

**[FOR INFORMATION ONLY; SUBJECT TO CHANGE]**

**ATTACHMENT 1[-1]**

*{SCE Note: Delete number and remove all other Product-Specific Attachment 1's}*

**BEHIND THE METER DISTRIBUTED GENERATION PROVISIONS/ENERGY STORAGE HYBRID PROVISIONS**

**ARTICLE 1. PURCHASE AND SALE OF PRODUCT**

1.02 Project.

- (a) Generating Facilities. The “Project” consists of all of the generating facilities included in the then-currently effective Exhibit B (including all Generating Facilities added or substituted pursuant to Section 6.04 of this Attachment 1, but excluding all Generating Facilities removed pursuant to Section 6.04 or 10.01(a) of this Attachment 1), Prevention Equipment, and Protective Apparatus, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at the facility, excluding the Site, land rights and interests in land. “Generating Facility” means an electric generating facility comprised of *[SCE Note: fill in with technology type]* generation and, if applicable, battery storage, as more particularly described in Exhibit B, that is located at a Customer’s Site together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at such Customer’s Site, which results in a reduction in (i) the Customer’s on-Site consumption of retail electric energy provided by SCE to the Customer, and (ii) SCE’s local capacity needs. The term Generating Facility includes such generating facilities constructed and installed by Seller at the Customer’s Site but owned, operated or controlled by any Affiliate of Seller, or by a Customer, and excludes the Site, land rights and interests in the land.
- (b) Technology Type. *[SCE Note: to be added, e.g., solar photovoltaic and battery storage]*. The Project  will/  will not be Storage-Backed. *{SCE Note: Select whether or not this contract is to include Energy Storage}*
- (c) Location of Sites. Sites will be identified to SCE in the process set forth in Exhibit B.
- (d) Eligibility.

Notwithstanding any other provision in this Agreement, Seller must satisfy and maintain the following eligibility requirements in order for a Generating Facility to be included in the Project and receive the Product Price (or any portion thereof):

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*The contents of this document are subject to restrictions on disclosure as set forth herein.*

- (i) Seller must provide Notice, consistent with the requirements set forth in Section 6.03 of this Attachment 1, to SCE that Seller intends to install a Generating Facility at the applicable Site(s);
- (ii) Seller must have obtained all interconnection agreements necessary to operate the Generating Facility in parallel with the T&D Provider's electrical system;
- (iii) *[The Generating Facility must have Capacity smaller than the maximum amount of instantaneous energy demand measured at the End Use Customer's Site during the twelve (12) months preceding the installation of the Generating Facility;] {SCE Note: Language only applicable to projects that are non-exporting.}*
- (iv) Throughout the Delivery Period, the Generating Facility must be either owned, operated or controlled by (A) Seller, (B) any Affiliate of Seller, or (C) a Customer who, in the case of (B) and (C), has entered into an agreement with Seller as needed for the Generating Facility to comply with the requirements of this Agreement related to Generating Facility(ies) included in the Project;
- (v) Throughout the Term, neither Seller nor the retail account of the Customer served by the Generating Facility shall use, submit, claim, or receive any rebates, discounts, incentives, low interest loans, or services from any other programs funded or administered by SCE or the CPUC for the same Generating Facility installed at the Customer's Site (each, a "Double Incentive"). Notwithstanding any other provision hereof, Double Incentives do not include (a) any Self-Generation Incentive Program incentives, (b) any state or federal investment tax credits associated with the Project or Generating Facilities, and (c) any other state or federal tax credits or tax benefits (including depreciation) associated with the Project or Generating Facilities.
- (vi) Throughout the Delivery Period, the Customer served by the Generating Facility must not obtain any compensation or other benefits pursuant to SCE's Net Energy Metering tariff from the Generating Facility, or other similar program that exists now or during the Term *for the renewable generation portion of the Project*;
- (vii) The Customer served by the Generating Facility must be an SCE Customer that directly takes or receives electricity services from *[SCE Note: insert applicable circuit or portion of circuit]*;

- (viii) Unless the Project is a Storage-Backed Project, the Customer served by the Project must not have an energy storage device interconnected to the Customer’s Site.
- (x) The energy reductions associated with the Project installations meeting Title 24 solar mandates set by the CEC will be deemed as ineligible.

1.03 Contracted Amount.

The “Contracted Amount” means, collectively, the Expected Capacity Savings and the Expected Deferral Savings.

(a) Expected Capacity Savings.

The Expected Capacity Savings is \_\_\_\_\_ kW.

(b) Expected Deferral Savings.

Subject to any adjustment as otherwise provided herein, the Expected Deferral Savings for each applicable Deferral Hour (as set forth in the table below) in the Delivery Period are as set forth below. For purposes of determining whether Metered Amounts satisfy meeting Expected Deferral Savings, such Metered Amounts must be generated during the [applicable deferral hours, e.g., Weekdays 1:00 pm PPT] for each Deferral Hour in the Delivery Period are as set forth below.

Applicable Hours (Hour Ending)	Expected Deferral Savings (in kWh)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1												
2												
3												
4												
5												

6												
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1.04 Price.

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*The contents of this document are subject to restrictions on disclosure as set forth herein.*

Seller shall be paid in three installments, as follows:

- (a) The Deployment Payment (only for Projects that commenced installation of a new Distributed Energy Resource or associated systems after the Program Effective Date) is \$[Number]/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (b) The Reservation Payment is \$[Number]/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (c) The Performance Payment will be based on the Product Price of \$[Number]/kWh. The Performance Payment will be determined in accordance with Section 3.02.

SCE may, upon written notice to Seller, increase any or all of the Deployment Payments, Reservation Payments, or Performance Payments hereunder.

1.05 Exclusive Rights.

SCE's exclusive rights to the Product and all benefits derived therefrom shall be subject to the following conditions:

- (a) Seller shall not, and shall ensure that its Affiliates and the Customers associated with the Project do not, sell the Product (or any portion thereof) to any Person other than SCE.
- (b) SCE acknowledges that Seller shall have the right to sell the energy from any Generating Facility to Customers associated with the Project throughout the Delivery Period, and Seller retains the right to all proceeds from such sales.

1.06 Resource Adequacy Provisions.

[Intentionally Omitted.]

**ARTICLE 2. TERM AND DELIVERY PERIOD**

2.04 Project Completion Date.

In addition to the conditions listed in Section 2.04, the following conditions must be satisfied for the Project to achieve its Project Completion Date:

- (a) Seller has completed and complied with, to SCE's satisfaction, Seller's obligations set forth in Section 1.02(d) of this Attachment 1 in order to bring the Project into full operation as contemplated by this Agreement;
- (b) The applicable Generating Facilities have been completed and installed in accordance with Exhibit B;

- (c) Each Generating Facility has achieved a Generating Facility Completion Date;
- (d) Seller has demonstrated, based on the Post-Installation Inspection Reports for each Generating Facility and to SCE's reasonable satisfaction, that the aggregate installed Capacity of all Generating Facilities that have achieved Generating Facility Completion Dates is capable of meeting the Expected Capacity Savings and Expected Deferral Savings set forth in Section 1.03 of this Attachment 1 throughout the Term; and
- (e) Seller has provided to SCE a compilation report that combines all Post-Installation Inspection Reports for Generating Facilities that have achieved the Generating Facility Completion Date.

### **ARTICLE 3. PAYMENTS**

#### **3.01 Payment Mechanisms.**

- (a) "Invoicing Party": Seller
- (b) "Paying Party": SCE for Deployment Payment (if applicable), Reservation Payment, and Performance Payment; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) "Invoice Date": the fifth (5<sup>th</sup>) day after receiving Notice of approval from the SCE Contract Representative in accordance with Section 3.01(f) below)
- (d) "Payment Date": Thirty (30) days after SCE's Accounts Payable's receipt of Seller's invoice.
- (e) "Invoice Calculation Period": end of Delivery Period
- (f) Other Payment and Invoicing Requirements.

Seller shall send an electronic copy of the invoice to the SCE Contract Representative on or before the thirtieth (30<sup>th</sup>) day after: (i) the Project Completion Date for the Deployment Payment; (ii) the Initial Delivery Date for the Reservation Payment; and (iii) the end of the Delivery Period for the Performance Payment. SCE shall have ten (10) Business Days from receipt to provide Notice of approval or denial of the accuracy of such invoice or decline such invoice and provide the basis of such declination. Upon Notice from SCE that the invoice is approved, Seller shall send an invoice to Accounts Payable for the Performance Payment by the Invoice Date.

#### **3.02 Performance Payment Calculations.**

The Performance Payment will equal the summation of the Deferral Hour Settlement Calculations for each hour during the applicable Deferral Hours (set forth in Section

1.03 of this Attachment 1) in the Delivery Term. Each Deferral Hour Settlement Calculation will be calculated pursuant to the following table, where “n” is the applicable Deferral Hour being calculated:

Deferral Hour Settlement Calculation<sub>n</sub>:

Sum of Metered Amounts for the Deferral Hour / Expected Deferral Savings for the Deferral Hour (expressed as a percentage)	Deferral Hour Settlement Calculation
100.00%	Sum of Metered Amounts for such Deferral Hour in kWh * 1.0 * Product Price
≥90.00% to 99.99%	Sum of Metered Amounts for such Deferral Hour in kWh * 0.75 * Product Price
< 90%	Sum of Metered Amounts for such Deferral Hour in kWh * 0.0 * Product Price

Where:

“Metered Amounts” means the electric energy generated by the Generating Facility(ies) in the Project as recorded by the Metering Systems, subject to the limitations in Sections 3.03(a)-(b) of this Attachment 1, but excluding *[(i) any electric energy generated by a Generating Facility that exceeds the coincident instantaneous energy demand measured at the Customer(s) Site(s) (whether that load is served by the Generating Facility(ies), SCE, or a combination of the two), ] {SCE Note: Language only applicable to projects that are non-exporting.}* (ii) any energy used in charging an energy storage device, and (iii) any Unrelated Energy Discharge.

3.03 Excess Deliveries.

- (a) If during any Settlement Interval in a Deferral Hour Seller delivers Metered Amounts in excess of the product of the Expected Capacity Savings, expressed in kW, and the length of such Settlement Interval, expressed in hours, then such excess amount shall be excluded from Metered Amounts.
- (b) If during any Deferral Hour Seller delivers Metered Amounts in excess of one hundred percent (100%) of the Expected Deferral Savings for such Deferral Hour, then such excess amounts shall be excluded from Metered Amounts.

## ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT

### 4.01 Seller's Obligations.

Seller's obligations to be performed pursuant to Section 4.01 shall, if the Project is a Storage-Backed Project, include the obligation to install batteries with stored energy capable of delivering the Expected Capacity Savings and Expected Deferral Savings as of the Effective Date.

## ARTICLE 5. INTERCONNECTION; METERING; TESTING

### 5.01 Transmission and Interconnection.

Additional interconnection requirements for the Project pursuant to Section 5.01 shall include:

- (a) Seller shall, or shall cause each applicable Customer to, be responsible for all fees and costs arising from, relating to or associated with:
  - (i) Obtaining all interconnection studies;
  - (ii) Maintaining, complying with and performing Seller's obligations under the interconnection agreement and related documents throughout the Delivery Period;
  - (iii) Any interconnection facilities that are installed for the purpose of interconnecting the Project with existing distribution systems; and
  - (iv) Any interconnection agreement associated with each Generating Facility.
- (b) Seller shall, or shall cause the applicable Customer(s) to, interconnect each Generating Facility under Rule 21 or Wholesale Distribution Access Tariff (WDAT) of the SCE Tariff schedules.

### 5.02 Metering, Communications, Dispatch and Telemetry.

#### (a) Metering Systems.

Seller shall install an approved Metering System(s) on the A/C side of the inverter that is capable of measuring energy produced in fifteen (15) minute intervals exclusively from the Generating Facility(ies) (collectively, the "Metering System(s)").

Each Metering System installed to provide the fifteen (15) minute billing data must be a separate revenue grade Interval Data Recorder or a functioning system that is functionally equivalent to an Interval Data Recorder meter capable of recording production data from the Generating Facility (and, if

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applicable, input/output of energy storage system or export data, no less frequently than every fifteen (15) minutes). The meter and service panel must meet all local building and utility codes. The meter serial number must be visible after installation.

The installed Metering Systems must be able to perform the following functions:

- (i) record net electrical energy produced from the Generating Facility and, for Storage-Backed Projects using an “AC-Coupled” Coupling Type, measure the input/output of the energy storage system within an accuracy of plus or minus two percent (2%) of actual system output;
- (ii) if applicable, record the export data within an accuracy of plus or minus two percent (2%) of actual system output; and
- (iii) collect fifteen (15) minute interval billing data which shall be summarized in fifteen (15) minute intervals by day, month and year.

Each Metering System must be in compliance with the applicable SCE electric service requirements.

In addition, Seller shall select a Performance Monitoring and Reporting Service Provider (“PMRS”) and Performance Data Provider (“PDP”) to allow SCE to determine the amount of energy produced, and, if applicable, the energy exported to the grid by the Generating Facility(ies). The PDP is a service provider that monitors and reports the energy production data from the Generating Facility to SCE and must perform the obligations set forth in Section 5.02(b) of this Attachment 1. Seller may act as its own PMRS. The PDP must be independent of Seller and approved by SCE.

The PDP must log all data required pursuant to subsections (i), (ii) and (iii) above. The meters must be tested according to all applicable American National Standard for Electricity Meters C-12 testing protocols and certified by an independent testing body. All meters must provide the PMRS and PDP with the ability to access and retrieve the data required pursuant to subsections (i) and (ii) above from the meter(s) using SCE-approved meter communication and data transfer protocols.

All meters must provide a legible, understandable display showing the meter’s measured net generated energy output and measured instantaneous power. This display must be physically located either on the meter, on the inverter or on a remote device that is accessible to SCE.

All meters must have the ability to retain collected data in the event of a power outage. Meters that are reporting data remotely must have sufficient memory to retain seven (7) days of data. Seller shall ensure that SCE receives monthly

data that contains the fifteen (15) minute interval energy production data (in kWh) for the Project.

The meter must be listed on the CEC's website (currently located at <https://www.energy.ca.gov/programs-and-topics/programs/solar-equipment-lists>) as a qualified meter. If the CEC's list is no longer available, SCE will provide a list of eligible meters.

(b) PDP Responsibilities.

Seller shall ensure that the PDP performs the following responsibilities for the purposes of measuring and verifying monthly production at each Customer's Site under the terms of this Agreement:

- (i) Manage meter reading/data retrieval schedule.
- (ii) Read and retrieve performance meter data.
- (iii) Provide the meter data in an acceptable format to the SCE Contract Representative, listing the individual read data for each meter on a single worksheet with a summary of all the meter data for invoicing purposes by the tenth (10<sup>th</sup>) day of the calendar month.
- (iv) Validate performance data prior to providing to SCE using the approved validation rules as set forth in Section 5.02(c) of this Attachment 1.
- (v) Calculate the monthly production of solar generating system and for Storage-Backed Projects, if applicable, the input/output of the energy storage system;
- (vi) Troubleshoot and resolve communications issues.
- (vii) Report any outages which resulted in zero kWh production with the start and end time date to the SCE Contract Representative.
- (viii) Store data in accordance with this Section 5.02.
- (ix) Make historical performance data available to SCE as requested.
- (x) Provide technical support and customer support to SCE.
- (xi) Communicate meter/device changes to SCE.
- (xii) Provide disaster recovery and data backup services as requested by SCE.
- (xiii) Manage data on PDP server.

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- (xiv) Ensure confidentiality of customer information and performance data.
  - (xv) Possess technical expertise and capability.
  - (xvi) Comply with all Applicable Laws.
- (c) Data Validation.
- (i) Seller shall ensure that the PDP validates all data prior to sending it to the SCE Contract Representative. Seller shall comply with the data validation rules set forth in Exhibit M.
  - (ii) SCE or its designated contractor may perform random audits of PDP data, at SCE's cost, to ensure accuracy and compliance with the requirements outlined in this Agreement. SCE or its designated contractor may, at its discretion, inspect and test the performance meter.
- (d) SCE's Access to Meters.
- (i) Seller grants, or shall cause the applicable Customer(s) to grant, SCE reasonable access to all Metering Systems for meter readings and any purpose necessary to effectuate this Agreement.
  - (ii) Seller shall promptly provide SCE access to all meter data and data acquisition services as SCE may reasonably request.
  - (iii) Seller shall make the contracts with the PMRS and PDP available to SCE upon request, and shall be responsible for any issues related to data integrity and data transfer to SCE.
- (e) Telemetry.

All communication, metering, telemetry, and associated operation equipment and applications will be compliant with the protocol(s) set forth in Section 6.01(d). Seller shall configure the SCADA so that SCE may access it via an automated system to remotely monitor and control the Project in real-time (“DERMs” or “Generation Management System”) from SCE's Grid Operations Center. Seller shall link the systems via an approved SCE communication network, utilizing industry standard network protocol, as approved by SCE. The connection will be bidirectional in nature and used by the Parties to exchange all data points to and from the DERMS.

Seller shall be responsible for the costs of installing, configuring, maintaining and operating the SCADA or IEEE 2030.5 systems and internal site links for the Project.

Seller shall be responsible for designing, furnishing, installing, operating, maintaining and testing a real-time Telemetry System capable of interconnecting to the DERMs.

The above-mentioned connections and data transfer must be fully functional before the Initial Delivery Date.

5.03 Testing.

(a) Access.

- (i) Prior to each Generating Facility Completion Date, Seller shall provide, and cause each applicable Customer to provide, SCE and all Evaluators engaged by Seller or SCE access to each Site and Generating Facility to examine, test, measure, and inspect the Generating Facility and to perform all Post-Installation Inspections. Seller shall also provide SCE and all Evaluators access to, and the ability to review, any records or documents needed to examine, test, measure, or inspect each Generating Facility prior to the Generating Facility Completion Date for such Generating Facility.
- (ii) Any access required pursuant to this Section 5.03(a) shall be granted to SCE or any Evaluator, as the case may be, for the number of days needed to complete any Post-Installation Inspections. The obligation to provide access described in this paragraph shall apply regardless of whether the Customer associated with a Site or Generating Facility changes during the Term.

