

NESOLAR CONNECT POWER PURCHASE AGREEMENT

This Agreement (the "Agreement") is made and entered into as of [Date], (the "Effective Date") by and between Nashville Electric Service ("NES") and [Customer's Name] (the "Customer").

WITNESSETH:

WHEREAS, the Customer intends to own and operate a renewable energy production facility located at address of production facility stated in Appendix A for the production of electrical energy, which facility will have a rated capacity as stated in Appendix A; and

WHEREAS, beginning on or about the anticipated delivery date stated in Appendix A, or as soon thereafter as arrangements for the Customer's facilities are put into place, the Customer desires to sell to NES, and NES desires to purchase from Seller, the entire amount of energy output and Other Attributes from the Project, subject to the terms and conditions set forth herein and in the NESolar Connect Guidelines.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants hereinafter set forth, the parties hereto (the Parties) mutually covenant and agree as follows:

1. Term and Termination:

- (a) This Agreement shall become effective on the Effective Date and, if not terminated in accordance with the provisions hereof, shall continue in effect for a term of five (5) years. This Agreement shall automatically renew thereafter for three (3) additional, five (5) year periods, unless notice is given in writing by either party to terminate this Agreement, which notice must be given no less than six (6) months before the end of the initial five (5) year period, or given no less than six (6) months before the end of any such renewal term.
- (b) Either party may terminate this Agreement upon 30 (thirty) days written notice to the other party for any reason or no reason, provided that all monetary obligations accrued up to the termination date are satisfied.
- (c) If Customer terminates their electric service, this Agreement shall be terminated within thirty (30) calendar days unless Customer requests a transfer and such transfer request is approved by NES within thirty (30) days of the transfer request.

2. Initial Delivery Date

- (a) The "Initial Delivery Date" or "IDD" means the first day following NES's approval of notice from Seller that (i) all actions by Seller necessary to construct and operate the Project and generate the Contract Output have been taken; (ii) the Project is fully interconnected, integrated, and synchronized with the TVA transmission system in compliance with the terms of the Interconnection Agreement, and is capable of charging, storing, and discharging Energy Output to the Delivery Point in a consistent, safe, and reliable manner; and (iii) all requirements under the Interconnection Agreement have been timely satisfied; provided that such date shall be no earlier than the Expected Initial Delivery Date and no later than twelve (12) Months after the Expected Initial Delivery Date unless agreed upon by both parties.
- (b) The "IDD Request" means a submission by participant, together with any necessary materials

and documentation, that show Seller meets the requirements under this Agreement to achieve IDD.

3. Sale and Purchase of Energy:

- (a) The Customer agrees to sell, and NES agrees to purchase, all energy generated by the production facilities in accordance with its terms and beginning as of the effective date of this Agreement or NES commissioning date, whichever is later.
- (b) The energy shall be measured in kilowatt-hours (kWh) as delivered from Customer's production facilities to NES's facilities as determined in the *Interconnection and Operating Agreement for Power Production Facility (IOA)*.
- (c) The Customer billing account will be credited monthly for all electric energy received and purchased by NES in accordance with NES's NESolar Connect Guidelines attached hereto and made a part hereof (as said schedule may be modified, revised, replaced, or adjusted by NES from time to time).

4. Delivery and Metering:

- (a) In accordance with and subject to the terms and conditions of this Agreement, commencing on the Initial Delivery Date and continuing through the end of the Term, customer shall deliver to NES, and NES shall receive from customer, any and all right, title, and interest in and to all capacity attributes available with respect to the Project.
- (b) The Customer shall deliver the energy to NES's grid at a single point of interconnection as defined in the IOA. Customer may not assign energy output, revenues and payments from the energy output under this agreement.
- (c) NES shall install and maintain a meter, capable of accurately measuring the quantity of energy delivered by the Customer to the NES grid. The Customer shall grant reasonable access to NES for meter reading, testing, and maintenance purposes, both during the construction and after the installation has been completed.
- (d) Customer, or at NES's or TVA's discretion, developer or an agent of Customer, may be required to enter into separate contractual arrangements with NES and/or TVA, as the case may be, for the installation, operation, maintenance, and reading of the metering and related facilities ("Metering Equipment"). The Metering Equipment shall be used to determine the amount of energy delivered to and purchased by NES and/or TVA at the Delivery Point under this Agreement.
- (e) NES and TVA reserve the right to perform an Interconnection, System Impact, and Facility study should either party deem it necessary.
- (f) Customer shall adhere to all additional production facility requirements as defined in the IOA.
- (g) It is expressly understood that Customer is responsible for the protection of the production facilities as defined in the IOA.
- (h) For NESolar Connect installations NES reserves the right to make periodic tests and inspections

of the Metering Equipment as defined in the NES Electric Service Policies and metering requirements.

