Solar Interest Purchase Agreement

4012 North Barker Road

Customer: Utility Service Location: Community Solar Array: Avista Community Solar Array

Test Test 123 Test Account Street

123 Test Account Cheney, WA 99004 Spokane Valley, WA Street Customer Support: Spokane Valley, WA 800-923-9551

Cheney, WA 99004

Introduction.

This Solar Interest Purchase Agreement (this "Agreement" or "SIPA") is the agreement between you (also referred to as "your" or "Customer") and Avista Corporation (together with its successors and assigns, "Avista") for your purchase of an interest in the Production Capability of the Selected Solar Panels as described below, in return for a credit on your utility bill based on Washington state renewable generation incentives and the value of the energy ("Community Solar Program").

The terms and conditions applicable to this transaction are described below in this Agreement. For purposes of this Agreement, Clean Energy Collective ("CEC") is an authorized contractor of Avista and is authorized to undertake some of the tasks described in this Agreement, including, but not limited to, administering your Solar Output (as defined below), providing operation and maintenance of the Array and allowing Bill Credits to be posted to your utility account. For purposes of this Agreement, CEC is not a party to this Agreement and is in no way responsible to Customers for any disputes, claims, damages or other matters relating to this Agreement. CEC is an independent contractor that is not a partner, agent or employee of Avista.

This Agreement is a legally binding agreement with disclosures required by law, so please read everything carefully. If you have any questions regarding this Agreement, please ask your CEC Solar Specialist.

2. Purchase of Solar Interest.

You are purchasing an interest in the Production Capability of specific solar photovoltaic panels (the "Selected Solar Panels") located in our Community Solar Array listed above (the "Array"). The serial number and other identifying information for each of the Selected Solar Panels is detailed in Appendix A, which is incorporated by reference.

The Production Capability of the Selected Solar Panels is comprised of their (a) nameplate electric generating capacity, (b) actual generated electricity ("Solar Output"), and (c) any Environmental Attributes (as defined in Appendix B) associated with such capacity or Solar Output, provided however, that the Environmental Attributes are subject to Section 6 (b). Appendix A lists the nameplate electric generating capacity ("Nameplate Capacity") for the Selected Solar Panels.

Your interest in the Production Capability of the Selected Solar Panels under this Agreement may be referred to in this Agreement as your "Solar Interest". You acknowledge that it is your intent for this purchase to qualify as the acquisition of a "Solar Interest," as that term is defined in this Agreement, and that your Solar Interest pertains to the Production Capability of the Selected Solar Panels, not to the Array in general. You also acknowledge and agree that your Production Capability rights and Solar Interest rights end upon the termination of this Agreement. The Term and termination of this Agreement are discussed in more detail in Sections 8 and 13 below.

3. Purchase Criteria.

To purchase and receive the benefits of owning an interest in the Production Capability of the Selected Solar Panels under the terms and conditions of this Agreement, you must be and remain (i) a customer of Avista for electric service in our Washington service territory, and (ii) in compliance with all requirements of this Agreement throughout the Agreement Term, including those set forth in Appendix C. In addition, you must assist in designating your Utility Account to which Avista may post credits ("Bill Credits") calculated based upon your Solar Output pursuant to the terms and conditions of this Agreement. The Utility Account you designate must be for utility service provided by Avista at the Utility Service Location shown above, unless changed pursuant to Section 10 below.

4. <u>Purchase Price/Timing of Payment.</u>

- (a) The Purchase Price for your interest in the Production Capability of the Selected Solar Panels is \$16,800.00. This amount is payable as set forth below:
- (b) You agree to pay the entire Purchase Price upon receipt of a confirmation that you have been selected to participate, and the payment will be due no later than 10 days from the date of such notification.
- (c) You also agree that, in the event you have been selected and fail to subsequently make the entire Purchase Price payment within the specified time, this Agreement will be null and void.