(b) Pre-Installation Description.

Seller shall prepare a Pre-Installation Description of each Customer's Site(s) and the existing or new generating facility(ies) containing the information required in Exhibit B. Within ten (10) Business Days after receipt of the Pre-Installation Description, SCE shall either (x) provide Notice to Seller that it has accepted the Pre-Installation Description, or (y) provide Notice that, within SCE's reasonable determination, the Pre-Installation Description is materially inaccurate, incomplete or inconsistent with this Agreement, or otherwise deficient in any manner. If SCE provides Notice under subsection (y) above, then Seller shall re-submit the revised Pre-Installation Description, which shall again be subject to SCE's approval or disapproval in accordance with this Section 5.03(b)(i).

(c) Post-Installation Inspection.

- (i) After Seller has completed, installed, and received a permission to operate letter from SCE for a Generating Facility to be included in the Project, Seller, at Seller's expense, shall engage an independent third

party not affiliated with Seller (the “Evaluator”) to conduct an on-site Post-Installation Inspection consistent with Exhibit B to verify:

- (A) that the Generating Facility has been completed and installed in accordance with Exhibit B; and
- (B) the Generating Facility’s installed Capacity and Expected Deferral Savings.

The selection of any Evaluator under this Section 5.03(c)(i) shall be subject to SCE’s consent, which shall not be unreasonably withheld.

- (ii) Seller shall cause the Evaluator to issue a Post-Installation Inspection Report consistent with Exhibit B within thirty (30) days after the completion of the Post-Installation Inspection. Subject to Section 5.03(c)(iii) of this Attachment 1, such report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been satisfied.
- (iii) Within thirty (30) days after receipt of a Post-Installation Inspection Report that finds that the Generating Facility has met all of the criteria set forth in Section 5.03(c)(i), SCE shall either (A) provide Notice to Seller that it has accepted the Post-Installation Inspection Report, or (B) provide Notice that, within SCE’s reasonable determination, the Post-Installation Inspection Report is materially inaccurate or incomplete, does not properly find whether the Generating Facility meets all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1, does not provide enough information in support of finding that the Generating Facility meets all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1, was not conducted consistent with Exhibit B in a material manner, or is materially deficient in any manner whatsoever. If SCE provides Notice under Section 5.03(c)(iii)(A) of this Attachment 1, then the completion date for the subject Generating Facility (the “Generating Facility Completion Date”) shall be deemed to have occurred on the date SCE accepted the Post-Installation Inspection Report.
- (iv) If SCE provides Notice under Section 5.03(c)(iii)(B) of this Attachment 1, then SCE, at SCE’s expense, may engage SCE’s Evaluator to conduct a new Post-Installation Inspection and issue a new Post-Installation Inspection Report, a copy of which SCE shall make available to Seller. The findings of SCE's Post-Installation Inspection Report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been satisfied, and Seller’s Post-Installation Inspection Report shall be of no force and effect.

- (A) If SCE's Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been met, then the Generating Facility Completion Date shall be deemed to have occurred on the date ten (10) Business Days after the date the Post-Installation Inspection Report prepared by SCE's Evaluator for the subject Generating Facility was provided to SCE.
- (B) If SCE's Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have not been met, then Seller may remedy the deficiencies identified in such Post-Installation Inspection Report. If Seller corrects the deficiencies identified in such Post-Installation Inspection Report, as determined by SCE or SCE's Evaluator, the date ten (10) Business Days after the date on which SCE or SCE's Evaluator deems the deficiency to be remedied and all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1 to have been met, shall be deemed the Generating Facility Completion Date.
- (v) With respect to an Evaluator engaged by Seller, Seller shall make the Evaluator who authored the Post-Installation Inspection Report available to SCE to discuss any Post-Installation Inspection within five (5) Business Days after SCE's request. SCE shall also have the right to review all records and documents related to a Post-Installation Inspection or a Post-Installation Inspection Report.

**ARTICLE 6. SELLER'S OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS**

6.01 Seller's Operation and Record Keeping Obligations.

- (a) Seller's record keeping obligations pursuant to Section 6.01 shall include:
  - (i) Maintaining a daily operations log for each Generating Facility which shall include information on electric energy consumption and efficiency, availability, maintenance performed, outages, changes in operating status, inspections and any other significant events related to the operation of each Generating Facility. If the Project includes Storage Unit(s), the log shall also include information on charging and discharging (including charging and discharging efficiency) and State of Charge.
  - (ii) Maintaining all records applicable to each Generating Facility, including the electrical characteristics and settings or adjustments of

control equipment (including the power conversion system) and protective devices.

- (b) Seller shall cause the Project to comply with: (A) SCE's IEEE DER 2030.5 requirements, which can be found at <https://www.sce.com/business/savings-incentives/integrated-distributed-energy-resources-partnership-pilot>, if Seller has a portfolio that contains resources interconnected under Rule 21 of the SCE Tariff. Seller shall obtain, and shall maintain at all times during the Delivery Period, SunSpec 2030.5/CSIP Certification for its software utilized in DERs Real-Time Services.

#### 6.02 Addition of Generating Facilities to the Project.

- (a) Seller shall identify and secure agreements with Customers to install one or more Generating Facilities with a total installed Capacity sufficient to satisfy the Expected Capacity Savings and Expected Deferral Savings.
- (b) Upon securing agreement(s) with a Customer(s) as set forth in Section 6.03(a) of this Attachment 1, Seller shall, no more than once per calendar month, provide Notice to SCE of such agreement(s) and the information set forth in Article 1 of Exhibit B with respect to such Customer(s) and Generating Facility(ies).
- (c) Upon confirmation from SCE that a Generating Facility satisfies the eligibility criteria set forth in Section 1.02(d) of this Attachment 1, Seller shall, no more than once per calendar month, provide to SCE the information set forth in Exhibit B with respect to such Generating Facility(ies) and corresponding Customer(s). Upon SCE's approval of Seller's submittal of the information required by Exhibit B, such approval not to be unreasonably withheld, Seller shall proceed with installation of the Generating Facility(ies). If a proposed Generating Facility satisfies the eligibility criteria set forth in Section 1.02(d) of this Attachment 1, then such Generating Facility will become part of the Project for purposes of this Agreement upon the Generating Facility Completion Date for such Generating Facility, subject to Seller's satisfaction of the conditions set forth in Section 5.01 and the Generating Facility's continued eligibility under Section 1.02(d) of this Attachment 1.
- (d) Seller shall, if requested by SCE, utilize SCE's web-based reporting tool to upload all information set forth in this Section 6.03 and all Post-Installation Inspection Reports generated by the Evaluator pursuant to Section 5.03 of this Attachment 1.

#### 6.03 Removal, Substitution and Addition of Generating Facilities.

Seller shall ensure that the Project, and every Generating Facility in the Project, remains installed at the corresponding Customer Site throughout the Delivery Period. At any time during the Delivery Period, upon Notice to SCE which must be received no later

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than the fifteenth (15th) calendar day of the month, Seller may (x) remove any Customer and any associated Generating Facility from the Project, (y) replace any Customer and any associated Generating Facility with another Customer and associated Generating Facility, and (z) add any new Customer and associated Generating Facility. Any such removal, replacement or addition, as applicable, shall not take effect until the first calendar day of the month after such Notice, provided that Seller shall comply with the provisions of Section 6.04(a)-(d) below for any replacement or addition of a Customer and associated Generating Facility, and shall comply with the provisions of Section 6.04(c) and (d) only with respect to any removal of a Customer and associated Generating Facility:

- (a) Any new Customer and associated Generating Facility must satisfy the eligibility criteria set forth in Section 1.02(d) of this Attachment 1;
- (b) A Generating Facility Completion Date must have been obtained for the Generating Facility;
- (c) Any change in Customer and associated Generating Facility shall not modify the Expected Capacity Savings or the Expected Deferral Savings under this Agreement; and
- (d) Seller shall have otherwise complied with, and shall thereafter continue to comply with, the requirements of this Agreement with respect to any other Customer and associated Generating Facility in the Project.

6.04 Limitations on Charging and Discharging of Storage Units.

- (a) Seller shall not charge any of the Storage Units from the transmission or distribution grid:
  - (i) During the applicable Deferral Hours shown in Section 1.03(b) of this Attachment 1.
  - (ii) *{SCE Note: additional charging parameters and limitations, if any, will be based on specific project needs.}*
- (b) Seller may discharge any of the Storage Units as backup power to the Customer upon and for the duration of any grid outage at such Customer's Site (each, an "Unrelated Energy Discharge"). Seller will promptly notify SCE of each Unrelated Energy Discharge (including the affected Storage Unit(s) and the exact start and end times thereof). Notwithstanding anything to the contrary in this Agreement, (i) Seller shall not be entitled to receive any Performance Payments for an Unrelated Energy Discharge, (ii) the Unrelated Energy Discharge shall not count towards Metered Amounts for purposes of meeting the performance requirements set forth in Section 3.04 of this Attachment 1, and (iii) Seller shall be responsible for all costs associated with an Unrelated Energy Discharge, including any associated energy charging costs.



## **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

### **9.04 Seller Covenants.**

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller shall not use, submit, claim, or receive a Double Incentive during the Delivery Period.

## **ARTICLE 10. EVENTS OF DEFAULT**

### **10.01 Events of Default.**

- (a) Notwithstanding anything in this Agreement to the contrary, upon Notice to SCE, Seller may cure an Event of Default of Seller under Section 10.01(a)(ii) or (iii) caused by one or more specific Generating Facility(ies), by removing the Generating Facility(ies) that caused the Event of Default of Seller from the Project and this Agreement by Notice to SCE within the cure period provided under Section 10.01(a)(ii) or (iii), as applicable.
- (b) In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:
  - (i) Over two (2) consecutive months, the sum of Metered Amounts for such month, divided by the Expected Deferral Savings for such month (expressed as a percentage) is less than ninety percent (90%);
  - (ii) Seller charges any Storage Unit(s) in violation of Section 6.05(a) of this Attachment 1.

**ATTACHMENT 1[-2]**

*{SCE Note: Delete number and remove all other Product-Specific Attachment 1's}*

**DEMAND RESPONSE PROVISIONS**

**ARTICLE 1. PURCHASE AND SALE OF PRODUCT**

1.02 Project.

- (a) The “Project” consists of the Storage Unit(s), Prevention Equipment, Protective Apparatus, and demand response measures together with all materials, equipment systems, structures, features and improvements necessary to store, charge and discharge electric energy or to reduce electrical consumption of the Participating Accounts on demand, including interconnection facilities as applicable or specified in the relevant interconnection studies or agreements, but excluding the Site(s), land rights and interests in land and as more fully described in Exhibit B.
- (b) Location of Site(s). [*Project Addresses*], as further described in Exhibit B.
- (c) Throughout the Term, neither Seller nor the retail account of the Customer served by the Storage Unit(s) shall use, submit, claim, or receive any rebates, discounts, incentives, low interest loans, or services from any other programs funded or administered by SCE or the CPUC for the same service provided under this Agreement by the Storage Unit(s) installed at the Customer’s Site (each, a “Double Incentive”). Notwithstanding any other provision hereof, Double Incentives do not include (a) any Self-Generation Incentive Program (SGIP) incentive (b) any state or federal investment tax credits associated with the Project or Storage Units, and (c) any other state or federal tax credits or tax benefits (including depreciation) associated with the Project or Storage Unit(s).

1.03 Contracted Amount.

- (a) The “Contracted Amount” consists of the Contract Capacity.
- (b) The “Contract Capacity” and “Minimum Energy Storage Capacity” are as set forth below:

<b>Month and Year</b>	<b>Contract Capacity (kW)</b>	<b>Minimum Energy Storage Capacity (kW)</b>
January [20XX]		
February [20XX]		
March [20XX]		

April [20XX]		
May [20XX]		
June [20XX]		
July [20XX]		
August [20XX]		
September [20XX]		
October [20XX]		
November [20XX]		
December [20XX]		

(c) The “Expected Deferral Savings” are as set forth below:

Applicable Hours (Hour Ending)	Expected Deferral Savings (in kWh)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												

12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												

(d) The “Event Parameters” are as set forth below:

<b>Minimum Duration Per Dispatch</b>	<b>Maximum Duration Per Dispatch</b>	<b>Maximum Dispatches Per Resource ID Per Day</b>	<b>Maximum Dispatch Hours Per Resource ID Per Day</b>	<b>Maximum Dispatch Hours Per Resource ID Per Month</b>
<i>[Bid]</i>	<i>[Bid]</i>	<i>[Bid]</i>	<i>[Bid]</i>	<i>[Bid]</i>

(e) The Delivery Days, Delivery Hours, and Operating Months during the Delivery Period are:

- (i) “Delivery Days” means *[Seller bid, Monday through Friday or Monday through Sunday including holidays]*.
- (ii) “Delivery Hours” means *[Seller bid, Beginning Time HE ## to Ending Time HE ##]*.
- (iii) “Operating Months” means *[Seller bid of calendar months during the Delivery Period that contain Contract Capacity as provided in Section 1.03 of Attachment 1]*.

1.04 Price.

Seller shall be paid in three installments, as follows:

- (a) The Deployment Payment (only for Projects that commenced installation of a new Distributed Energy Resource or associated systems after the Program Effective Date) is \$*[Number]*/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (b) The Reservation Payment is \$*[Number]*/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (c) The Performance Payment will be based on the Product Price of \$*[Number]*/kWh. The Performance Payment will be determined in accordance with Section 3.02.

SCE may, upon written notice to Seller, increase any or all of the Deployment Payments, Reservation Payments, or Performance Payments hereunder

1.05 Exclusive Rights.

SCE’s exclusive rights to the Product and all benefits derived therefrom shall also include the rights to:

- (a) utilize the energy storage capacity, if any, included in the Project; and
- (b) the Contract Capacity from, and the energy benefit derived from, the Participating Accounts and the Product.

1.06 Resource Adequacy Provisions.

[Intentionally Omitted.]

1.07 Dispatch.

- (a) Dispatch. Subject to the limitations set forth in Sections 1.01, 1.03, and 2.02, SCE may direct Seller to Dispatch the Project, or the Participating Accounts in Attachment 1-4 (DR)

one or more Resource IDs included in the Project, by issuing a Dispatch Instruction. The Dispatch Instruction shall be made pursuant to the DERMS. The Dispatch Instruction must be given at least one day in advance of the start of the Dispatch (prior to 11:59PM on the day before such Dispatch), and will be effective unless and until SCE provides Seller with an updated Dispatch Instruction or the original Dispatch Instruction's duration expires. Seller shall comply with all Dispatch Instructions and updated Dispatch Instructions.

- (b) If multiple events per day are allowed under Section 1.01, then SCE in its sole discretion may require Seller to Dispatch multiple times per day, subject to the other Event Parameters, each of which shall be a separate Dispatch and settled separately. SCE in its sole discretion may require Seller to Dispatch on the same day as a Seller Dispatch (prior to or after a Seller Dispatch), and such events shall be separate events and settled separately from the Seller Dispatch; provided that the total number of dispatched hours for the day shall not exceed the maximum duration per day set forth in the Event Parameters.
- (c) SCE shall have the right to Dispatch the Project outside the Delivery Days, Delivery Hours or Operating Months provided in Section 1.03(d) of this Attachment 1 during CAISO System Event Hours (a "CAISO System Event Dispatch"). Seller shall use commercially reasonable efforts to comply with such CAISO System Event Dispatch instructions. CAISO System Event Dispatches shall not count towards the maximum Event Parameters (including the Maximum Dispatches Per Resource ID Per Day) provided in Section 1.03(c) of this Attachment 1.

## **ARTICLE 2. TERM AND DELIVERY PERIOD**

### **2.04 Project Completion Date.**

In addition to the conditions listed in Section 2.04, if the Project includes Storage Units, the following conditions must be satisfied for the Project to achieve its Project Completion Date:

- (a) Each Storage Unit has achieved Commercial Operation;
- (b) Seller has demonstrated, as part of the Initial Commercial Operation Test and to SCE's reasonable satisfaction, that the Project is capable of meeting the Contract Capacity, and the Storage Units (if any) are capable of meeting the Minimum Energy Storage Capacity, for all months set forth in Section 1.03, and the Event Parameters;
- (c) The applicable Storage Unit(s) is installed at the applicable Participating Account(s) as set forth in Exhibit B;

- (d) Seller has entered into and complied in all material respects with all obligations, requirements, or agreements needed to operate and interconnect, *[as a Non-Exporting project]* under Rule 21 of the SCE Tariff, each Storage Unit, including any obligations, requirements, or agreements required under SCE Tariff; and *{SCE Note: as bid; include bracketed language only for projects that are non-exporting}*
- (e) Seller has provided SCE with certification from an Independent Engineer that (I) Seller has designed and built the Project to have a design life equal to the number of years required for the Project to operate until the end of the Term in accordance with Prudent Electrical Practices, and (II) the design and construction of the Project was carried out by the original equipment manufacturer or other competent organization;

### ARTICLE 3. PAYMENTS

#### 3.01 Payment Mechanisms.

- (a) “Invoicing Party”: Seller
- (b) “Paying Party”: SCE for Deployment Payment (if applicable), Reservation Payment, and Performance Payment; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) “Invoice Date”: The Project Completion Date, the Initial Delivery Date, and the final date of the Delivery Period
- (d) “Payment Date”: sixty (60) days after receipt of Seller’s invoice
- (e) “Invoice Calculation Period”: Delivery Period
- (f) Other Payment and Invoicing Requirements.
  - (i) Seller shall send an invoice to SCE on or before the thirtieth (30<sup>th</sup>) day after: (i) the Project Completion Date for the Deployment Payment; (ii) the Initial Delivery Date for the Reservation Payment; and (iii) the end of the Delivery Period for the Performance Payment.
  - (ii) The invoice submitted by Seller after the end of the Delivery Period shall include recorded meter data and other performance data and calculations supporting the Performance Payment Seller claims. If the Project includes Storage Units, Seller shall also report, with such invoice, the percentages of the Hourly Recorded Reductions that were attributable to the use of energy storage by Participating Accounts (i) for each Dispatch and (ii) for all Dispatch hours in the Delivery Period.

