPA, constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any equitable defenses;
5. it is not bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt;
6. there is not pending or, to its knowledge, threatened against it or any of its affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this PPA;
7. no Event of Default has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this PPA;
8. it is acting for its own account, has made its own independent decision to enter into this PPA and as to whether this PPA is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of Buyer in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this PPA;
9. it has all real property and contractual rights necessary for it to perform this PPA for its entire Term and no party to any contract or lease is in default, and no circumstances exist which with the passage of time would constitute such default;
10. it has entered into this PPA in connection with the conduct of its business and it has the capacity or ability to make delivery of the Solar Products; and
11. with respect to any sale of Solar Products as of the COD it will be a producer, processor or merchant handling the Solar Products, and it is entering into this PPA for purposes related to its business as such.

EXHIBIT 2

LIST OF FACILITIES SCHEDULES AND POINTS OF INTERCONNECTION

Seller will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for its Facilities in full compliance with LIPA's Interconnection Procedures, unless otherwise specified on this Exhibit 2 and accepted in writing by LIPA. The following information is to be specified for each Point of Interconnection, if applicable.

SECTION ONE - Owner Information (to be supplied by applicant)

1. System Owner
Name _____
Address _____
City, State, ZIP _____
Phone _____
Email _____
2. System Installer/Contractor Name
Name _____
Address _____
City, State, ZIP _____
Phone _____
Email _____
3. Location of system
Storefront name (if applicable) _____
Address _____
City, State, ZIP _____
Phone _____
4. PV System Specifications
DC Power Rating (Watts) _____ No. Phases: 1 3
AC Power Rating (Watts) _____
5. Three-Line Diagram/System Sketch
Attach diagram for proposed system with all major components, both DC and AC. Diagram must be dated and initialed.

SECTION TWO - Interconnection Requirements (to be completed by LIPA)

1. Engineering Review of PV System Information Provided By Seller

A) Site Plan _____

B) 3-line Diagram with Point of Interconnection & Metering Location _____

Date Approvals Completed: _____

2. Determination of Point of Interconnection

A) Summary of required distribution system additions or modifications:

B) Cost estimate of additions/modifications above:

C) Graphic depicting Point of Interconnection

D) Point of Interconnection detail:

Padmount transformer no. (if known) _____

Overhead transformer at pole no. (if known) _____

3. Metering Requirements

A) Voltage _____

B) Meter installation description

C) Communication protocol (including Seller's access to data)

D) Summary of required metering infrastructure and costs:

4. Summary of Required Upgrades and Estimated Costs to Seller

ESTIMATED TOTAL COST \$ _____

5. Supplemental terms and conditions attached (check one): / _____ Yes / _____ No

SIGNATURES INDICATING ENGINEERING APPROVAL ON NEXT PAGE REQUIRED BEFORE PPA CAN BE EXECUTED

Acknowledged By Seller

Signature: _____ Print Name: _____ Date: _____

Acknowledged by Buyer

Signature: _____ Print Name: _____ Date: _____

Acknowledged by Buyer's T&D Manager for Power Asset Management Purposes

Signature: _____ Print Name: _____ Date: _____

Acknowledged by Buyer's T&D Manager for Interconnection Purposes

Based on the information contained herein, Seller's Facility will meet LIPA's Interconnection Procedures

Signature: _____ Print Name: _____ Date: _____

EXHIBIT 3
SOLAR PHOTOVOLTAIC INSTALLER'S INFORMATION

Please provide names and contact information for all installation contractors and subcontractors. If any of the Parties are to be determined at a later date, signify this with "TBD" in the appropriate line.

System designer:

Name: _____

Address: _____

Telephone: _____

Email: _____

Certification: _____ Attached _____ On File

Electrical contractor:

Name: _____

Address: _____

Telephone: _____

Email: _____

Certification: _____ Attached _____ On File

Roofing contractor:

Name: _____

Address: _____

Telephone: _____

Email: _____

Certification: _____ Attached _____ On File