5. Customer Information.

Customer Information may be requested from either Avista or our authorized contractor including, but not limited to, your

name, home address, billing address, Utility Service Location, email address, fax number, utility account number, your Solar Output, information regarding the Selected Solar Panels, and other such information. To enable Avista to carry out the terms of this Agreement, you hereby authorize Avista to share your Customer Information with its authorized contractor.

Bill Credits and Incentive Payments.

(a) Bill Credits.

You will be entitled to receive Bill Credits on your utility bill for the Utility Service Location based on your Solar Output and according to the terms and conditions of this Agreement. Avista will provide a Bill Credit at the rate of \$1.08 per kWh for each kilowatt hour of Solar Output, as allowed under the Washington Administrative Code (WAC 458-20-273) for renewable generation incentives. In addition, Avista will provide a Bill Credit for the value of the energy generated at the rate of \$0.049 per kWh (4.9 cents per kWh) for each kilowatt hour of Solar Output. Your Bill Credits will not begin to accrue until after the Interconnection Date and the Effective Date of this Agreement. You acknowledge the amount of Bill Credits that may be applied are subject to all terms of this Agreement, including Section 19.

(b) Other Environmental Incentives.

You acknowledge that there may be environmental attributes associated with the Array (other than the Bill Credits) including, but not limited to, tax credits, renewable energy credits or other payments, credits or incentives which may be made ("Other Environmental Incentives"). You acknowledge that the Other Environmental Incentives are not part of your Solar Interest and you hereby waive, relinquish, guitclaim and assign to us all right, claim, and interest in the Other Environmental Incentives and acknowledge that you are not entitled to retain any Other Environmental Incentives.

No Other Payments.

You acknowledge and agree that our sole obligation regarding Bill Credits is to apply such Bill Credits. You acknowledge that there are certain limits on your Production Capability and Bill Credits (which limits are specified in Appendix C as the "Program Requirements") and participation in other programs relating to Washington State renewable energy incentives, credits or rebates may further limit your Bill Credits.

7. Interconnection Date.

The Interconnection Date is the date on which the Array has been interconnected with Avista's facilities and is capable of delivering electricity to Avista. The Interconnection Date may be before or after the Effective Date.

8. Term.

The "Term" of this Agreement shall begin on the Effective Date, which will be the date on which both parties have executed this Agreement and Customer has made the full payment of the Purchase Price. The Customer's right to receive Bill Credits shall terminate automatically on June 30, 2020 and this Agreement will continue until all Bill Credits accrued prior to June 30, 2020 have been paid, unless the Agreement is terminated earlier as provided in Section 13 below, in which case the Term shall expire on the effective date of such termination.

Operations and Maintenance.

From the Interconnection Date through the end of the Term, Avista and its authorized contractor will be responsible for the operation and maintenance of the Array, as set forth in this Section 9. You acknowledge and grant Avista exclusive authority to designate, from time to time, affiliates or third parties to help operate and maintain the Array including, but not limited to, the Selected Solar Panels.

(a) Operations and Maintenance Services.

Avista or our authorized contractor will operate the Array, and provide maintenance services designed to help maintain the Array in good working condition. Such maintenance services shall be performed by qualified personnel in accordance with industry standards. During an emergency, or to protect the safety of personnel or the operation of the Array or Avista's system, and at periodic intervals for improvements, maintenance and repairs, or for training purposes, the Solar Output of the Selected Solar Panels may be interrupted. In addition, the Solar Output may be impacted by equipment downtime. You acknowledge and agree that no compensation is due you for any interruptions or variations in Solar Output for these specific reasons and any other unforeseen reasons.

(b) 0&M Funding.

CEC will provide the funding for Array operation and maintenance. This deposit will be placed into an account with a federally-insured lending institution (the "O&M Fund") The funds placed into such account will be dedicated solely to payment of costs of operation and maintenance of the Array as provided in this Section 9, as we determine in our discretion. The funds to be deposited in the O&M Fund as set forth in this Section 9 are for the benefit of the entire Array, not just the portion that represents your Solar Interest. Similarly, any proceeds of insurance payable based upon casualty damage to any portion of the Array (including the Selected Solar Panels, if applicable) will be applied towards the cost to repair such damage, and will not be available or disbursed to you.