- (iii) A valid Purchase Order number must be reflected on the face of each invoice. Each attachment submitted by Seller must only contain one invoice; multiple invoice attachments in one email is acceptable. All attachments or files must be in TIFF, PDF, DOC, DOC, XLX, or XLSX format. Each attachment should be less than 5 MB, and each email must be less than 25 MB. Emails must be limited to invoices and credit memos only and should not include statements or other miscellaneous correspondence. Failure to follow any of the above requirements will result in Seller's invoices not being processed.

3.02 Performance Payment.

- (a) No Performance Payment shall be due if Project has not been subjected to a Dispatch during the Delivery Period.
- (b) During the Delivery Period in which the Project has been subjected to a Dispatch, the Performance Payment shall be calculated as follows:

The Performance Payment will equal the summation of the Deferral Hour Settlement Calculations for each hour during the applicable Deferral Hours (set forth in Section 1.03 of this Attachment 1) in the Delivery Term. Each Deferral Hour Settlement Calculation will be calculated pursuant to the following table, where "n" is the applicable Deferral Hour being calculated:

Deferral Hour Settlement Calculation<sub>n</sub>:

<b>Sum of Hourly Recorded Reductions for the Deferral Hour / Expected Deferral Savings for the Deferral Hour (expressed as a percentage)</b>	<b>Deferral Hour Settlement Calculation</b>
100.00%	Sum of Hourly Recorded Reductions for such Deferral Hour in kWh * 1.0 * Product Price
≥ 90.00% to 99.99%	Sum of Hourly Recorded Reductions for such Deferral Hour in kWh * 0.75 * Product Price
< 90.00%	Sum of Hourly Recorded Reductions for such Deferral Hour in kWh * 0.0 * Product Price

- (c) An "Hourly Recorded Reduction" will be calculated for each hour during which the Product (or any Resource ID within the Product) is Dispatched. For



each hour during which such a Dispatch has occurred (regardless of whether the Product has been Dispatched for the entire duration of such hour), the Hourly Recorded Reduction equals the sum, for all Participating Accounts in the Resource ID(s) subject to the Dispatch for such hour, of each Participating Account's Energy Baseline, as defined in Section 3.04 of this Attachment 1, less (x) the Participating Account's recorded energy, as measured by the Qualifying Meter, for that hour, and (y) the Participating Account's Default Adjustment Value (if applicable). In no event shall the Hourly Recorded Reduction for any hour be less than zero (0) For purposes of this Section 3.02(d), "hour" means the applicable hour of the day, not the duration of the Dispatch.

- (d) Notwithstanding anything to the contrary in this Agreement, CAISO System Event Dispatches shall not be included in the calculation of Hourly Recorded Reductions.

### 3.03 Energy Baseline.

- (a) Seller must be able to establish a valid EB for each Participating Account. If Seller is unable to establish an EB for a Participating Account, then such Participating Account shall be excluded from the Project.
- (b) An "Energy Baseline" or "EB," with respect to any particular hour of the day and any particular Participating Account, is the average amount of energy consumed by such Participating Account for such particular hour of the day during a specified period of time that is used to measure the Participating Account's reduction in energy for such hour after a Dispatch. The Energy Baseline shall be calculated as follows:
  - (i) Subject to subsection (b), and for each hour of the day, the EB for a particular hour for an individual Participating Account is the average recorded energy consumption (measured in kWh by the Qualifying Meter) of such Participating Account during such hour for either (x) the ten (10) non-holiday weekday Measurement Days prior to a Dispatch or a Seller Dispatch, as applicable (for non-holiday weekday hours) or (y) the four (4) weekend or holiday Measurement Days prior to a Dispatch or a Seller Dispatch, as applicable (for weekend or holiday hours), using forty-five (45) days of meter data immediately preceding the event, provided that:
    - (A) If ten (10) non-holiday weekday Measurement Days are not able to be extracted from the 45-day lookback window, the EB for the affected non-holiday weekday hour shall be calculated using a minimum of five (5) non-holiday weekday Measurement Days.

- (B) If the minimum Measurement Days are not able to be extracted from the 45-day lookback window, the EB for the affected hour shall be calculated using Event Days.
- (ii) A Day-Of Adjustment shall be made to the initial EB calculation set forth in subsection (a) for each Participating Account. The “Day-Of Adjustment” shall be calculated and applied as follows:
  - (A) The Day-Of Adjustment shall equal the average recorded energy consumption (measured in kWh by the Qualifying Meter) of the first three of the four full hours (beginning in each case at the start of the hour, e.g., 1:00) before a Dispatch, divided by the EB for the same three hours calculated pursuant to subsection (a); provided, that the Day-Of Adjustment shall be capped in manner such that it may not exceed one hundred twenty percent (120%) or be less than eighty percent (80%).
  - (B) The Day-Of Adjustment shall be multiplied by each applicable Participating Account’s EB for each hour of the Dispatch.
  - (C) If multiple Dispatch events occur on the same day, the Day-Of Adjustment for the first occurring event shall be used for each subsequent event for settlement purposes.
- (iii) Meter data in which there is a net export of energy (i.e., where in any interval the meter output of the behind-the-meter device is greater than the facility load) at any location will be set to zero (0).

Seller may select either the 10 day or 5 day baseline for all of the Participating Accounts during the nomination period.

### 3.04 Excess Deliveries.

If during any Deferral Hour Seller delivers Hourly Recorded Reductions in excess of one hundred percent (100%) of the Expected Deferral Savings for such Deferral Hour, then such excess amounts shall be excluded from Hourly Recorded Reductions.

## **ARTICLE 5. INTERCONNECTION; METERING; TESTING**

### 5.01 Transmission and Interconnection.

Additional interconnection requirements for the Project pursuant to Section 5.01 shall include:

- (a) Seller shall, or shall cause each Participating Account to, as applicable, interconnect each Storage Unit *[as a Non-Exporting project]* under Rule 21 of the SCE Tariff. *{SCE Note: as bid; include bracketed language only for projects that are non-exporting}*

5.02 Metering, Communications, Dispatch, and Telemetry. *{SCE Note: SCE will work with DR offerors to develop telemetry requirements that are mutually acceptable to both parties and meet CAISO requirements.}*

- (a) Metering and Communication Equipment.
  - (i) Seller shall, at its own cost, install, or cause the Recruited Accounts to provide and install, an upgraded Qualifying Meter if upgraded metering and communication equipment are required in order for SCE to monitor and utilize the Product. SCE shall determine the type of metering and communication equipment to be installed and shall be the Meter Data Management Agent, as defined by Rule 22 of the SCE Tariff (if applicable) for all Participating Accounts.
  - (ii) For each and every individual Site location with energy storage, Seller, at its own cost, shall install, or cause the Recruited Accounts to provide and install, equipment capable of providing at least 15 minute readings of the charge/discharge power flow and State of Charge of the Storage Unit(s), and shall provide this data to SCE, on a monthly basis, within [\_\_\_] days after the end of each month in a form acceptable to SCE. *{SCE Note: Parties to negotiate mutually acceptable language that requires Seller to install a device, or provide access to information, that indicates whether the Storage Unit(s) at each location are charging or discharging electric energy. For example, such language could require the installation of meters, access to data streams, or some combination thereof. Language shall be based on the specific storage technology and include SCE rights with respect to physical verification and auditing.}*
  - (iii) Pacific Prevailing Time shall be used for all metering and communications hereunder.

(b) Telemetry.

(i) Telemetry.

All communication, metering, telemetry, and associated operation equipment and applications will be compliant with the protocol(s) set forth in Section 6.01(d). Seller shall configure the SCADA so that SCE may access it via an automated system to remotely monitor,

dispatch, and control the Project in real-time (“DERMs” or “Generation Management System”) from SCE’s Grid Operations Center. Seller shall link the systems via an approved SCE communication network, utilizing industry standard network protocol, as approved by SCE. The connection will be bidirectional in nature and used by the Parties to exchange all data points to and from the DERMS.

Seller shall be responsible for the costs of installing, configuring, maintaining and operating the SCADA or IEEE 2030.5 systems and internal site links for the Project.

Seller shall be responsible for designing, furnishing, installing, operating, maintaining and testing a real-time Telemetry System capable of interconnecting to the DERMs.

The above-mentioned connections and data transfer must be fully functional before the Initial Delivery Date.

- (i) Real-Time Communication of Availability via Web Client.
  - (A) Prior to the Initial Delivery Date, Seller shall install a telecommunication system and demonstrate to SCE’s reasonable satisfaction that the system interfaces with the DERMs to provide SCE with Seller’s cumulative available capacity of the Project on a real-time basis.
  - (B) Seller shall maintain the telecommunications path, the hardware, and software to provide quality data to SCE throughout the Delivery Period.
  
- (iii) Telemetry Failure; Inability to Dispatch. For every day that Seller is unable to Dispatch the Project due to Seller's failure to install, implement and maintain the SCADA, IEEE 2030.5, telemetry, or other related equipment required under this Agreement, for purposes of calculating the Performance Payment, the Maximum Dispatches per Resource ID per Day will be deemed to have occurred on each such day for all Resource IDs included in the Project, with each such Dispatch equal to the Maximum Duration per Dispatch (all as set forth in Section 1.01, and not to exceed 24 hours per day, the Maximum Dispatch Hours per Resource ID per Day or the Maximum Dispatch Hours per Resource ID per Month) and the Hourly Recorded Reduction shall be deemed to be zero for each hour thereof. The deemed Dispatches used in calculating the Performance Payment

shall not reduce the actual Dispatches available to SCE as set forth in the Event Parameters.

(c) Communication Protocols.

The communication protocols in this Section 5.02(c) shall be modified, at SCE's reasonable discretion, as market conditions and rules evolve.

(i) Intra-day Communication.

All communications and notices between the Parties that occur intra-day and intra-hour, including Dispatch Instructions, shall be provided electronically or telephonically as SCE directs to the applicable Party.

If to Seller, such notices and communications shall be provided to the following contact, in order of priority, (1) [\_\_\_\_], (2) [\_\_\_\_], (3) [\_\_\_\_]. If to SCE, such notices and communications shall be provided to SCE's Grid Security Operations Center, as set forth in Exhibit E. Each Party shall confirm all intra-day communication either electronically or via telephone as soon as practicable.

(ii) Communication Failure.

In the event of a failure of the primary communication link between Seller and SCE, both Parties will try all available means to communicate, including cell phones or additional communication devices.

(iii) System Emergency.

SCE and Seller shall communicate as soon as possible all changes to the schedule as a result of a CAISO system emergency.

(iv) Staffing.

During the Delivery Days, Delivery Hours and Operating Months during the Delivery Period, the Parties will have available 24 hours a day, seven days a week, personnel available to communicate regarding the implementation of this Section 5.02(c).

5.03 Testing.

(a) Initial Commercial Operation Test.

At least thirty (30) days prior to the Project Completion Date, Seller shall schedule and complete an Initial Commercial Operation Test for the Project, including (if the Project includes Storage Units) each Storage Unit included in the Project. Seller shall use commercially reasonable efforts to undertake such activities in sufficient time to achieve Commercial Operation of each of the Project by the Project Completion Date and SCE will reasonably cooperate with Seller to meet such deadline. Such Initial Commercial Operation Test shall be scheduled and conducted in accordance with the requirements of this Section 5.03. Seller shall be responsible for all costs associated with the Initial Commercial Operation Test, including any energy charging costs associated with such test.

Seller shall maintain and provide to SCE, within fifteen (15) days after SCE's request, accurate records with respect to the Initial Commercial Operation Test.

(b) Test Parameters.

For purposes of the Initial Commercial Operation Test, the following test parameters shall apply:

The Independent Engineer shall test and provide certification of the following: (i) the Independent Engineer has tested the operation of the Project, including (if the Project includes Storage Units) the Storage Unit(s) included in the Project, himself or herself, or observed a test of the operation of the Project, (ii) if the Project includes Storage Units, the Prevention Equipment and each Storage Unit has been installed and is operating; (iii) during the Initial Commercial Operation Test Recruited Accounts equal to the Contract Capacity were tested as a part of the Product and (A) dispatched concurrently in an amount equal to the applicable Load Drop Amount, (B) dispatched concurrently for the amount of time described in the "Maximum Duration Per Resource ID Per Dispatch" Event Parameter at the applicable Load Drop Amount, and (C) dispatched concurrently on one day for the number of hours described in the "Maximum Duration Per Resource ID Per Dispatch" Event Parameter at the applicable Load Drop Amount for the number of times described in the "Maximum Dispatches Per Resource ID Per Day" Event Parameter, but not exceeding the "Maximum Dispatch Hours Per Resource ID Per Day;" and (iv) if the Project includes Storage Units, during the Initial Commercial Operation Test Storage Units equal to the Minimum Energy Storage Capacity were tested as a part of the Product and (A) dispatched concurrently in an amount equal to the applicable Storage-Backed Load Drop Amount, (B) dispatched concurrently for the amount of time described in the "Maximum Duration Per Resource ID Per Dispatch" Event Parameter at the applicable Storage-Backed Load Drop Amount, and (C) dispatched concurrently on one day for the number of hours described in the "Maximum

Duration Per Resource ID Per Dispatch” Event Parameter at the applicable Storage-Backed Load Drop Amount for the number of times described in the “Maximum Dispatches Per Resource ID Per Day” Event Parameter, but not exceeding the “Maximum Dispatch Hours Per Resource ID Per Day.”

*{SCE Note: Additional or Modified Test Parameters TBD based on storage technology}*

## **ARTICLE 6. OPERATION, MAINTENANCE AND REPAIR**

### **6.01 Seller’s Operation and Record Keeping Obligations.**

Seller’s obligations pursuant to Section 6.01 shall include:

- (a) Maintaining a daily operations log for each Storage Unit which shall include information on charging and discharging (including charging and discharging efficiency), electric energy consumption and efficiency, State of Charge, availability, maintenance performed, outages, changes in operating status, inspections and any other significant events related to the operation of each Storage Unit.
- (b) Maintaining all records applicable to each Storage Unit, including the electrical characteristics of the Storage Unit(s) and settings or adjustments of the Storage Unit(s) control equipment (including the power conversion system) and protective devices.
- (c) Seller shall be responsible for (i) managing, purchasing, charging and transporting each Storage Unit’s energy requirements, and (ii) the electric energy costs associated with each Storage Unit, including the cost to charge each Storage Unit.
- (d) Seller shall cause the Project to comply with: (A) SCE’s IEEE DER 2030.5 requirements, which can be found at <https://www.sce.com/business/savings-incentives/integrated-distributed-energy-resources-partnership-pilot>, if Seller has a portfolio that contains resources interconnected under Rule 21 of the SCE Tariff, or (B) Distributed Network Protocol 3 (DNP3) communications protocol, if Seller has a portfolio consisting exclusively of non-interconnected resources. Seller shall obtain, and shall maintain at all times during the Delivery Period, SunSpec 2030.5/CSIP Certification for its software utilized in DERs Real-Time Services.

### **6.03 Scheduling Coordinator; Demand Response Provider; Resource IDs.**

[Intentionally Omitted.]

### **6.04 Limitations on Charging of Storage Units.**



- (a) Seller shall not charge any of the Storage Units at any point in time that is within (a) a Delivery Hour that is within a Delivery Day of an Operating Month, or (b) a Delivery Hour that is within a day that could be a Measurement Day, regardless of whether such day is used as a Measurement Day.
- (b) Seller shall use commercially reasonable efforts to not charge any of the Storage Units at any point in time that is within a CAISO System Event Hour.

6.05 Measurement and Evaluation of the Product.

Seller agrees, and shall cause each Recruited Account to agree, to (a) allow SCE, the CPUC, or the CEC, and the authorized representatives of such entities, reasonable access to Seller's and the Recruited Accounts' facilities to conduct measurement and evaluation activities related to this Agreement; and (b) participate in and complete all evaluation surveys received from SCE, the CPUC or the CEC related to this Agreement.

6.06 Seller's Submittal of Recruited Accounts and Participating Accounts.

- (a) List of Recruited Accounts. No less than seventy-five (75) days before the beginning of each Operating Month, Seller shall provide to SCE, or its designated agent, a list identifying each Recruited Account for such Operating Month. Each Recruited Account must satisfy the following criteria and, upon request, Seller shall include with the list information reasonably necessary to permit SCE to verify that:
  - (i) The Recruited Account has properly executed the "Aggregator Add Account Form" (SCE Form 14-932, or successor), and has delivered such form to SCE;
  - (ii) The Recruited Account directly takes or receives electricity services from a circuit or lower voltage substation in SCE's distribution system that electrically connects directly to *[SCE Note: insert applicable substation/circuit]*.
  - (iii) The Recruited Account is not receiving a Medical Baseline Allocation or receiving service under Schedules DM, DMS-1, DMS-2, DMS-3, DS, or any streetlight, area lighting, traffic control or wireless technology rate;
  - (iv) The Recruited Account has an installed and operating Qualifying Meter;
  - (v) The Recruited Account meets the requirements of Section 5.02(a)(ii) of this Attachment 1;



- (vi) The Recruited Account meets the requirements of Section 6.07 of this Attachment 1;
- (vii) The Storage Unit(s), if any, for the Product associated with the Recruited Account meet(s) the description set forth in Part I of Exhibit B and have satisfied the following criteria:
  - (A) Seller has completed with respect to such Storage Unit(s), Seller's obligations set forth in Article 4, in order to bring such Storage Units(s), Project and the Product into operation and as contemplated by this Agreement;
  - (B) Seller has entered into and complied in all material respects with all obligations, requirements, or agreements needed to operate and interconnect, *[as a Non-Exporting project]* under Rule 21 of the SCE Tariff (or other SCE Tariff that replaces or is used in lieu of Rule 21 for the interconnection of a *[Non-Exporting]* energy storage device that becomes applicable and effective after the Effective Date), such Storage Unit(s), including any obligations, requirements, or agreements required under SCE Tariff; and *{SCE Note: as bid; include bracketed language only for projects that are non-exporting}*
  - (C) Seller has provided SCE with certification from an Independent Engineer that (I) such Storage Unit(s) are designed and built to have an operational life equal to the number of years required for such Storage Unit(s) to operate until the end of the Term of this Agreement, when installed and operated in accordance with Prudent Electrical Practices, and (II) the design and construction of such Storage Unit(s) was carried out by the original equipment manufacturer or other competent organization.