5. Billing and Payment:

- (a) NES shall calculate the amount payable to the Customer for the generated energy on a monthly basis, based on the meter reading schedule as defined by NES.
- (b) Payment shall be applied to the Customer's electric bill as a credit.
- (c) In consideration of the test energy, NES shall pay customer the applicable hourly energy price for each hour that the Project delivers test energy. Prior testing notice must be given to and agreed upon by NES to confirm accurate metering of installation during the testing.

6. Price Adjustment:

- (a) The monthly purchase price per kWh is noted on the NES website nespower.com. The purchase price is subject to the NESolar Connect Guidelines and adjusted to include TVA's monthly Standard Service Fuel Cost Adjustment.

7. Rights to Receipt of Green Benefits (RECs):

- (a) The Customer acknowledges that NES shall retain all rights to Environmental Attributes and Renewable Energy Credits (RECs) associated with energy purchased by NES at the interconnection point.

"Environmental Attributes" means an aspect, claim, characteristic, or benefit associated with the use of a quantity of energy generated by an approved Energy Resource and that is capable of being measured, verified, or calculated. Environmental Attributes do not include: (a) federal, state, or local tax credits or other similar incentives; or (b) any avoided adverse wildlife or environmental impacts or avoided emissions of pollutants to the environment.

"Renewable Energy Certificates" or "RECs" means all the Environmental Attributes, as defined in this Agreement, associated with the generation of one (1) MWh of energy from an Energy Resource, and the reporting rights, title, and interest in and to such Environmental Attributes.

8. Minimum System Output

- (a) For installations above 2,000 kW DC, NES shall require the customer to maintain a minimum system output at or above 85% of the Expected Annual Energy Generation (EEG) as calculated by the NREL PVWatts calculator and assuming a 0.6% per year panel production degradation.

9. Notice

- (a) Wherever in this Agreement notice is required to be given by either party to the other, such notice shall be in writing and shall be effective when mailed by certified mail, return receipt requested, with postage prepaid, hand delivered, or in the form of an Electronic Mail Record. All such notice shall be directed to the addresses specified below:

If to NES:

Energy Services Engineering Manager
Nashville Electric Service

1214 Church Street
Nashville, TN 37246

If to Customer:

Name:

Address:

Email:

Telephone:

The above-listed names, titles, and addresses of either party may be changed by written notification to the other.

10. Representations and Warranties:

- (a) The Customer represents and warrants that:
 - i. The production facilities comply with all applicable laws, regulations, permits, and standards;
 - ii. The Customer is the legal owner of the production facilities and has the authority to enter into this Agreement.
- (b) NES represents and warrants that it has the authority to purchase the excess energy and to fulfill its obligations under this Agreement.
- (c) NES shall not be responsible under this Agreement for any costs or expenses (including overheads and administrative costs) or risks incurred in connection with the design, construction, system upgrades, metering, installation, operation, or maintenance of any interconnection facilities up to the Delivery Point.

11. Indemnification:

- (a) Customer shall indemnify, defend, and hold harmless NES and its respective officers, directors, employees, agents, and affiliates from and against any claims, damages, liabilities, costs, or expenses (including reasonable attorneys' fees) arising out of or related to any act, omission, breach or alleged breach of any representation, warranty, or obligation under this Agreement.

12. Governing Law, Venue, and Dispute Resolution:

- (a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. Any legal or equitable action related to this Agreement shall be brought in the Circuit Courts of Davidson County, TN. As such, the Parties waive any objection to jurisdiction or venue. The Parties also waive the right to a jury trial.
- (b) Any disputes arising out of or relating to this Agreement may be handled by the parties entering non-binding mediation. The parties at all times have the right themselves of the court system and the prevailing party shall be awarded attorney's fees in addition to any remedy granted by the Court.

13. Entire Agreement:

- (a) This Agreement contains the entire agreement between the parties concerning the purchase and sale of excess energy and supersedes all prior oral or written agreements, understandings, or representations.

Appendix A
Qualified Facility Information

Customer Name: _____

Account Number: _____

Customer Class: Residential Commercial

Contractor Name: _____

System Size: _____

Production Facility Address: _____

Production Facility Coordinates: _____

Production Facility Acct Number: _____

Generation Type: Solar Wind Other

Point of Interconnection: _____

Nashville Electric Service Application for

Interconnection of Renewable Generation form: Obtained Date _____

Initiation Notice Form: Obtained Date _____

Operational Notice Form: Obtained Date _____

Interconnection Agreement: Obtained Date _____

Commissioning Agreement: Obtained Date _____