(a) New Location within Utility Service Territory.

You agree that, if your Utility Service Location changes to a new location within Avista's Washington service territory, you will take all necessary steps and provide all information and documentation required by Avista to substitute your new service location, and this Agreement shall continue in full force and effect. You acknowledge that if the new service location does not meet the Program Requirements set forth in Appendix C, you will not be able to receive Bill Credits and will not be entitled to any refund of the Purchase Price.

(b) Transfer to Another Utility Customer.

You will be permitted to transfer your Solar Interest purchased hereunder to another eligible utility customer as long as such transfer is made in compliance with all terms and conditions of this Agreement. The transferee of the Solar Interest must qualify for participation as set forth in the Program Requirements. As a condition of any such transfer you and the proposed transferee shall provide us with all requested documentation and information related to the transfer, including, but not limited to, the new customer's name, address, email address, fax number, and utility account number. Upon receipt of such documents and information, we will prepare an agreement similar to this Agreement for execution by the new customer, except that the Term shall be only the remaining Term under this Agreement. Upon execution of such new agreement, this Agreement will terminate. You acknowledge and agree that we have no obligation to assist you in identifying or qualifying any potential new customer to whom you may transfer your Solar Interest, nor shall we be obligated to purchase your Solar Interest or otherwise compensate you in the event you do not transfer your Solar Interest.

(c) Other Termination of Utility Service.

In the event your utility service at the Utility Service Location terminates for any reason including, but not limited to, abandonment of the Utility Service Location or non-payment of amounts due on your Utility Account, and you fail to comply with either Section 10(a) or 10(b), then as of the time of termination at the Utility Service Location, you will cease to receive any Bill Credits or other benefits in connection with your Solar Interest and you will not be entitled to any refund.

(d) Re-Assignment by Your Lender.

In the event you grant a lender or other third party any rights under this Agreement, whether such rights arise in the event of your default or otherwise, we may follow any reasonable instructions by such third party with respect to changing the Utility Service Location and/or beneficiary of this Agreement, and you hereby release us from any liability in that regard. Any such new beneficiary must comply with all applicable requirements and procedures set forth in Section 10(b) for transfer of your Solar Interest to another Utility customer.

11. Our General Agreements.

In connection with this Agreement, Avista agrees to make commercially reasonable efforts to perform our obligations under this Agreement during the Term of this Agreement.

12. <u>Your General Agreements</u>.

In connection with this Agreement you agree that:

- (a) Within ten (10) days of any request therefor made from time to time, you will provide to Avista all applications, documentation and information required to evaluate your qualification for participation in the Program.
- (b) You currently meet all Program Requirements set forth in Appendix C.
- (c) You have not transferred, assigned or sold all or any portion of the Selected Solar Panels, Production Capability, Solar Output, Environmental Attributes, Environmental Incentives or your Solar Interest to any other person or entity, and you will not do so during the Term of this Agreement, except as permitted under Section 10(b). You have not provided to any other person or entity any of the authority granted to Avista under this Agreement and you will not do so during the Term of this Agreement.
- (d) You have not granted or placed or allowed others to place any liens, security interests, or other encumbrances on the Selected Solar Panels, Production Capability, Solar Output, Environmental Attributes, Environmental Incentives or your Solar Interest, and you will not do so during the Term of this Agreement, except that you may grant a security interest in your Solar Interest under this Agreement to secure a loan for the Purchase Price.
- (e) You understand that the Production Capability and Solar Output associated with the Selected Solar Panels may fluctuate from time to time based upon weather, seasonality, degradation and other conditions that affect the Production Capability beyond Avista's control, and that the expected annual production of the Selected Solar Panels is an estimate of solar panel capability under ideal conditions, which may not occur.
- (f) You acknowledge and agree that your total annual Bill Credits shall not exceed \$5,000 per year for both community solar incentives and any other renewable energy incentives paid under WAC 458-20-273.