In addition, for each Recruited Account, Seller shall identify the Recruited Account's name, service address and zip code, SCE service account number, and the Resource ID with which the Recruited Account is associated. For each Recruited Account that uses energy storage, Seller shall also identify the expected Storage-Backed Load Drop Amount, and shall provide the Default Adjustment Value for each Recruited Account that has certified that it may have to use a Prohibited Resource during a Dispatch for safety, health or operational reasons. Seller shall also identify the expected total Load Drop Amount for each Resource ID included in the Product (which must not be greater than the amount recognized by the CAISO for such Resource ID).

A Customer may remove itself from Seller's Recruited Accounts by executing and delivering to Seller and SCE an "Aggregator Remove Account Form" (SCE Form 14-933, or successor); provided, the Customer is not a Participating Account for the Operating Month in which the removal is requested. Any removal of a Recruited Account will go into effect the first day of the calendar month following Seller's or Customer's request for Customer's removal.

- (b) SCE Verification. No less than seventy (70) days before the beginning of each Operating Month, SCE, or its designated agent, shall verify in writing that the Recruited Accounts for such Operating Month meet the requirements set forth in Section 6.06(a) of this Attachment 1. All unverified Recruited Accounts are ineligible to be included as Participating Accounts for such Operating Month. SCE may adjust or modify the SLAP boundaries in accordance with direction SCE receives from the CAISO or CPUC; provided, such adjustment or modification shall not affect SCE's obligation to make Performance Payments for the Dispatch of the Product or Participating Accounts that have been previously verified by SCE. Notwithstanding any other provision in this Agreement, SCE is not obligated to make payment for any Contract Capacity or energy associated with a Customer, Recruited Account, or Participating Account that does not meet the requirements of this Agreement.
- (c) List of Participating Accounts. No less than sixty-five (65) days before the beginning of each Operating Month, Seller shall provide to SCE, or its designated agent, a list identifying the Recruited Accounts that were verified under Section 6.06(b) of this Attachment 1 that will constitute the Product for such Operating Month (each a "Participating Account"), along with the following information:
- (i) an estimate (in kW) of the total Load Drop Amount of the Participating Accounts, provided, the total estimate does not exceed the applicable Contract Capacity;
  - (ii) an estimate (in kW) of the total Storage-Backed Load Drop Amount of the Participating Accounts that use energy storage;
  - (iii) an estimate (in kW) of the total Load Drop Amount of the Participating Accounts in each Resource ID included in the Product (which must not be greater than the amount recognized by the CAISO for such Resource ID); and
  - (iv) the Default Adjustment Value for each Participating Account that has certified that it may have to use a Prohibited Resource during a Dispatch for safety, health or operational reasons.

Once a Recruited Account becomes a Participating Account, Seller may remove, based on its reasonable discretion, such Participating Account from the list of Participating Accounts; provided, (x) the aggregate Load Drop Amount of the remaining Participating Accounts is not less than the applicable Contract Capacity for the applicable Operating Month, (y) the aggregate Storage-Backed Load Drop Amount of the remaining Participating Accounts is not less than the applicable Minimum Energy Storage Amount for the applicable Operating Month, and (z) the remaining Product can still meet the Event Parameters maximums when dispatched at the applicable Contract Capacity. In addition, Seller shall remove Participating Accounts from the Product if required under Section 6.07 of this Attachment 1. The removal of a Participating Account based on the preceding sentences shall only be effective if Notice of such removal is given to SCE at least fifteen (15) days before the beginning of the Operating Month that the removal is intended to be effective.

- (d) No Adjustment during Operating Month. Seller may not adjust or alter the list of Participating Accounts once the Operating Month commences.

#### 6.07 Prohibited Resources.

During each month of the Delivery Period, if any Participating Accounts have a Prohibited Resource, Seller shall ensure that such Prohibited Resource is not used to reduce load during a Dispatch, as follows:

- (a) Seller shall include a provision in its contract with each of its residential Recruited Accounts forbidding the use of Prohibited Resources to reduce load during a Dispatch. Any Recruited Account that does not accept the prohibition will not be eligible to participate in the Product.
- (b) Seller shall require, from each of its non-residential Recruited Accounts, an attestation in a machine readable format, such as a comma-separated value (.csv) file or other format acceptable to SCE, attesting to one of the following conditions:
  - (i) The Recruited Account does not have a Prohibited Resource on site;
  - (ii) The Recruited Account has a Prohibited Resource on site and will not use the resource to reduce load during a Dispatch; or
  - (iii) The Recruited Account has a Prohibited Resource on site and may have to use the Prohibited Resource during a Dispatch for operational, health or safety reasons. The total nameplate capacity in kW of the Customer's resource(s) will be used as the Default Adjustment Value (DAV) to adjust the Demand Response incentives / charge for the Customer's account.

Attestations provided under subsection (i) above must include the service account number. Attestations provided under subsections (ii) and (iii) above must provide the service account number, the number of unit(s) of Prohibited Resources on site, and the nameplate capacity of the Prohibited Resource (or, if the Recruited Account has multiple Prohibited Resources, by the sum of the nameplate capacity values from all Prohibited Resources on the site) (the “Default Adjustment Value”). For Recruited Accounts providing attestations under subsection (iii) above, this Default Adjustment Value will be subtracted from the Load Drop Amount. Recruited Accounts must agree to a default adjustment (the “Default Adjustment”) in which the Load Drop Amount such Recruited Account can provide is reduced by the Default Adjustment Value, regardless of whether the Prohibited Resource was actually used. Recruited Accounts must sign Form 14-980, Authorization for Participation in Aggregated Demand Response Programs Form, or a successor form provided by SCE. Customers with multiple Recruited Accounts enrolled through Seller may submit one attestation for all Recruited Accounts.

- (c) Seller shall collect and store all such attestations and make them available upon request to a Verification Administrator or the CPUC. Seller shall also collect and store supporting documentation, such as nameplate capacities for each resource under each attestation scenario, and make them available upon request to SCE, the Verification Administrator, or the CPUC.
- (d) For non-residential Recruited Accounts, the attestation shall occur at the time of enrollment and may be provided with a wet signature, a click, or an electronic signature. Any non-Residential Recruited Account that does not complete this component of the enrollment process will not be eligible to participate in the Product. Consistent with CPUC Resolution E-4906, the Seller’s contractual agreement is contingent upon compliance with both the prohibition and the submission of the Recruited Accounts’ attestations, which are subject to verification.
- (e) Seller shall include provisions in its contracts with non-residential Recruited Accounts permitting updates to their attestations to (i) add, remove or modify an on-site Prohibited Resource; (ii) change the status or use of a Prohibited Resource to reduce load during any Dispatch; or (iii) change the Default Adjustment Value, but only if, in each case, the change is supported by documentation that confirms the operational change and can be verified by SCE or a Verification Administrator. Verification methods for Recruited Accounts under the condition noted in 6.07(e)(iii) above shall be based on documentation of nameplate capacity, instead of load curtailment plans.
- (f) Seller shall include provisions in its contracts that all Recruited Accounts are subject to random annual audits (i) requiring compliance with verification requests and facility access for Site visits as deemed necessary by the

Verification Administrator; (ii) requiring the Recruited Account to provide the Verification Administrator with written operating manifest(s), date and time stamped photo(s) of the Prohibited Resource unit(s), load curtailment plan(s), single line diagram(s) permit copy(ies), or other information or documentation about their onsite Prohibited Resources; and (iii) allowing SCE or its contractor(s) to install monitoring equipment at the Sites for the purposes of verification of attestations.

- (g) Seller shall include additional and separate provisions near the beginning of its contracts with Recruited Accounts explaining and implementing these restrictions specifying that compliance will be subject to verification, indicating the consequences for noncompliance with the provision. All contracts with non-residential Recruited Accounts shall indicate that the non-compliance consequences will be as set forth in this section. If the instance of non-compliance involves clerical or administrative errors, such as an inaccurate listing of a Recruited Account name or the nameplate value of a Prohibited Resource in an attestation, or a failure to include a Recruited Account's Prohibited Resource on an attestation, provided in all cases that such Prohibited Resource is not used in violation of the terms of this Agreement (collectively, "Type One Non-Compliance"), Seller shall specify that the Recruited Account will have sixty (60) days from receipt of notice to cure such Type One Non-Compliance. If the instance of non-compliance involves either (i) that a Recruited Account does not attest to the use of any Prohibited Resource(s) but is using a Prohibited Resource to reduce load during a Dispatch; or (ii) that a Recruited Account submits an invalid nameplate capacity value for the Prohibited Resource(s) that is lower than the actual capacity value on the nameplate (collectively "Type Two Non-Compliance"), then the Recruited Account will be removed from the Product as follows. If there is an instance of (x) an uncured Type One Non-Compliance, or (y) a Type Two Non-Compliance, the consequences will be removal from the Product and ineligibility to enroll in any demand response program subject to the prohibited resource requirement in D.16-09-056 for twelve (12) months from the removal date (for a single instance of noncompliance), or thirty-six (36) months from the removal date (for two or more instances of noncompliance).
- (h) Seller shall provide such documentation as may be reasonably necessary for SCE to verify the accuracy of the attestations referenced in subsections (a) – (c) and Seller's compliance with and enforcement of this Section 6.07. For all non-residential Participating Accounts, Seller shall: (i) provide the Default Adjustment Values monthly (with Contract Capacity information); and (ii) ensure that CAISO wholesale market bids reflect portfolio amounts prior to the application of the Default Adjustment. Seller shall comply with any Prohibited Resource audit verification plan that is developed in accordance with D. 16-09-056 and approved by the CPUC (the "Prohibited Resources Plan").

- (i) On an annual basis, Seller shall provide to SCE the language of the prohibition included in its contracts with residential Recruited Accounts. Seller will develop metrics, targets and record keeping systems to assess the effectiveness of the outreach and notification efforts required under this Section 6.07, and will provide such materials to SCE, the CPUC, and the Verification Administrator upon the request of SCE or the CPUC.
- (j) If further documentation in the form of load curtailment plans is required, Seller shall comply with the Verification Administrator's requests for supporting materials.
- (k) SCE has been directed by the CPUC to require a standardized non-disclosure agreement (NDA) that the Verification Administrator executes with SCE. This NDA pertains to all sellers and their customers from whom they collect market-sensitive, proprietary data. Verification information obtained from sellers and their customers is only to be submitted to and collected by the Verification Administrator consistent with CPUC Resolution E-4906. Under the terms of this NDA, third party customers' market-sensitive, proprietary information shall not to be shared with SCE, will be kept under seal, and shall be made available to the Commission upon request. Per Ordering Paragraph 14 of CPUC Resolution E-4906, all aggregators must store customer attestations and make them available to the CPUC upon request. Seller shall store non-residential Customer attestations and make them available to SCE or the CPUC upon request.

## **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

### 9.02 Additional Seller Representations and Warranties.

As of each date that Seller nominates a Recruited Account or Participating Account, Seller represents and warrants to SCE that:

- (a) Seller has been appointed by each Participating Account to act as an aggregator on behalf of said Participating Account with respect to all aspects of the Product, including: (i) the receipt of Notices from SCE; (ii) the receipt of capacity and energy payments from SCE; and (iii) the payment of penalties to SCE.
- (b) Each Recruited Account is a Customer.
- (c) For each Participating Account that uses energy storage, Seller has the right to install and operate the applicable Storage Unit at the Participating Account's location in a manner necessary to perform its obligations under this Agreement.

### 9.04 Seller Covenants.

Attachment 1-21 (DR)

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller shall not, and shall ensure that all of the Participating Accounts do not, during the Delivery Period, obtain benefits under SCE's enabling technology incentive program (also known as SCE's Automated Demand Response, or Auto-DR Program), or any successor program offered by SCE, and authorized by the CPUC, to provide reimbursement of project costs for the installation of qualifying energy management control systems equipment, or any other similar program that exists now or during the Term.
- (b) Seller shall not, and shall ensure that all of the Participating Accounts do not, during the Delivery Period, participate in any Dual Participation Program.
- (c) Seller will not use the Product to participate in the CAISO Markets.
- (d) Seller will not schedule any outages during the Delivery Hours of the Delivery Days of the Operating Months.
- (e) Seller shall not use, submit, claim, or receive a Double Incentive during the Delivery Period.

## **ARTICLE 10. EVENTS OF DEFAULT**

### 10.01 Events of Default.

- (a) In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:
  - (i) Seller charges any Storage Unit in violation of Section 6.04 of this Attachment 1;
  - (ii) During the Delivery Period, the measured Total Recorded Capacity is less than ninety percent (90%) of the applicable Contract Capacity for two (2) months during which Dispatches have occurred;
  - (iii) During the Delivery Period, the measured Storage-Backed Recorded Capacity is less than ninety percent (90%) of the applicable Minimum Energy Storage Capacity for two (2) months during which Dispatches have occurred;
  - (iv) During the Delivery Period, Seller fails for two (2) months to identify, pursuant to Section 6.06(c) of this Attachment 1, Participating Accounts with an expected Load Drop Amount equal to or greater than ninety percent (90%) of the applicable Contract Capacity;



- (v) During the Delivery Period, Seller fails for two (2) months to identify, pursuant to Section 6.06(c) of this Attachment 1, Participating Accounts with an expected Storage-Backed Load Drop Amount equal to or greater than ninety percent (90%) of the applicable Minimum Energy Storage Capacity; or
- (iii) Seller removes from any Site equipment upon which the Contract Capacity or capacity of the Storage Unit(s) has been based, except for the purposes of replacement, refurbishment, repair or maintenance, and the equipment is not returned within five (5) Business Days after Notice from SCE.



## ATTACHMENT 1[-3]

*{SCE Note: Delete number and remove all other Product-Specific Attachment 1's}*

### ENERGY EFFICIENCY PROVISIONS *[METER-BASED APPROACH]*

#### ARTICLE 1. PURCHASE AND SALE OF PRODUCT

##### 1.02 Project.

The “Project” consists of all Installations at the Sites.

##### (a) Eligibility.

Notwithstanding any other provision in this Agreement, each Installation must meet the following requirements in order to comprise part of the Project:

- (i) The Customer served by an Installation must be an SCE Customer that directly takes or receives electricity services from *[SCE Note: insert applicable circuit or portion of circuit]*.
- (ii) No Installation, no Measure in an Installation, no Site (within the period commencing twelve (12) months prior to the Site Construction Start Date and continuing through the Delivery Period), nor any Customer service account that is part of an Installation, may use, submit, claim, or receive any rebates, discounts, incentives, low interest loans, or services from any other program, energy efficiency related or otherwise, for the Project or for any Measure installed at the Customer’s Site (whether or not installed pursuant to this Agreement), for which the energy and demand savings have already been compensated, including the attribution of energy and demand savings or reductions for a single Measure/activity at multiple market intervention points (e.g., energy savings or reductions claimed upstream, midstream, and at the Customer) where a particular Measure was installed or an activity occurred (each, a “Double Incentive”).
- (iii) The energy reductions associated with the Installation must meet or exceed Title 24 or Title 20 energy efficiency standards set by the CEC. *{SCE Note: If no Title 24 or Title 20 standards exist, SCE will work with Seller to develop an alternative standard to ensure energy reductions.}*
- (iv) Each Installation consists of Measures that are Wholly Incremental, as determined by SCE in SCE’s sole discretion, as of SCE’s approval of the Project and Measure Description as set forth in Article 5.

(b) Permanent Installation.

Notwithstanding any other provision in this Agreement, Seller shall ensure that the Project, the Installations and every Measure in the Project, remain installed at the Sites during the Delivery Period.

1.03 Contracted Amount.

The “Contracted Amount” means the Expected Measured Monthly Deferral Savings.

(a) Expected Measured Monthly Deferral Savings.

Subject to any adjustment as otherwise provided herein, the Expected Measured Monthly Deferral Savings are as set forth below during the Deferral Hours set forth below [applicable deferral hours, e.g., Weekdays 1:00 pm PPT]. For purposes of determining whether Actual Measured Savings meet the Expected Measured Monthly Deferral Savings and subject to any other limitations in this Agreement, such Actual Measured Savings must occur during the applicable hours identified in the table below.

Applicable Hours (Hour Ending)	Expected Deferral Savings (in kWh)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1												
2												
3												
4												
5												
6												
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Attachment 1-2 (Meter-Based EE)

*The contents of this document are subject to restrictions on disclosure as set forth herein.*

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*{SCE Note: Above times and quantities will be based on SCE’s requirements as outlined in SCE’s Bid Instructions and Seller’s offer.}*

(b) Excess Deliveries.

If during the Delivery Period Seller delivers Actual Measured Savings (as delivered during the applicable deferral hours set forth in Section 1.03(b) of this Attachment 1) in excess of one hundred percent (100%) of the Expected Measured Monthly Deferral Savings applicable to the Delivery Period, then such excess amounts shall be excluded from Actual Measured Savings.

- (c) Expected EUL: [Number] year(s) {SCE Note: amount should be equal to the number of years in the Delivery Period}

1.04 Price.

Seller shall be paid in three installments, as follows:

- (a) The Deployment Payment (only for Projects that commenced installation of a new Distributed Energy Resource or associated systems after the Program Effective Date) is \$[Number]/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (b) The Reservation Payment is \$[Number]/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (c) The Performance Payment will be based on the Product Price of \$[Number]/kWh. The Performance Payment will be determined in accordance with Section 3.02.

SCE may, upon written notice to Seller, increase any or all of the Deployment Payments, Reservation Payments, or Performance Payments hereunder

**ARTICLE 2. TERM AND DELIVERY PERIOD**

2.04 Project Completion Date.

In addition to the conditions listed in Section 2.04, the following conditions must be satisfied for the Project to achieve its Project Completion Date:

- (a) The applicable Installations have been completed and installed in accordance with Article 5 and Exhibit B;

**ARTICLE 3. PAYMENTS**

3.01 Payment Mechanisms.

- (a) “Invoicing Party”: Seller
- (b) “Paying Party”: SCE for Deployment Payment (if applicable), Reservation Payment, and Performance Payments; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) “Invoice Date”: The Project Completion Date, the Initial Delivery Date, and the final date of the Delivery Period
- (d) “Payment Date”: sixty (60) days after receipt of Seller’s invoice

- (e) “Invoice Calculation Period”: Delivery Period
- (f) Other Payment and Invoicing Requirements.

Seller shall send an invoice to SCE on or before the thirtieth (30<sup>th</sup>) day after: (i) the Project Completion Date for the Deployment Payment; (ii) the Initial Delivery Date for the Reservation Payment; and (iii) the end of the Delivery Period for the Performance Payment.

Seller shall submit all invoices to SCE through a software management tool which shall be provided by SCE.

### 3.02 Performance Payment Calculations.

- (a) Actual Measured Savings.

“Actual Measured Savings” means, for any particular Settlement Interval during the Delivery Period, the difference between the Measured Energy Baseline and the actual amount of energy consumed by each Customer Site in the Project during the Settlement Interval as measured by a Qualifying Meter. Actual Measured Savings may provide a negative value.

The Performance Payment will equal the summation for all Customer Sites of the Deferral Hour Settlement Calculations for each hour during the applicable deferral hours (set forth in Section 1.03 of this Attachment 1) in the Delivery Period; provided, if Performance Payment for the Delivery Period is less than zero dollars (\$0), then the Performance Payment shall be deemed zero dollars (\$0). Each Deferral Hour Settlement Calculation will be calculated pursuant to the following formula, where “n” is the applicable Deferral Hour being calculated:

$$\text{DEFERRAL HOUR SETTLEMENT CALCULATION}_n = A \times B \times C \times D$$

Where:

A = the applicable Product Price specified in Section 1.04 in \$/kWh.

B = the sum of Actual Measured Savings for all Customer Sites for such Settlement Interval in kWh.

C = the EUL Payment Adjustment Factor, as set forth in Section 3.03 of this Attachment 1.

D = the applicable percentage derived from the table below:

Attachment 1-5 (Meter-Based EE)

Actual Measured Savings/Expected Measured Savings (expressed as a percentage)	Percentage Value “D”
100.00%	1.00
≥ 90.00% to 99.99%	0.75
< 90.00%	0.0

(b) Baselines.

- (i) “Measured Energy Baseline” means, with respect to any particular Settlement Interval, the sum of the average amount of energy consumed by each Customer Site in the Project for the prior year for that same hour of the day as measured by a Qualifying Meter, normalized in accordance with the applicable approved M&V Plan. All data used in the Measured Energy Baseline calculation must be from the time period up until the day before the applicable date construction commences as determined in accordance with the applicable M&V Plan for such Customer Site (“Site Construction Start Date”). If for any hour of the day, any Customer Site in the Project does not have a measurement of the amount of energy consumed over a one year historical period starting the day before the Site Construction Start Date and as measured by a Qualifying Meter, or otherwise has a non-routine event, then for that applicable hour, Seller will propose, subject to SCE approval, in SCE’s sole discretion, a baseline for such applicable hours.
- (ii) “Individual Measurement Baseline” means the on-site capacity use associated with a single type of equipment or single process that is the subject of a Measure before such Measure is installed. For determining the amount of on-site capacity use for each type of equipment or each process that is the subject of a Measure, such use shall be the actual energy use and capacity use of the equipment or process prior to Installation and operation of the Measure.
- (iii) “Measurement Baseline” means the aggregate of all of the Individual Measurement Baselines at a Site.

The “EUL Payment Adjustment Factor” is the percentage representing the extent to which Seller has achieved the Expected EUL for the Project, which is calculated as

Attachment 1-6 (Meter-Based EE)

*The contents of this document are subject to restrictions on disclosure as set forth herein.*

follows:

$$\text{"EUL Payment Adjustment Factor"} = (A / B) \times 100\%$$

A = the Project's Actual EUL, and

B = the Expected EUL set forth in Section 1.03 of this Attachment 1.

In no event can the EUL Payment Adjustment Factor exceed 1.00 or one hundred percent (100%).

#### **ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT**

##### **4.01 Seller's Obligations.**

Seller's obligations to be performed pursuant to Section 4.01 of the Agreement shall include:

- (a) Designing, constructing, installing, and implementing the Project by the Expected Initial Delivery Date.
- (b) Seller shall not begin any construction of any Installation before the Program Effective Date (the "Construction Start Date").

##### **4.02 Inspection Rights.**

In addition to the obligations set forth in Section 4.02, Seller shall, and shall cause each Customer to, provide SCE access to each Site and Installation to examine, test, measure, and inspect the Installation and allow SCE to perform all Inspections. Seller shall also provide SCE access to, and the ability to review, any records or documents needed to examine, test, measure, or inspect an Installation, and allow SCE to properly perform all Inspections. Access shall be granted for the number of days needed to complete any such Inspections. The obligation to provide access described in this paragraph shall apply regardless of whether the Customer associated with an Installation, Site, or Measure changes during the Term of this Agreement.

##### **4.05 Provision of Information.**

Items to be provided by Seller pursuant to Section 4.05 shall include:

- (a) Within ten (10) Business Days after a request from SCE any and all documents, information, or records, related to the Project, an Installation or a Measure that is part of the Project, including any documents, information, or records:
  - (i) Needed to measure the energy or capacity savings of the Project, the

Attachment 1-7 (Meter-Based EE)

- Installation or Measure;
- (ii) Relating to Seller's work; and
- (iii) Of an Affiliate or a Customer.

Seller shall utilize SCE's web-based reporting tool to upload the information set forth in Section 4.05.

## **ARTICLE 5. INTERCONNECTION; METERING; TESTING**

### **5.02 Metering, Communication, and Telemetry.**

Seller shall, at its own cost, install, or cause the Customers to provide and install, an upgraded Qualifying Meter if upgraded metering and communication equipment are required in order for SCE to monitor and utilize the Project. SCE shall determine the type of metering and communication equipment to be installed and shall be the Meter Data Management Agent, as defined by Rule 22 of the SCE Tariff (if applicable) for all Customers served by the Project.

### **5.03 Testing.**

#### **(a) Evaluators.**

- (i) For each report required under this Section 5.03, Seller, at Seller's expense, shall engage an independent third party not affiliated with Seller (the "Evaluator") to conduct the inspections required under this Section 5.03. The Evaluator must (x) have demonstrated and significant experience performing evaluation, measurement and verification studies of energy efficiency projects of a size and type similar to the Project with demonstrated and significant experience using the guidelines and publications identified in Exhibit B, (y) have sufficient depth and breadth in the skills required to perform Installation inspections, and (z) adhere to all applicable ethical evaluation practices. For the purpose of determining independence, the Evaluator or the Party also refers to its officers, employees, or associated individuals in any capacity equivalent to that of a member of management, and their family members, or any entity or individual acting on behalf of such persons. The selection of an Evaluator under this Section 5.03 shall be subject to SCE's consent, which consent shall not be unreasonably withheld.
- (ii) With respect to an Evaluator engaged by Seller, Seller shall make the Evaluator available to SCE to discuss any Inspection and any of the information contained in an Inspection Report within five (5) Business Days after SCE's request. SCE shall also have the right to

Attachment 1-8 (Meter-Based EE)



review all records and documents related to an Inspection or Inspection Report. Seller shall utilize SCE's web-based reporting tool to upload all Inspection Reports generated by the Evaluator pursuant to this Section 5.03.

- (iii) Subject to this Section 5.03(a)(iii), the Seller's Evaluator reports and findings shall be binding on the Parties for the stated purposes. If, within SCE's reasonable determination, a report is materially inaccurate or incomplete, or does not properly make the required findings, does not provide enough information in support of the required findings, indicates that the inspection was not conducted consistently with the applicable M&V Plan, or is materially deficient in any manner whatsoever, then SCE's Evaluator, at Seller's expense, to reconduct an inspection and resubmit a report in accordance with this Section 5.03. The selection of SCE's Evaluator shall be subject to Seller's consent, which consent shall not be unreasonably withheld. The findings of SCE's Evaluator's reports shall be binding on the Parties, and Seller's Evaluator's report shall be of no force and effect.
- (iv) SCE may, in its sole discretion, request access to any Site and any Installation to examine, test, measure, and inspect such Installation, and Seller shall, and shall cause all applicable Customers to, provide access to such Site within forty-eight (48) after SCE's request. SCE may conduct an audit at an Installation after receipt of any report for such Installation upon forty-eight (48) hours advance written Notice to Seller. The Evaluator shall accompany SCE inspectors or audit personnel performing any such audit

(b) M&V Plan; Geographic and Service Account Eligibility Verification.

- (i) At least fifteen (15) Business Days prior to a Pre-Installation Inspection at a Customer Site, Seller shall submit to SCE the Geographic and Service Account Eligibility Verification in accordance with Exhibit B (the "Geographic and Service Account Eligibility Verification") for the Installation at the Customer's Site. Within ten (10) Business Days after receipt of a Geographic and Service Account Eligibility Verification, SCE shall either (A) provide Notice to Seller that it has accepted the Geographic and Service Account Eligibility Verification, or (B) provide Notice that, within SCE's reasonable determination, the proposed Installation at the Customer's Site is not eligible to be an Installation under this Agreement. If SCE provides Notice under subsection (B) above, then the proposed Installation shall not be an Installation under this Agreement and the Pre-Installation Inspection at such Customer Site shall not occur.

Attachment 1-9 (Meter-Based EE)

- (ii) At least twenty (20) Business Days prior to the Pre-Installation Inspection at any Site, Seller shall submit to SCE the Project and Measure Description for each applicable Site. Within ten (10) Business Days after receipt of the Project and Measure Description, SCE shall either (A) provide Notice to Seller that it has accepted the Project and Measure Description, or (B) provide Notice that, within SCE's reasonable determination, the Project and Measure Description is materially inaccurate, incomplete or inconsistent with this Agreement, or otherwise deficient in any manner. If SCE provides Notice under subsection (B) above, then Seller shall re-submit the revised Project and Measure Description, which shall again be subject to SCE's approval or disapproval in accordance with this Section 5.03(b)(ii).
  - (iii) At least thirty (30) Business Days prior to the Pre-Installation Inspection at any Site, Seller shall submit to SCE the M&V Plan for the Installation. The M&V Plan is a detailed plan describing how Seller plans to: (A) determine the Measured Baseline for capacity and energy and (B) measure and verify each of the Actual Measured Savings, the Expected Measured Monthly Deferral Savings, and Actual Capacity Savings, and will be developed for each Installation in accordance with the Measurement and Verification Protocol set forth in Exhibit B (the "M&V Plan"). The M&V Plan must comply with all of the requirements of the Measurement and Verification Protocol set forth in Exhibit B. Within ten (10) Business Days after receipt of the M&V Plan for any Installation, SCE shall either (A) provide Notice to Seller that it has accepted the M&V Plan, or (B) provide Notice that, within SCE's reasonable determination, the M&V Plan is materially inaccurate or incomplete, or deficient in any manner. If SCE provides Notice under subsection (B) above, then SCE, the Seller, and the Seller shall immediately commence work in good faith to develop an M&V Plan acceptable to SCE. If, after fifteen (15) Business Days from SCE's receipt of the Seller's M&V Plan, Seller and SCE have not agreed on a final M&V Plan, SCE shall provide Seller with the M&V Plan to be used within ten (10) Business Days after the expiration of the fifteen (15) Business Day period.
- (c) Pre-Installation Inspection Report.
  - (i) With respect to each Installation, Seller shall engage an Evaluator to conduct an on-site "Pre-Installation Inspection" to (A) test and make any measurements needed to calculate and establish the Measured Energy Baseline for the Project for purposes of measuring each of Actual Capacity Savings, Expected Measured Monthly Deferral Savings and the Actual Measured Savings attributable to such

Attachment 1-10 (Meter-Based EE)

Installation and (B) verify that the applicable Customer will not receive a Double Incentive with respect to the Installation. The Pre-Installation Inspections shall take place no earlier than one-hundred twenty (120) Business Days before the Construction Start Date. Such Inspections shall be conducted consistent with the applicable M&V Plan and to the extent any technologies that reduce customer energy demand or consumption are installed (current or future) at the Customer Site, including existing or planned Non-IOU Fuel Source(s), exceed the net potential benefits of a Measure or the Installation, the calculation of the impact of each Measure and Installation must comply with the NMEC Rulebook.

- (ii) Seller's Evaluator shall issue a Pre-Installation Inspection Report within thirty (30) Business Days after the completion of a Pre-Installation Inspection. The report, and data from the report, will be provided in a format mutually agreeable to by SCE and the Seller. At a minimum, the report shall include:
  - (A) For each Installation, the Customer's Name, retail service account number, and address.
  - (B) For each Installation that is part of the Project, a full description of such Customer's typical operations including the operation of any existing or planned Non-IOU Fuel Source(s)
  - (C) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and with any existing or planned Non-IOU Fuel Source(s)
  - (D) A record of any person present during the Pre-Installation Inspection, and the role such individuals were taking.
  - (E) A record of any unusual or abnormal conditions or events that occurred during the Pre-Installation Inspection and any actions taken in response thereto.
  - (F) A statement, including supporting documentation, of whether the Pre-Installation Description is correct.
  - (G) A statement, including supporting calculations and documentation, of the Measured Energy Baseline and the proposed measure(s) (including how it relates to each of the

Actual Measured Savings, Expected Measured Monthly Deferral Savings, and Actual Capacity Savings).

- (H) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
  - (I) A statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Actual Measured Savings, Expected Measured Monthly Deferral Savings, and Actual Capacity Savings shall not be included in the savings estimate.
- (iii) Within thirty (30) Business Days after receipt of a Pre-Installation Inspection Report, SCE shall either (A) provide Notice to Seller that it has accepted the Pre-Installation Inspection Report, or (B) provide Notice that, within SCE's reasonable determination, the Pre-Installation Inspection Report is materially inaccurate or incomplete, does not properly measure the Measured Energy Baseline, does not verify the accuracy of the Pre-Installation Description, does not provide sufficient information in support of the verification of the Pre-Installation Description or establishment of the Measured Energy Baseline, indicates that the Pre-Installation Inspection was not conducted consistently with the Project Measurement and Verification Protocol or applicable M&V Plan, or is materially deficient in any manner whatsoever.
- (iv) If SCE provides Notice under subsection (d)(iii)(B) above, then SCE or SCE's Evaluator, at Seller's expense, may conduct a new Pre-Installation Inspection and issue a new Pre-Installation Inspection Report, a copy of which SCE shall make available to Seller. The findings of SCE's or SCE's Evaluator's Pre-Installation Inspection Report shall be binding on the Parties for purposes under this Agreement, and Seller's Pre-Installation Inspection Report shall be of no force and effect. Seller shall remedy the deficiencies identified in SCE's Pre-Installation Inspection Report within twenty (20) Business Days after receipt of SCE's Pre-Installation Inspection Report.
- (d) Post-Installation Inspection.
- (i) After Seller has completed and installed an Installation, Seller, at Seller's expense, shall engage an Evaluator to conduct the on-site "Post-Installation Inspection" that is consistent with the applicable M&V Plan. Such Post-Installation Inspection must be completed within sixty (60) Business Days of Seller completing and installing

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the measures, to:

- (A) verify that the Installation was completed and installed consistent with the applicable M&V Plan;
  - (B) verify that all Measures in the Installation are operating as planned and designed; and
  - (C) identify the Actual Capacity Savings attributable to such Installation.
- (ii) Seller's Evaluator shall issue a Post-Installation Inspection Report consistent with the applicable M&V Plan within thirty (30) Business Days after the completion of the Post-Installation Inspection. Subject to Section 5.03(d)(iii) of this Attachment 1, such report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(d)(i)(A)-(B) of this Attachment 1 ("Minimum Requirements") have been satisfied. The report, and data from the report, will be provided in a format mutually agreeable to by SCE and the Seller. At a minimum, the report shall include:
- (A) For each Installation, the Customer's Name, retail service account number, and address.
  - (B) For each Installation, a full description of each Customer's typical operations.
  - (C) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and with any existing or planned Non-IOU Fuel Source(s).
  - (D) A full description of each Measure installed as part of the Installation.
  - (E) A record of any unusual or abnormal conditions or events that occurred during the Post-Installation Inspection and any actions taken in response thereto.
  - (F) A statement, including supporting documentation, as to whether each Measure in the Installation has been completed and installed in accordance with the applicable M&V Plan.