Termination.

(a) <u>Customer Termination For Convenience</u>.

You may terminate this Agreement at your option by providing us with ten (10) days advance written notice of your termination at any time following the Effective Date. Such termination shall be effective upon our receipt of such written notice of termination from you. In the event you choose to terminate under this Section 13 (a) you are not entitled to a refund of the Purchase Price and all rights to Bill Credits will cease.

(b) Customer Termination for Cause.

We agree that if we fail to fulfill our obligations set forth in Section 12 (Your General Agreements), and such failure continues for more than thirty (30) days after written notice from you of such failure, then this shall be a material event entitling you to terminate this Agreement. We agree to refund a pro-rated amount of your Purchase Price in the event of such termination.

(c) Avista Right to Terminate.

- (i) We may immediately terminate this Agreement upon written notice to you if you breach any of the material terms of this Agreement. Before terminating the Agreement, we shall give you written notice of the breach and thirty (30) days to cure any such breach to our reasonable satisfaction.
- (ii) In addition, we may immediately terminate this Agreement upon written notice to you if there is a change of law or regulation that impacts our ability to continue the Community Solar Program as set forth in this Agreement. In the event this Agreement is terminated under this Section 13(c)(ii), we agree to refund a pro-rated amount of your Purchase Price as of the date of such termination.

(d) Termination in Other Events.

This Agreement is also subject to termination as provided in under the terms and conditions of Sections 8, 10 and this Section 13.

(e) Survival.

In the event of expiration or early termination of this Agreement, the following sections shall survive: Sections 5, 6, 16, and 18.

14. Customer Information Dispute Resolution.

(a) Credit or Payment Dispute.

If you dispute the amount of any Bill Credits made under this Agreement, or if you have questions or concerns, please call Avista Community Solar Program Administrator during business hours Monday-Friday, 8 a.m. - 5 p.m. at 1-509-495-2099. If further follow-up is required, please provide Avista with written notice explaining the dispute, along with documentation sufficient to support your claim. Avista will consider your claim and respond within fifteen (15) days of our receipt of your notice of dispute ("Dispute Period").

(b) Commission Complaint.

If you are dissatisfied with the resolution of your dispute, you also have a right to file an informal or formal complaint with the Commission by contacting the Consumer Affairs section of the Washington Utilities and Transportation Commission at 1-888-333-9882 or complete an online complaint form at www.utc.wa.gov. Avista will take no other action to enforce this Agreement until any complaint filed with the Commission is resolved.

(c) Choice of Law.

This Agreement will be governed by and construed in accordance with the laws of the state of Washington.

15. Assignment.

You may assign this Agreement to another eligible Avista Utility customer as provided in Section 10.

16. Reporting and Marketing.

You authorize us and our Affiliates to use your name and the nameplate capacity of the Selected Solar Panels (such information referenced herein as your "Customer Information") for reporting purposes, such as official reporting to governmental authorities, public utility commissions and similar organizations. Under no circumstances, except as required by law and as otherwise provided in this Agreement, will we release or otherwise publish any information collected from you other than the Customer Information and we will only utilize Customer Information in accordance with Section 5 of this Agreement.

17. Notices

In the event that any notice or other communication is required or permitted to be given hereunder, such notice or communications will be in writing and may be delivered in person or sent by certified mail, overnight courier or transmitted by facsimile to the address of the addressee as specified below. Except as otherwise provided, all such notices or other communications will be deemed to have been duly given and received upon receipt.

To Us: Avista Utilities

Attn: Community Solar Program Manager

Fax No: 509-777-5629

To You: As set forth in Appendix A.

18. Entire Agreement.

This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes any other agreement or understanding, written or oral.

Additional Agreements.

(a) Modification and Waiver.

This Agreement may be modified, or any provision waived, only by a written instrument signed by both Parties.

(b) Authority.

The Parties represent and warrant that they have full authority to execute and deliver this Agreement and to perform their obligations under this Agreement, and that the person whose signature appears on the Agreement is duly authorized to enter into this Agreement on behalf of the respective Party.

(c) DISCLAIMERS OF WARRANTIES:

The following disclaimers apply to all products and services provided under this Agreement:

- (1) WE DO NOT WARRANT OR GUARANTEE ANY MINIMUM PRODUCTION CAPACITY, SOLAR OUTPUT, OR BILL CREDIT AMOUNT. WE DO NOT WARRANT UNINTERRUPTED OR ERROR FREE OPERATION OF THE ARRAY OR ANY PART THEREOF INCLUDING THE SELECTED SOLAR PANELS. WE DO NOT REPRESENT THAT THE SELECTED SOLAR PANELS WILL GENERATE SOLAR OUTPUT EQUAL TO OR GREATER THAN YOUR ELECTRICAL ENERGY CONSUMPTION. WE DO NOT REPRESENT OR WARRANT THAT THERE WILL BE NO CHANGES TO THE PROGRAM OR RATE OF BILL CREDIT. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY ANY AUTHORIZED REPRESENTATIVE OF THE COMPANY SHALL CREATE A WARRANTY. THESE LIMITATIONS CONSTITUTE AN ESSENTIAL PART OF THIS AGREEMENT.
- (2) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE PRODUCTS AND/OR SERVICES PURCHASED BY YOU ARE SOLD "AS IS", WITHOUT WARRANTIES, CONDITIONS, REPRESENTATIONS OR GUARANTEES OF ANY KIND, EITHER EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, AND THE ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.

(d) Severability.

Should any terms of this Agreement be declared void or unenforceable by any arbitrator or court of competent jurisdiction, such terms will be amended to achieve as nearly as possible the same economic effect for the parties as the original terms and the remainder of the Agreement will remain in full force and effect.

- (e) <u>No Partnership</u>. Nothing contained in this Agreement will constitute either party to this Agreement as a joint venturer, employee, or partner of the other, or render either party to this Agreement liable for any debts, obligations, acts, omissions, representations, or contracts of the other, including, without limitation your obligations to Avista for electric service.
- (f) <u>Security Interest</u>. The Parties acknowledge that you may have financed all or part of your payment of the Purchase Price by receiving a loan (the "Loan") from a third-party lender (the "Lender"), and that such Lender may request that your Solar Interest serve as collateral for that Loan. You agree that you will comply with the requirements of the Loan, and that we may rely upon documentation which the Lender may provide us in connection with the Loan. We agree that, if requested by the Lender, we will provide a description of the Solar Interest and other reasonable information for the Lender's evaluation in connection with financing statements loan documentation.

THIS AGREEMENT SHALL BE VOID IN THE EVENT THE FULL PURCHASE PRICE IS NOT RECEIVED BY THE TIME SET FORTH FOR PAYMENT.

IN WITNESS WHEREOF, each party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below.

Avista Utilities

Ву:

Name: Kevin Christie

Title: Vice President, Customer Solutions

Date: [SIGNATURE DATE]

By: [ES]

Date: [SIGNATURE DATE]

Appendix A Customer and Array Information

Capacity purchased by

Customer: 3.360kW

Customer Portion: 0.793651%

Estimated initial annual

amount of

Customer Output ("Estimated

Initial Annual Production"): 3,817 kWh

Array Name: Avista Community Solar Array - Boulder Park

Array Location: 4012 N Barker Rd, Spokane Valley, WA 99027

Interconnection Date: Interconnection Date will be provided in an updated Appendix A after facility completion.

Effective Date: Effective Date will be provided in an updated Appendix A after system activation.