- (G) A statement, including supporting documentation, as to whether each Measure in the Installation is operating as planned and designed.
  - (H) A statement, including supporting calculations and documentation, as to the amount the Installation reduced capacity use at the Site taking into account savings resulting from any existing or planned Non-IOU Fuel Source(s).
  - (I) A statement, including supporting calculations and documentation, as to the amount the Installation will result in a reduction in the energy use at the Site taking into account savings resulting from any existing or planned Non-IOU Fuel Source(s).
  - (J) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (iii) Within thirty (30) Business Days after receipt of a Post-Installation Inspection Report verifying all of the Minimum Requirements, SCE shall either (A) provide Notice to Seller that it has accepted the Post-Installation Inspection Report, or (B) provide Notice that, within SCE's reasonable determination, the Post-Installation Inspection Report is materially inaccurate or incomplete, does not properly find whether the Installation met all of the Minimum Requirements, does not provide enough information in support of finding that the Installation met all of the Minimum Requirements, indicates that the Post-Installation Inspection was not conducted consistent with the applicable M&V Plan, or is materially deficient in any manner whatsoever. SCE may conduct a site inspection at an Installation after receipt of a Post-Installation Inspection Report for such Installation upon five (5) Business Days' advance written Notice to Seller. The Seller shall accompany SCE inspectors or audit personnel performing any such audit.
  - (iv) If SCE provides Notice under Section 5.03(d)(iii)(B) above, then SCE or SCE's Evaluator, at Seller's expense, may conduct a new Post-Installation Inspection and issue a new Post-Installation Inspection Report, a copy of which SCE shall make available to Seller. The findings of SCE's or the SCE Evaluator's Post-Installation Inspection Report shall be binding on the Parties for purposes of determining whether the Minimum Requirements have been satisfied, and Seller's Post-Installation Inspection Report shall be of no force and effect.
  - (v) If SCE's, SCE's Evaluator's, or Seller's Post-Installation Inspection

Report finds that the Minimum Requirements have not been met, then Seller shall remedy the deficiencies identified in the Post-Installation Inspection Report within twenty (20) Business Days after receipt of SCE's Seller's Post-Installation Inspection Report.

- (vi) SCE's Seller's Post-Installation Inspection Report.
- (e) Upon SCE's acceptance of the final Post-Installation Inspection Report and upon SCE's verification that all Installations that are part of the Project will, in the aggregate, result in Actual Capacity Savings that is greater than or equal to seventy five percent (75%) of the Expected Measured Monthly Deferral Savings as determined in accordance with the applicable M&V Plans (the "Minimum Capacity Requirement"), then, the Initial Delivery Date shall be the date that Seller's Evaluator submitted such final Post-Installation Inspection Report, provided all requirements for the Initial Deliver Date provided elsewhere in this Agreement have been satisfied.

## **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

### 9.04 Seller Covenants.

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller hereby represents, warrants and covenants that each time Seller submits a Geographic and Service Account Eligibility Verification, such Geographic and Service Account Eligibility Verification will be correct and accurate and will not have been intentionally or negligently misrepresented or omitted, provided, if any error or omission occurs that was not intentionally or negligently made, Seller shall have five (5) Business Days from the earlier of (i) SCE's Notice to Seller of such error or omission, or (ii) Seller becoming aware of such error or omission, to be deemed to have complied with this representation, warranty and covenant by correcting the error or omission.
- (b) Seller shall not, and shall ensure that Customer service accounts that are part of the Project do not, use, submit, claim, or receive a Double Incentive during the Term.

## **ARTICLE 10. EVENTS OF DEFAULT**

### 10.01 Events of Default.

In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:

- (a) Seller removes from the Site equipment upon which the Contracted Amount has been based, except for the purposes of replacement, refurbishment, repair

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or maintenance, and the equipment is not returned within five (5) Business Days after Notice from SCE;

- (b) Seller issues a Post-Installation Inspection Report that provides that the Project has not met, or does not continue to meet, as applicable, all of the Minimum Requirements, and Seller has not corrected the deficiencies in such report to meet such criteria within the period set forth in Section 5.03(c)(iv) or (d)(v) of this Attachment 1, as applicable;
- (c) Seller fails to provide reporting under Section 4.05 of this Attachment 1.
- (d) In any two (2) months during the Delivery Period, the Actual Measured Savings during such month does not equal or exceed 90% of the Expected Measured Monthly Deferral Savings for such month.



## ATTACHMENT 1[-6]

*{SCE Note: Delete number and remove all other Product-Specific Attachment 1's}*

*{SCE Note: SCE will require Sellers to utilize the Metered-Based EE Approach, except in the following circumstances in which case, after consultation with SCE, this Customized Calculated Approach may be utilized: where there is no reference for an existing condition baseline (e.g., new construction/capacity expansion/added load), where consumption patterns are primarily driven by un-predictable or un-measurable factors, or where there are likely to be substantial non-routine events.}*

### ENERGY EFFICIENCY PROVISIONS *[CUSTOMIZED CALCULATED APPROACH]*

#### ARTICLE 1. PURCHASE AND SALE OF PRODUCT

##### 1.02 Project.

The "Project" consists of all Installations at the Sites.

##### (a) Eligibility.

Notwithstanding any other provision in this Agreement, each Installation must meet the following requirements in order to comprise part of the Project:

- (i) The Customer served by an Installation must be an SCE Customer that directly takes or receives electricity services from *[SCE Note: insert applicable circuit or portion of circuit]*.
- (ii) No Installation, no Measure in an Installation, nor any Customer service account that is part of an Installation, may use, submit, claim, or receive any rebates, discounts, incentives, low interest loans, or services from any other program, energy efficiency related or otherwise, for the Site or for any Measure installed at the Customer's Site (whether or not installed pursuant to this Agreement), for which the energy and demand savings have already been compensated, including the attribution of energy and demand savings or reductions for a single Measure/activity at multiple market intervention points (e.g., energy savings or reductions claimed upstream, midstream, and at the Customer) where a particular Measure was installed or an activity occurred (each, a "Double Incentive").
- (iii) The energy reductions associated with the Installation must exceed Title 24 or Title 20 energy efficiency standards set by the CEC. *[SCE*

*Note: If no Title 24 or Title 20 standards exist, SCE will work with Seller to develop an alternative benchmark that the Installation must exceed.}*

(iv) Each Installation consists of Measures that are Wholly Incremental, as determined by SCE in SCE’s sole discretion, as of Seller’s submittal of the Project and Measure Description in accordance with Article 5.

(b) Permanent Installation.

Notwithstanding any other provision in this Agreement, Seller shall ensure that the Project, the Installations and every Measure in the Project, remain installed at the Sites during the Delivery Period.

1.03 Contracted Amount.

The “Contracted Amount” means the Expected Deferral Savings.

(a) Expected Deferral Savings: the amounts in the table below during the Deferral Hours set forth in the table below [applicable deferral hours, e.g., Weekdays 1:00 pm PPT], to be set forth in more detail in the circuit hour deferral table to be included as part of the Pre-Installation Report.

Applicable Hours (Hour Ending)	Expected Deferral Savings (in kWh)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1												
2												
3												
4												
5												
6												
7												

8												
9												
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24												

*{SCE Note: Above times and quantities will be based on SCE's requirements as outlined in SCE's Bid Instructions and Seller's offer.}*

Attachment 1-3 (Customized Calculated EE)

*The contents of this document are subject to restrictions on disclosure as set forth herein.*

- (b) Expected EUL: [Number] year(s). {SCE Note: amount should be equal to the number of years in the Delivery Period}

1.04 Price.

Seller shall be paid in three installments, as follows:

- (a) The Deployment Payment (only for Projects that commenced installation of a new Distributed Energy Resource or associated systems after the Program Effective Date) is \$[Number]/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (b) The Reservation Payment is \$[Number]/kWh multiplied by the total Expected Deferral Savings for the Delivery Period.
- (c) The Performance Payment will be based on the Product Price of \$[Number]/kWh. The Performance Payment will be determined in accordance with Section 3.02.

SCE may, upon written notice to Seller, increase any or all of the Deployment Payments, Reservation Payments, or Performance Payments hereunder

**ARTICLE 2. TERM AND DELIVERY PERIOD**

2.04 Project Completion Date.

In addition to the conditions listed in Section 2.04 of the Agreement, the following conditions must be satisfied for the Project to achieve its Project Completion Date:

- (a) The applicable Installations have been completed and installed in accordance with Article 5 and Exhibit B;

**ARTICLE 3. PAYMENTS**

3.01 Payment Mechanisms.

- (a) “Invoicing Party”: Seller
- (b) “Paying Party”: SCE
- (c) “Invoice Date”: The Project Completion Date, the Initial Delivery Date, and the final date of the Delivery Period
- (d) “Payment Date”: sixty (60) days after receipt of Seller’s invoice

(e) “Invoice Calculation Period”: one year

(f) Other Payment and Invoicing Requirements.

Seller shall submit all invoices to SCE through a software management tool which shall be provided by SCE.

Seller shall send an invoice to SCE on or before the thirtieth (30<sup>th</sup>) day after: (i) the Project Completion Date for the Deployment Payment; (ii) the Initial Delivery Date for the Reservation Payment; and (iii) the end of the Delivery Period for the Performance Payment.

(g) No Obligation to Pay.

Notwithstanding any other provision in this Agreement, SCE shall have no obligation to make any payment if:

- (i) an Event of Default with respect to the Seller has occurred and is continuing,
- (ii) an Early Termination Date has occurred or been designated as a result of an Event of Default with respect to the Seller,
- (iii) the Project Summary Report, in form and substance acceptable to SCE, has not been received by SCE at any time prior to the Expected Initial Delivery Date,
- (iv) the energy savings at any Installation in any twelve (12) month period exceeded the energy that would have been delivered to such Site by SCE in the absence of such Installation, for those Installations with existing or planned Non-IOU Fuel Source(s) or other installations that reduce consumption of energy delivered by SCE, or
- (v) the Project Summary Report or a Post-Installation Inspection Report finds that the Project has not met or does not continue to meet all of the criteria set forth in Section 5.03(e)(i)(A)-(D), or SCE reasonably determines that such Project Summary Report or Post-Installation Inspection Report is materially deficient in any manner as set forth in Section 5.03(d)(iii) or (e)(iii) and Seller is attempting to remedy such deficiencies, unless Seller successfully remedies the deficiencies, as applicable.

3.02 Performance Payment.

- (a) The Performance Payment will equal the summation for all Customer Sites of the Deferral Hour Settlement Calculations for each hour during the applicable Deferral Hours (set forth in Section 1.03 of this Attachment 1) in the Delivery Period; provided, if Performance Payment for the Delivery Period is less than zero dollars (\$0), then the Performance Payment shall be deemed zero dollars (\$0). Each Deferral Hour Settlement Calculation will be calculated pursuant to the following formula, where “n” is the applicable Deferral Hour being calculated:

$$\text{DEFERRAL HOUR SETTLEMENT CALCULATION}_n = (A \times B \times C \times D)$$

where:

A = the applicable Product Price specified in Section 1.04 in \$/kWh

B = the Actual Deferral Savings

C = Then applicable EUL Payment Adjustment Factor, as set forth in Section 3.02(c) of this Attachment 1.

D = the applicable percentage derived from the table below:

<b>Actual Deferral Savings /Expected Deferral Savings (expressed as a percentage)</b>	<b>Percentage Value “D”</b>
100.00%	1.00
≥ 90.00% to 99.99%	0.75
< 90.00%	0.00

- (b) The “EUL Payment Adjustment Factor” is the percentage representing the extent to which Seller has achieved the Expected EUL for the Project, which is calculated as follows. In no event can the EUL Payment Adjustment Factor exceed 1.00 or one hundred percent (100%).

$$\text{“EUL Payment Adjustment Factor”} = (A / B) \times 100\%$$

A = the Project’s Actual EUL, and

Attachment 1-6 (Customized Calculated EE)

*B* = the Expected EUL set forth in Section 1.03 of this Attachment 1.

#### **ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT**

##### **4.01 Seller's Obligations.**

Seller's obligations to be performed pursuant to Section 4.01 of the Agreement shall include:

- (a) Designing, constructing, and installing the Project by the Expected Initial Delivery Date.
- (b) Seller shall not begin any construction of any Installation before the Program Effective Date (the "Construction Start Date").

##### **4.02 Inspection Rights.**

In addition to the obligations set forth in Section 4.02, Seller shall, and shall cause each Customer to, provide SCE and all Evaluators access to each Site and Installation to examine, test, measure, and inspect the Installation and to perform all Inspections. Seller shall also provide SCE and all Evaluators access to, and the ability to review, any records or documents needed to examine, test, measure, or inspect an Installation, and properly perform all Inspections. Access shall be granted for the number of days needed to complete any such Inspections. The obligation to provide access described in this paragraph shall apply regardless of whether the Customer associated with an Installation, Site, or Measure changes during the Term of this Agreement.

##### **4.05 Provision of Information.**

Items to be provided by Seller pursuant to Section 4.05 shall include:

- (a) Within ten (10) Business Days after a request from SCE any and all documents, information, or records, related to the Project, an Installation or a Measure that is part of the Project, including any documents, information, or records:
  - (i) Needed to measure the deferral savings of the Project, the Installation or Measure;
  - (ii) Relating to Seller's Evaluator and Seller's Evaluator's work; and
  - (iii) Of an Affiliate or a Customer.

Attachment 1-7 (Customized Calculated EE)

*The contents of this document are subject to restrictions on disclosure as set forth herein.*

Seller shall utilize SCE's web-based reporting tool to upload the information set forth in Section 4.05.

## **ARTICLE 5. INTERCONNECTION; METERING; TESTING**

### 5.03 Testing.

#### (a) Evaluators.

- (i) For each report required under this Section 5.03, Seller, at Seller's expense, shall engage an independent third party not affiliated with Seller (the "Evaluator") to conduct the inspections required under this Section 5.03. The Evaluator must (x) have demonstrated and significant experience performing evaluation, measurement and verification studies of energy efficiency projects of a size and type similar to the Project with demonstrated and significant experience using the guidelines and publications identified in Exhibit B, (y) have sufficient depth and breadth in the skills required to perform the tasks identified in the Measurement and Verification Protocol and the applicable M&V Plan, and (z) adhere to all applicable ethical evaluation practices. For the purpose of determining independence, the Evaluator or the Party also refers to its officers, employees, or associated individuals in any capacity equivalent to that of a member of management, and their family members, or any entity or individual acting on behalf of such persons. The selection of an Evaluator under this Section 5.03 shall be subject to SCE's consent, which consent shall not be unreasonably withheld.
- (ii) With respect to an Evaluator engaged by Seller, Seller shall make the Evaluator available to SCE to discuss any Inspection and any of the information contained in an Inspection Report within five (5) Business Days after SCE's request. SCE shall also have the right to review all records and documents related to an Inspection or Inspection Report. Seller shall utilize SCE's web-based reporting tool to upload all Inspection Reports generated by the Evaluator pursuant to this Section 5.03.
- (iii) Subject to this Section 5.03(a)(iii), the Seller's Evaluator reports and findings shall be binding on the Parties for the stated purposes. If, within SCE's reasonable determination, a report is materially inaccurate or incomplete, or does not properly make the required findings, does not provide enough information in support of the required findings, indicates that the inspection was not conducted



consistently with the applicable M&V Plan, or is materially deficient in any manner whatsoever, then SCE may engage an Evaluator (“SCE’s Evaluator”), at Seller’s expense, to reconduct an inspection and resubmit a report in accordance with this Section 5.03. The selection of SCE’s Evaluator shall be subject to Seller’s consent, which consent shall not be unreasonably withheld. The findings of SCE’s Evaluator’s reports shall be binding on the Parties, and Seller’s Evaluator’s report shall be of no force and effect.

- (iv) SCE may, in its sole discretion, request access to any Site and any Installation to examine, test, measure, and inspect such Installation, and Seller shall, and shall cause all applicable Customers to, provide access to such Site within forty-eight (48) after SCE’s request. SCE may conduct an audit at an Installation after receipt of any report for such Installation upon forty-eight (48) hours advance written Notice to Seller. The Evaluator shall accompany SCE inspectors or audit personnel performing any such audit

(b) Measurement Baseline.

For purposes of this Section 5.03:

- (i) “Individual Measurement Baseline” means the on-site energy use and capacity use associated with a single type of equipment or single process that is the subject of a Measure before such Measure is installed. For determining the amount of on-site energy use and capacity use for each type of equipment or each process that is the subject of a Measure, such use shall be the lesser of (I) the actual energy use and capacity use of the equipment or process prior to Installation and operation of the Measure; or (II) the energy use and capacity use of the equipment or process as if such equipment or process satisfied Industry Standard Practice, Title 20 and/or Title 24, as applicable. *{SCE Note: If no Title 24 or Title 20 standards exist, SCE will work with Seller to develop an alternative benchmark to exceed.}*
- (ii) “Measurement Baseline” means the aggregate of all of the Individual Measurement Baselines for energy use and capacity use at a Site.

(c) M&V Plan; Geographic and Service Account Eligibility Verification.

- (i) At least thirty (30) Business Days prior to a Pre-Installation Inspection at a Customer Site, Seller shall submit to SCE the Geographic and

Service Account Eligibility Verification for the applicable Site in accordance with Exhibit B (the “Geographic and Service Account Eligibility Verification”) for the Installation at the Customer’s Site. Within ten (10) Business Days after receipt of a Geographic and Service Account Eligibility Verification, SCE shall either (A) provide Notice to Seller that it has accepted the Geographic and Service Account Eligibility Verification, or (B) provide Notice that, within SCE’s reasonable determination, the proposed Installation at the Customer’s Site is not eligible to be a Site Installation under this Agreement. If SCE provides Notice under subsection (B) above, then the proposed Installation shall not be an Installation under this Agreement and the Pre-Installation Inspection at such Customer Site shall not occur.