Customer Name(s): Test Test

Customer's Location: 123 Test Account Street, Cheney, WA 99004

Email: test@test13123.com

Tel: 509-999-9999

Fax:

Initial Avista Account Number for Crediting:

Panels: Panel serial numbers are not available. Serial numbers will be provided in an updated

Appendix A upon facility completion.

Panel Location: facility map can be found at

www.avistacommunitysolar.com/facilitymaps.aspx?facilityID=AU1

Appendix B Definitions

Capitalized terms used in the Agreement are defined as follows unless defined in the body of the Agreement.

"Affiliate" means any person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or partnered with, or is under common control with the person or entity specified.

"Customer Portion" means the fraction or percentage obtained by dividing (i) your Nameplate Capacity by (ii) the total nameplate generating capacity of all panels at the Array.

"Environmental Attributes" means the full set of environmental, source and emissions characteristics, whether in the form of credits (including renewable energy credits), benefits, emissions reductions, offsets, and allowances or by any other designation, attributable to the Capacity and Customer Output. Environmental Attributes, also referred to as Green Attribute, include but are not limited to (1) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluoro carbons, perfluoro carbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change as of the effective date of this agreement, or otherwise under Law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere, (2) any avoided emissions of sulfur oxides (Sox), nitrogen oxides (NOx) and carbon monoxide (CO), and of any other pollutant of the air, soil or water (other than GHGs) that is now regulated under law, including as part of any renewable portfolio standard, or tradable under any registration or trading program; and (3) the right of Avista and/or another third party as the owner or prospective owner of Environmental Attributes to report the ownership of accumulated Environmental Attributes to any agency, authority or other party, including without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present domestic, international or foreign Law, renewable portfolio standard or registration or trading program. One (1) MWh of energy output is assumed to be the equivalent to one unit of Environmental Attributes, subject to applicable law, standards, or trading program requirements. Environmental Attributes do not include: (i) any energy, capacity, reliability or other attributes from the Panels or the Array; (ii) production tax credits associated with the construction or operation of the energy projects and other financial incentives in the form of credits, reductions, or allowances associated with the project that are applicable to a state or federal income taxation obligation; or (iii) fuel-related subsidies or "tipping fees" that may be paid to accept or dispose of certain fuels, or local subsidies received by the generator for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits.

"Selected Solar Panels" means the solar panels described by serial number in Appendix A.

"Your Solar Output" or "Solar Output", for any given period, means the actual generated electrical output, measured in kilowatt hours, that is delivered to the metering point during that period. For this purpose, you agree that each panel in the Array shall be considered to have the same efficiency per Watt of Nameplate Capacity at any given time and that output from the Selected Solar Panels is not individually metered. The Solar Output from the Selected Solar Panels for the period shall be equal to the actual generated electrical output, measured in kilowatt hours, that is delivered by the Array to the metering point during that period, multiplied by the Customer Portion.

Appendix C

Program Requirements

- 1. Eligible Participants must:
 - a. Be Avista Washington electric retail residential and/or non-residential customers;
 - b. Have electric service; (Gas only customers are not eligible)
- 2. Bill Credits: All customer payments will be made through monthly bill credits. No cash or check(s) will be provided by Avista.
- 3. In the event Avista determines the estimated energy bill information provided by Customer is incorrect after the initial enrollment, the number of panels available for purchase may be changed and Appendix A will be amended to reflect such change.
- 4. For customers that currently receive, or plan to receive in the future, Washington state renewable generation incentives for any other solar program, Avista is required by law to not pay more than \$5,000 annually in total incentives per individual, household, business, or local government entity. If your total renewable generation incentives under WAC 458-20-273 exceed \$5,000 combined between community solar and other solar incentives, Avista will reduce your Community Solar and/or other solar incentive Bill Credits to comply with such requirements.
- 5. In addition, per WAC 458-20-273, Avista has a maximum amount of incentives that it can pay for utility-owned community solar and for all renewable generation incentives. The state incentives that Avista pays to customers may be reduced if this cap is reached.
- 6. Only interests in full panels will be available.