- (ii) At least twenty (20) Business Days prior to each Pre-Installation Inspection at any Site, Seller shall submit to SCE the Project and Measure Description for each applicable Site. Within ten (10) Business Days after receipt of the Project and Measure Description, SCE shall either (A) provide Notice to Seller that it has accepted the Project and Measure Description, or (B) provide Notice that, within SCE’s reasonable determination, the Project and Measure Description is materially inaccurate, incomplete or inconsistent with this Agreement, or otherwise deficient in any manner. If SCE provides Notice under subsection (B) above, then Seller shall re-submit the revised Project and Measure Description, which shall again be subject to SCE’s approval or disapproval in accordance with this Section 5.03(c)(ii).
- (iii) At least thirty (30) Business Days prior to the Pre-Installation Inspection at any Site, Seller shall cause its Evaluator to submit to SCE the M&V Plan for the Installation. The M&V Plan is a detailed plan describing how the Evaluator will perform the Inspection, including an explanation as to how the Evaluator plans to: (A) determine each Individual Measurement Baseline and the Measurement Baseline for capacity and energy; (B) determine the actual energy use and capacity use of the equipment or process that is the subject of a Measure and the energy use and capacity use of such equipment or process in excess of Title 20 or Title 24 requirements *{SCE Note: or other agreed-upon benchmark}*; and (C) measure and verify the Actual Deferral Savings, including how such measurement and verification of capacity and energy will occur for each Measure, and will be developed for each Installation in accordance with the Measurement and Verification Protocol set forth in Exhibit B (the

“M&V Plan”). The M&V Plan must describe, with supporting detail, the actions, processes, protocols, and schedules, and must comply with all of the requirements of the Measurement and Verification Protocol set forth in Exhibit B. To the extent any technologies that reduce customer energy demand or consumption are installed (current or future) at the Customer Site, including existing and planned Non-IOU Fuel Source(s), exceed the net potential benefits of a Measure or the Installation, the calculation of the impact of each Measure and Installation must comply with the Customized Calculated Savings Guidelines. Within ten (10) Business Days after receipt of the M&V Plan for any Installation, SCE shall either (x) provide Notice to Seller that it has accepted the M&V Plan, or (y) provide Notice that, within SCE’s reasonable determination, the M&V Plan is materially inaccurate or incomplete, or deficient in any manner. If SCE provides Notice under subsection (y) above, then SCE, the Seller, and the Evaluator shall immediately commence work in good faith to develop an M&V Plan acceptable to SCE. If, after fifteen (15) Business Days from SCE’s receipt of the Evaluator’s M&V Plan, Seller, SCE, and the Evaluator have not agreed on a final M&V Plan, SCE shall provide Seller and the Evaluator with the M&V Plan to be used in the Inspection within ten (10) Business Days after the expiration of the fifteen (15) Business Day period.

(d) Pre-Installation Inspection.

- (i) With respect to each Installation, an Evaluator shall conduct an on-site “Pre-Installation Inspection” to (A) test and make any measurements needed to calculate and establish the Individual Measurement Baseline for the Installation and the Measurement Baseline for the Project for purposes of measuring each of the Actual Deferral Savings and Actual EUL, and (B) verify that the applicable Customer will not receive a Double Incentive with respect to the Installation. The Pre-Installation Inspections shall take place no earlier than one-hundred twenty (120) Business Days before the Construction Start Date. Such Inspections shall be conducted consistent with the applicable M&V Plan and to the extent any technologies that reduce customer energy demand or consumption are installed (current or future) at the Customer Site, including existing and planned Non-IOU Fuel Source(s), exceed the net potential benefits of a Measure or the Installation, the calculation of the impact of each Measure and Installation must comply with the Customized Calculated Savings Guidelines.

- (ii) Seller shall cause the Evaluator to issue a Pre-Installation Inspection Report within thirty (30) Business Days after the completion of a Pre-Installation Inspection.
  - (iii) Within thirty (30) Business Days after receipt of a Pre-Installation Inspection Report, SCE shall either (x) provide Notice to Seller that it has accepted the Pre-Installation Inspection Report, or (y) cause SCE's Evaluator to conduct a new Pre-Installation Inspection and to issue a new Pre-Installation Inspection Report.
- (e) Primary Post-Installation Inspection.
- (i) After Seller has completed and installed an Installation, an Evaluator shall conduct the on-site "Primary Post-Installation Inspection" that is consistent with the applicable M&V Plan, and to the extent that any technologies that reduce customer energy demand or consumption are installed (current or future) at the Customer Site, including existing and planned Non-IOU Fuel Source(s), which exceed the net potential benefits of a Measure or the Installation, the calculation of the impact of each Measure and Installation must comply with the Customized Calculated Savings Guidelines. Such Primary Post-Installation Inspection must be completed within sixty (60) Business Days of Seller completing and installing the measures, to:
    - (A) verify that the Installation was completed and installed consistent with the applicable M&V Plan;
    - (B) verify that all Measures in the Installation are operating as planned and designed; and
    - (C) identify the Actual Deferral Savings and Actual EUL attributable to such Installation.
  - (ii) Seller shall cause the Evaluator to issue a Primary Post-Installation Inspection Report consistent with the applicable M&V Plan within thirty (30) Business Days after the completion of the Primary Post-Installation Inspection.
  - (iii) Within thirty (30) Business Days after receipt of a Primary Post-Installation Inspection Report verifying all of the criteria set forth in Section 5.03(d)(i)(A)-(C), SCE shall either (A) provide Notice to Seller that it has accepted the Primary Post-Installation Inspection Report, or (B) cause SCE's Evaluator to conduct a new Primary Post-Installation Inspection and to issue a new Primary Post-Installation

Attachment 1-12 (Customized Calculated EE)

Inspection Report, a copy of which SCE shall make available to Seller.

- (iv) If SCE's Evaluator's Primary Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(d)(i)(A)-(C) have not been met, then Seller shall remedy the deficiencies identified in the Primary Post-Installation Inspection Report within twenty (20) Business Days after receipt of SCE's Evaluator's Primary Post-Installation Inspection Report.

(f) Project Summary Report.

- (i) After Seller has completed the final Installation of all the Measures that are part of the Project, Seller, at Seller's expense, shall engage an Evaluator to provide a summary of the Primary Post-Installation Inspection Reports (the "Project Summary Report"). Such Project Summary Report must be completed within sixty (60) Business Days of Seller completing and installing the final Installation that is part of the Project to verify that:
  - (A) Each Installation that is part of the Project was completed and installed consistent with its applicable M&V Plan;
  - (B) all Measures in each Installation that is part of the Project are operating as planned and designed;
  - (C) the Installations that are part of the Project will, in the aggregate, result in Actual Deferral Savings, and Actual EUL, that are each greater than or equal to seventy five percent (75%) of each of the Expected Deferral Savings, and Expected EUL as determined in accordance with the applicable M&V Plans.
- (ii) Within thirty (30) Business Days after receipt of the Project Summary Report, SCE shall either (x) provide Notice to Seller that it has accepted the Project Summary Report, or (y) provide Notice that, within SCE's reasonable determination, the Project Summary Report is materially inaccurate or incomplete, does not properly find whether the Project meets all of the criteria set forth in Section 5.03(f)(i)(A)-(D) ("Minimum Requirements"), does not provide enough information in support of finding that the Project meets all of the Minimum Requirements, or is materially deficient in any manner whatsoever.

- (A) If SCE provides Notice under subsection (x) above, then the Initial Delivery Date shall be deemed to have occurred on the date Seller submitted the final Primary Post Installation Inspection Report that is accepted by SCE; provided all requirements for the Initial Deliver Date provided elsewhere in this Agreement have been satisfied.
  - (B) If SCE provides Notice under subsection (y) above, then Seller shall remedy any deficiencies identified in the Project Summary Report or any Primary Post-Installation Inspection Report within twenty (20) Business Days after receipt of SCE's Notice.
  - (C) If Seller corrects the deficiencies identified in any such Project Summary Report or Post-Installation Inspection Report, as determined by SCE within such period of time, then the date that is ten (10) Business Days after the date on which SCE deems the deficiencies to be remedied and all of the Minimum Requirements to have been met shall be deemed the Initial Delivery Date ; provided all requirements for the Initial Delivery Date provided elsewhere in this Agreement have been satisfied.
- (g) Post-Installation Inspection.
- (i) After the Initial Delivery Date, and upon reasonable Notice, SCE may request that Seller, at Seller's expense, engage an Evaluator to conduct a Post-Installation Inspection in order to verify that the Project continues to meet the Minimum Requirements; provided, the Evaluator must consider the actual energy savings of the Project since the Initial Delivery Date in determining whether Seller has satisfied Section 5.03(f)(i)(D). The Post-Installation Inspection must be conducted consistently with the applicable M&V Plans, and to the extent any technologies that reduce customer demand and energy usage are installed at the Customer Site, including existing and planned Non-IOU Fuel Source(s), which exceed the net potential benefits of a Measure or the Installation, the calculation of the impact of each Measure and Installation must comply with the Customized Calculated Savings Guidelines. SCE may, but is not obligated to, request up to two (2) Post-Installation Inspections every calendar year of the Delivery Period. Each Post-Installation Inspection must be completed within sixty (60) Business Days after SCE's Notice to perform a Post-Installation Inspection.

- (ii) Seller shall cause the Evaluator to issue a Post-Installation Inspection Report to SCE within thirty (30) Business Days after the completion of the Post-Installation Inspection.
- (iii) Within thirty (30) Business Days after receipt of a Post-Installation Inspection Report that finds that the Project has met all of the Minimum Requirements, SCE shall either (x) provide Notice to Seller that it has accepted the Post-Installation Inspection Report, or (y) cause SCE's Evaluator to conduct a new Post-Installation Inspection and to issue a new Post-Installation Inspection Report, both of which must be completed within sixty (60) Business Days after the engagement of SCE's Evaluator.
- (iv) If the Post-Installation Inspection Report finds that the Project has not continued to meet all of the Minimum Requirements, then Seller must remedy the deficiencies identified in such Post-Installation Inspection Report to SCE's satisfaction within ten (10) Business Days after receipt of the Post-Installation Inspection Report; provided, if the deficiencies are not reasonably capable of being remedied within such time frame, Seller will have additional time, determined in SCE's sole discretion (and not to exceed thirty (30) Business Days), to remedy the deficiencies or SCE may terminate this Agreement pursuant to Article 10.

## **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

### **9.04 Seller Covenants.**

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller hereby represents, warrants and covenants that each time Seller submits a Geographic and Service Account Eligibility Verification, such Geographic and Service Account Eligibility Verification will be correct and accurate and will not have been intentionally or negligently misrepresented or omitted, provided, if any error or omission occurs that was not intentionally or negligently made, Seller shall have five (5) Business Days from the earlier of (i) SCE's Notice to Seller of such error or omission, or (ii) Seller becoming aware of such error or omission, to be deemed to have complied with this representation, warranty and covenant by correcting the error or omission.
- (b) Seller shall not, and shall ensure that Customer service accounts that are part of the Project do not, use, submit, claim, or receive a Double Incentive during the Term.

Attachment 1-15 (Customized Calculated EE)

*The contents of this document are subject to restrictions on disclosure as set forth herein.*

## **ARTICLE 10. EVENTS OF DEFAULT**

### 10.01 Events of Default.

In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:

- (a) Seller removes from the Site equipment upon which the Contracted Amount has been based, except for the purposes of replacement, refurbishment, repair or maintenance, and the equipment is not returned within five (5) Business Days after Notice from SCE;
- (b) an Evaluator issues a Project Summary Report or Post-Installation Inspection Report that provides that the Project has not met, or does not continue to meet, as applicable, all of the Minimum Requirements, and Seller has not corrected the deficiencies in such report to meet such criteria within the period set forth in Section 5.03(f)(ii);
- (c) Seller fails to provide reporting under Section 4.05(a) of this Attachment 1.



## ATTACHMENT 1[-5]

*{SCE Note: Delete number and remove all other Product-Specific Attachment 1's}*

### BEHIND THE METER PERMANENT LOAD SHIFT (BATTERY) PROVISIONS

#### ARTICLE 1. PURCHASE AND SALE OF PRODUCT

##### 1.02 Project.

- (a) Storage Units. The “Project” consists of the Storage Unit(s) included in the then-currently effective Exhibit B (including all Storage Units added or substituted pursuant to Section 6.04 of this Attachment 1, but excluding all Storage Units removed pursuant to Section 6.04 or 10.01(a) of this Attachment 1), Prevention Equipment, Metering, and Protective Apparatus, together with all appurtenant materials, equipment systems, structures, features and improvements necessary to store energy produced during the off-peak hours and release the electric energy during peak hours to support the Customer’s Site loads. “Storage Unit” means a type of electrical device that is comprised of batteries to store electrical energy, as more particularly described in Exhibit B, that is located at a Customer’s Site together with all appurtenant materials, equipment systems, structures, features and improvements necessary to store and release electric energy at such Customer’s Site, which results in the shifting of energy usage from one period of time to another on a recurring basis, by storing energy produced outside of the Deferral Hours and using the energy to support Customer loads during the Deferral Hours of *[xx am/pm to xx am/pm PPT]* resulting in a reduction in the Customer’s on-Site consumption of retail electric energy provided by SCE to the Customer. The Storage Units listed in the then effective Exhibit B may include Storage Units installed by Seller or other Storage Units at the Customer’s Site owned, operated or controlled by Seller, any Affiliate of Seller, or by a Customer. The term Storage Units excludes the Site, land rights and interests in the land.
- (b) Technology Type. *[SCE Note: to be added, e.g., lithium-ion battery storage units].*
- (c) Location of Sites. Sites will be identified to SCE in the process set forth in Exhibit B.
- (d) Eligibility.

Notwithstanding any other provision in this Agreement, Seller must satisfy and maintain the following eligibility requirements for a Storage Unit to be included in the Project and receive the Product Price (or any portion thereof):

- (i) Seller must provide Notice, consistent with the requirements set forth in Section 6.03 of this Attachment 1, to SCE that Seller intends to install a Storage Unit at the applicable Site(s) or acquire the rights to other existing Storage Units owned, operated or controlled by Seller, any Affiliate of Seller, or by a Customer at the applicable Site;
- (ii) Seller must provide all interconnection agreements necessary to operate the Generating Facility in parallel with the T&D Provider's electrical system;
- (iii) Throughout the Delivery Period, the Storage Unit(s) must be either owned, operated or controlled by (A) Seller, (B) any Affiliate of Seller, or (C) a Customer who, in the case of (B) and (C), has entered into an agreement with Seller as needed for the Storage Unit to comply with the requirements of this Agreement related to Storage Unit(s) included in the Project;
- (iv) Throughout the Term, neither Seller nor the retail account of the Customer served by the Storage Unit shall use, submit, claim, or receive any rebates, discounts, incentives, low interest loans, or services from any other programs funded or administered by SCE or the CPUC for the same service provided under this Agreement by the Storage Unit installed at the Customer's Site (each, a "Double Incentive"). Notwithstanding any other provision hereof, Double Incentives do not include (a) any Self-Generation Incentive Program (SGIP) incentive (b) any state or federal investment tax credits associated with the Project or Storage Units, and (c) any other state or federal tax credits or tax benefits (including depreciation) associated with the Project or Storage Unit(s).
- (v) The Customer served by the Storage Unit must be an SCE Customer that directly takes or receives electricity services from *[SCE Note: insert applicable circuit or portion of circuit]*;
- (vi) The energy reductions during any peak hours associated with the Project installations that were used to receive compliance credits when coupled with solar or independent of solar (if applicable) to meet the Title 24 mandates set by the CEC will be deemed as ineligible.

1.03 Contracted Amount.

The “Contracted Amount” means, collectively, the Expected Capacity Savings and the Expected Shifted Deferral Savings.

(a) Expected Capacity Savings.

The Expected Capacity Savings is \_\_\_\_\_.

(b) Expected Shifted Deferral Savings.

Subject to any adjustment as otherwise provided herein, the Expected Shifted Deferral Savings for each applicable Deferral Hour in the Delivery Period are as set forth below. For purposes of determining whether Metered Amounts satisfy meeting Expected Shifted Deferral Savings, such Metered Amounts must be recorded during the [applicable deferral hours, e.g., Weekdays 1:00 pm PPTI] for each Deferral Hour in the Delivery Period are as set forth below.

Applicable Hours (Hour Ending)	Expected Shifted Deferral Savings (in kWh)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1												
2												
3												
4												
5												
6												
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1.04 Price.

Seller shall be paid in three installments, as follows:

- (a) The Deployment Payment is  $\$[Number]/kWh$  multiplied by the total Expected Shifted Deferral Savings (kWh) for the Delivery Period.
- (b) The Reservation Payment is  $\$[Number]/kWh$  multiplied by the total Expected Shifted Deferral Savings (kWh) for the Delivery Period.

- (c) The Performance Payment will be based on the Product Price of \$[Number]/kWh. The Performance Payment will be determined in accordance with Section 3.02.

SCE may, upon written notice to Seller, increase any or all of the Deployment Payments, Reservation Payments, or Performance Payments hereunder

1.05 Exclusive Rights.

SCE's exclusive rights to the Product and all benefits derived therefrom shall be subject to the following conditions:

- (a) Seller shall not, and shall ensure that its Affiliates and the Customers associated with the Project do not, sell the Product (or any portion thereof) to any Person other than SCE.
- (b) SCE acknowledges that Seller shall have the right to sell the energy from any Generating Facility to Customers associated with the Project throughout the Delivery Period, and Seller retains the right to all proceeds from such sales.

**ARTICLE 2. TERM AND DELIVERY PERIOD**

2.04 Project Completion Date.

In addition to the conditions listed in Section 2.04, the following conditions must be satisfied for the Project to achieve its Project Completion Date:

- (a) Seller has completed and complied with, to SCE's satisfaction, Seller's obligations set forth in Section 1.02(d) of this Attachment 1 in order to bring the Project into full operation as contemplated by this Agreement;
- (b) The applicable Storage Units have been completed and installed in accordance with Exhibit B;
- (c) Each Storage Unit has achieved a Storage Unit Completion Date;
- (d) Seller has demonstrated, based on the Post-Installation Inspection Reports for each Storage Unit and to SCE's reasonable satisfaction, that the aggregate installed Capacity of all Storage Units that have achieved Storage Unit Completion Dates is capable of meeting the Expected Capacity Savings and the Expected Shifted Deferral Savings set forth in Section 1.03 throughout the Term; and

- (e) Seller has provided to SCE a compilation report that combines all Post-Installation Inspection Reports for Storage Units that have achieved the Storage Unit Completion Date.

### ARTICLE 3. PAYMENTS

#### 3.01 Payment Mechanisms.

- (a) “Invoicing Party”: Seller
- (b) “Paying Party”: SCE for Deployment Payment (if applicable), Reservation Payment, and Performance Payment; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) “Invoice Date”: the fifth (5<sup>th</sup>) day after receiving Notice of approval from the SCE Contract Representative in accordance with Section 3.01(f) below
- (d) “Payment Date”: Thirty (30) days after SCE’s Accounts Payable’s receipt of Seller’s invoice.
- (e) “Invoice Calculation Period”: end of Delivery Period
- (f) Other Payment and Invoicing Requirements.

Seller shall send an electronic copy of the invoice to the SCE Contract Representative on or before the thirtieth (30<sup>th</sup>) day after: (i) the Project Completion Date for the Deployment Payment; (ii) the Initial Delivery Date for the Reservation Payment; and (iii) the end of the Delivery Period for the Performance Payment. SCE shall have ten (10) Business Days from receipt to provide Notice of approval or denial of the accuracy of such invoice or decline such invoice and provide the basis of such declination. Upon Notice from SCE that the invoice is approved, Seller shall send an invoice to Accounts Payable by the Invoice Date.

#### 3.02 Performance Payment Calculations.

The Performance Payment will equal the summation of the Deferral Hour Settlement Calculations for each hour during the applicable Deferral Hours (set forth in Section 1.03 of this Attachment 1) in the Delivery Term. Each Deferral Hour Settlement Calculation will be calculated pursuant to the following table, where “n” is the applicable Deferral Hour being calculated:

Deferral Hour Settlement Calculation<sub>n</sub> =

Sum of Metered Amounts for the Deferral Hour / Expected Shifted Deferral Savings for the Deferral Hour (expressed as a percentage)	Deferral Hour Settlement Calculation
100.00%	Sum of Metered Amounts for such Deferral Hour in kWh * 1.0 * Product Price
≥ 90.00% to 99.99%	Sum of Metered Amounts for such Deferral Hour in kWh * 0.75 * Product Price
< 90.00%	Sum of Metered Amounts for such Deferral Hour in kWh * 0.00 * Product Price

“Metered Amounts” means the electric energy discharged by the Storage Unit(s) in the Project during the Settlement Interval at the Customer(s)’ Site(s), expressed in kWh, as recorded by the Metering Systems, subject to the limitations in Sections 3.03(a)-(b) of this Attachment 1 but excluding any Unrelated Energy Discharge.

3.03 Excess Deliveries.

- (a) If during any Settlement Interval in a Deferral Hour Seller delivers Metered Amounts in excess of the product of the Expected Capacity Savings, expressed in kW, and the length of such Settlement Interval, expressed in hours, then such excess amount shall be excluded from Metered Amounts.
- (b) If during any Deferral Hour Seller delivers Metered Amounts in excess of one hundred percent (100%) of the Expected Shifted Deferral Savings for such Deferral Hour, then such excess amounts shall be excluded from Metered Amounts.

**ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT**

4.01 Seller’s Obligations.

Seller’s obligations to be performed pursuant to Section 4.01 shall, if the Project is a Storage-Backed Project, include the obligation to install batteries with stored energy capability capable of delivering the Expected Capacity Savings and Expected Shifted Deferral Savings as of the Effective Date.

## ARTICLE 5. INTERCONNECTION; METERING; TESTING

### 5.01 Transmission and Interconnection.

Additional interconnection requirements for the Project pursuant to Section 5.01 shall include:

- (a) Seller shall, or shall cause each applicable Customer to, be responsible for all fees and costs arising from, relating to or associated with:
  - (i) Obtaining all interconnection studies;
  - (ii) Maintaining, complying with and performing Seller's obligations under the interconnection agreement and related documents throughout the Delivery Period;
  - (iii) Any interconnection facilities that are installed for the purpose of interconnecting the Project with existing distribution systems; and
  - (iv) Any interconnection agreement associated with each Storage Unit.
- (b) Seller shall, or shall cause the applicable Customer(s) to, interconnect each Generating Facility under Rule 21 or Wholesale Distribution Access Tariff (WDAT) of the SCE Tariff schedules.

### 5.02 Metering, Communications, and Telemetry.

#### (a) Metering Systems.

Seller shall install an approved Metering System(s) capable of measuring energy stored and discharged in fifteen (15) minute intervals exclusively from the Storage Unit(s) and, if applicable, an approved Metering System capable of measuring energy exported from the Storage Unit to the grid in fifteen (15) minute intervals (collectively, the "Metering System(s)").

Each Metering System installed to provide the fifteen (15) minute billing data must be a separate revenue grade socket based Interval Data Recorder or a functioning system that is functionally equivalent to an Interval Data Recorder meter capable of recording the energy used to charge the Storage Unit and the energy discharged from the Storage Unit to offset usage at the Host Site and, if applicable, the energy exported to the SCE grid, in all cases no less frequently than every fifteen (15) minutes. The meter and service panel must meet all local building and utility codes. The meter serial number must be visible after installation.



The installed Metering Systems must be able to perform the following functions:

- (i) record the input/output of the energy storage system within an accuracy of plus or minus two percent (2%);
- (ii) if applicable, record the export data within an accuracy of plus or minus two percent (2%) of actual system output; and
- (iii) collect fifteen (15) minute interval billing data which shall be summarized in fifteen (15) minute intervals by day, month and year.

Each Metering System must be in compliance with the applicable SCE electric service requirements.

In addition, Seller shall select a Performance Monitoring and Reporting Service Provider (“PMRS”) and Performance Data Provider (“PDP”) to allow SCE to determine the amount of energy stored and discharged from the energy storage system and/or the amount of energy exported to the grid by the Storage Unit(s). The PDP is a service provider that monitors and reports the energy production data from the Storage Unit to SCE and must perform the obligations set forth in Section 5.02(b) of this Attachment 1. Seller may act as its own PMRS. The PDP must be independent of Seller and approved by SCE.

The PDP must log all data required pursuant to subsections (i), (ii) and (iii) above. The meters must be tested according to all applicable American National Standard for Electricity Meters C-12 testing protocols and certified by an independent testing body. All meters must provide the PMRS and PDP with the ability to access and retrieve the data required pursuant to subsections (i) and (ii) above from the meter(s) using SCE-approved meter communication and data transfer protocols.

All meters must provide a legible, understandable display showing the meter’s measured net generated energy output and measured instantaneous power. This display must be physically located either on the meter, on the inverter or on a remote device that is accessible to SCE.

All meters must have the ability to retain collected data in the event of a power outage. Meters that are reporting data remotely must have sufficient memory to retain seven (7) days of data. Seller shall ensure that SCE receives monthly data that contains the fifteen (15) minute interval energy production data (in kWh) for the Project.

The meter must be listed on the CEC's website (currently located at <https://www.energy.ca.gov/programs-and-topics/programs/solar-equipment-lists>) as a qualified meter. If the CEC's list is no longer available, SCE will provide a list of eligible meters.

(b) PDP Responsibilities.

Seller shall ensure that the PDP performs the following responsibilities for the purposes of measuring and verifying monthly production at each Customer's Site under the terms of this Agreement:

- (i) Manage meter reading/data retrieval schedule.
- (ii) Read and retrieve performance meter data.
- (iii) Calculate the monthly input/output of the energy storage system;
- (iv) Provide the meter data in an acceptable format to the SCE Contract Representative, listing the individual read data for each meter on a single worksheet with a summary of all the meter data for invoicing purposes by the tenth (10<sup>th</sup>) day of the calendar month.
- (v) Validate performance data prior to providing to SCE using the approved validation rules as set forth in Section 5.02(c) of this Attachment 1.
- (vi) Troubleshoot and resolve communications issues.
- (vii) Report any outages which resulted in zero kWh production with the start and end date time to the SCE Contract Representative.
- (viii) Store data in accordance with this Section 5.02.
- (ix) Make historical performance data available to SCE as requested.
- (x) Provide technical support and customer support to SCE.
- (xi) Communicate meter/device changes to SCE.
- (xii) Provide disaster recovery and data backup services as requested by SCE.
- (xiii) Manage data on PDP server.
- (xiv) Ensure confidentiality of customer information and performance data.

- (xv) Possess technical expertise and capability.
- (xvi) Comply with all Applicable Laws.
- (c) Data Validation.
  - (i) Seller shall ensure that the PDP validates all data prior to sending it to the SCE Contract Representative. Seller shall comply with the data validation rules set forth in Exhibit M.
  - (ii) SCE or its designated contractor may perform random audits of PDP data, at SCE's cost, to ensure accuracy and compliance with the requirements outlined in this Agreement. SCE or its designated contractor may, at its discretion, inspect and test the performance meter.
- (d) SCE's Access to Meters.
  - (i) Seller grants, or shall cause the applicable Customer(s) to grant, SCE reasonable access to all Metering Systems for meter readings and any purpose necessary to effectuate this Agreement.
  - (ii) Seller shall promptly provide SCE access to all meter data and data acquisition services as SCE may reasonably request.
  - (iii) Seller shall make the contracts with the PMRS and PDP available to SCE upon request, and shall be responsible for any issues related to data integrity and data transfer to SCE.
- (e) Telemetry.

All communication, metering, telemetry, and associated operation equipment and applications will be compliant with the protocol(s) set forth in Section 6.01(d). Seller shall configure the SCADA so that SCE may access it via an automated system to remotely monitor the Project in real-time (“DERMs” or “Generation Management System”) from SCE's Grid Operations Center. Seller shall link the systems via an approved SCE communication network, utilizing industry standard network protocol, as approved by SCE. The connection will be bidirectional in nature and used by the Parties to exchange all data points to and from the DERMS.

Seller shall be responsible for the costs of installing, configuring, maintaining and operating the SCADA or IEEE 2030.5 systems and internal site links for the Project.

Seller shall be responsible for designing, furnishing, installing, operating, maintaining and testing a real-time Telemetry System capable of interconnecting to the DERMs.

The above-mentioned connections and data transfer must be fully functional before the Initial Delivery Date.

5.03 Testing.

(a) Access.

- (i) Prior to each Storage Unit Completion Date, Seller shall provide, and cause each applicable Customer to provide, SCE and all Evaluators engaged by Seller or SCE access to each Site and Storage Unit to examine, test, measure, and inspect the Storage Unit and to perform all Post-Installation Inspections (as described in numeral (b) and (c) of this Section 5.05, respectively). Seller shall also provide SCE and all Evaluators access to, and the ability to review, any records or documents needed to examine, test, measure, or inspect each Storage Unit prior to the Storage Unit Completion Date for such Storage Unit.
- (ii) Any access required pursuant to this Section 5.03(a) shall be granted to SCE or any Evaluator, as the case may be, for the number of days needed to complete any Post-Installation Inspections. The obligation to provide access described in this paragraph shall apply regardless of whether the Customer associated with a Site or Storage Unit changes during the Term.

(b) Pre-Installation Description.

Seller shall prepare a Pre-Installation Description of each Customer's Site(s) and the existing or new Storage Unit(s) containing the information required in Exhibit B. Within ten (10) Business Days after receipt of the Pre-Installation Description, SCE shall either (x) provide Notice to Seller that it has accepted the Pre-Installation Description, or (y) provide Notice that, within SCE's reasonable determination, the Pre-Installation Description is materially inaccurate, incomplete or inconsistent with this Agreement, or otherwise deficient in any manner. If SCE provides Notice under subsection (y) above, then Seller shall re-submit the revised Pre-Installation Description, which shall again be subject to SCE's approval or disapproval in accordance with this Section 5.03(b)(i).

(c) Post-Installation Inspection.

- (i) After Seller has completed, installed, and received a permission to operate letter from SCE for a Storage Unit to be included in the Project, Seller, at Seller's expense, shall engage an independent third party not affiliated with Seller (the "Evaluator") to conduct an on-site Post-Installation Inspection consistent with Exhibit B to verify:
  - (A) that the Storage Unit has been completed and installed in accordance with Exhibit B; and
  - (B) the Storage Unit's installed Capacity.

The selection of any Evaluator under this Section 5.03(c)(i) shall be subject to SCE's consent, which shall not be unreasonably withheld.

- (ii) Seller shall cause the Evaluator to issue a Post-Installation Inspection Report consistent with Exhibit B within thirty (30) days after the completion of the Post-Installation Inspection. Subject to Section 5.03(c)(iii) of this Attachment 1, such report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been satisfied.
- (iii) Within thirty (30) days after receipt of a Post-Installation Inspection Report that finds that the Generating Facility has met all of the criteria set forth in Section 5.03(c)(i), SCE shall either (A) provide Notice to Seller that it has accepted the Post-Installation Inspection Report, or (B) provide Notice that, within SCE's reasonable determination, the Post-Installation Inspection Report is materially inaccurate or incomplete, does not properly find whether the Storage Unit meets all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1, does not provide enough information in support of finding that the Storage Unit meets all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1, was not conducted consistent with Exhibit B in a material manner, or is materially deficient in any manner whatsoever. If SCE provides Notice under Section 5.03(c)(iii)(A) of this Attachment 1, then the completion date for the subject Storage Unit (the "Storage Unit Completion Date") shall be deemed to have occurred on the date SCE accepted the Post-Installation Inspection Report.
- (iv) If SCE provides Notice under Section 5.03(c)(iii)(B) of this Attachment 1, then SCE, at SCE's expense, may engage SCE's Evaluator to conduct a new Post-Installation Inspection and issue a new Post-Installation Inspection Report, a copy of which SCE shall

make available to Seller. The findings of SCE's Post-Installation Inspection Report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been satisfied, and Seller's Post-Installation Inspection Report shall be of no force and effect.

- (A) If SCE's Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been met, then the Storage Unit Completion Date shall be deemed to have occurred on the date ten (10) Business Days after the date the Post-Installation Inspection Report prepared by SCE's Evaluator for the subject Generating Facility was provided to SCE.
- (B) If SCE's Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have not been met, then Seller may remedy the deficiencies identified in such Post-Installation Inspection Report. If Seller corrects the deficiencies identified in such Post-Installation Inspection Report, as determined by SCE or SCE's Evaluator, the date ten (10) Business Days after the date on which SCE or SCE's Evaluator deems the deficiency to be remedied and all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1 to have been met, shall be deemed the Storage Unit Completion Date.
- (v) With respect to an Evaluator engaged by Seller, Seller shall make the Evaluator who authored the Post-Installation Inspection Report available to SCE to discuss any Post-Installation Inspection within five (5) Business Days after SCE's request. SCE shall also have the right to review all records and documents related to a Post-Installation Inspection or a Post-Installation Inspection Report.

## **ARTICLE 6. SELLER'S OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS**

### **6.01 Seller's Operation and Record Keeping Obligations.**

- (a) Seller's record keeping obligations pursuant to Section 6.01 shall include:
  - (i) Maintaining an operations log for each Storage Unit which shall include information on availability, maintenance performed, outages, changes in operating status, inspections and any other significant

events related to the operation of each Storage Unit including information on charging and discharging (including charging and discharging efficiency) and State of Charge.

- (ii) Maintaining all records applicable to each Storage Unit, including the electrical characteristics and settings or adjustments of the Storage Unit(s) control equipment (including the power conversion system) and protective devices.
- (b) Seller shall cause the Project to comply with: (A) SCE's IEEE DER 2030.5 requirements, which can be found at <https://www.sce.com/business/savings-incentives/integrated-distributed-energy-resources-partnership-pilot>, if Seller has a portfolio that contains resources interconnected under Rule 21 of the SCE Tariff. Seller shall obtain, and shall maintain at all times during the Delivery Period, SunSpec 2030.5/CSIP Certification for its software utilized in DERs Real-Time Services.

#### 6.03 Addition of Storage Units to the Project.

- (a) Seller shall identify and secure agreements with Customers to install one or more Storage Unit(s) with a total installed Capacity sufficient to satisfy the Expected Capacity Savings and Expected Shifted Deferral Savings.
- (b) Upon securing agreement(s) with a Customer(s) as set forth in Section 6.03(a) of this Attachment 1, Seller shall, no more than once per calendar month, provide Notice to SCE of such agreement(s) and the information set forth in Article 1 of Exhibit B with respect to such Customer(s) and Storage Unit(s).
- (c) Upon confirmation from SCE that a Storage Unit satisfies the eligibility criteria set forth in Section 1.02(d) of this Attachment 1, Seller shall, no more than once per calendar month, provide to SCE the information set forth in Exhibit B with respect to such Storage Unit(s) and corresponding Customer(s). Upon SCE's approval of Seller's submittal of the information required by Exhibit B, such approval not to be unreasonably withheld, Seller shall proceed with installation of the Storage Unit(s). If a proposed Storage Unit satisfies the eligibility criteria set forth in Section 1.02(d) of this Attachment 1, then such Storage Unit will become part of the Project for purposes of this Agreement upon the Storage Unit Completion Date for such Storage Unit, subject to Seller's satisfaction of the conditions set forth in Section 5.01 and the Storage Unit's continued eligibility under Section 1.02(d) of this Attachment 1.
- (d) Seller shall, if requested by SCE, utilize SCE's web-based reporting tool to upload all information set forth in this Section 6.03 and all Post-Installation

Inspection Reports generated by the Evaluator pursuant to Section 5.03 of this Attachment 1.

6.04 Removal, Substitution and Addition of Storage Units.

Seller shall ensure that every Storage Unit in the Project remains installed at the corresponding Customer Site throughout the Delivery Period. At any time during the Delivery Period, upon Notice to SCE which must be received no later than the fifteenth (15th) calendar day of the month, Seller may (x) remove any Customer and any associated Storage Unit from the Project, (y) replace any Customer and any associated Storage Unit with another Customer and associated Storage Unit, and (z) add any new Customer and associated Storage Unit. Any such removal, replacement or addition, as applicable, shall not take effect until the first calendar day of the month after such Notice, provided that Seller shall comply with the provisions of Section 6.04(a)-(d) below for any replacement or addition of a Customer and associated Storage Unit, and shall comply with the provisions of Section 6.04(c) and (d) only with respect to any removal of a Customer and associated Storage Unit:

- (a) Any new Customer and associated Storage Unit must satisfy the eligibility criteria set forth in Section 1.02(d) of this Attachment 1;
- (b) A Storage Unit Completion Date must have been obtained for the Storage Unit;
- (c) Any change in Customer and associated Storage Unit(s) shall not modify the Expected Capacity Savings or the Expected Shifted Deferral Savings under this Agreement; and
- (d) Seller shall have otherwise complied with, and shall thereafter continue to comply with, the requirements of this Agreement with respect to any other Customer and associated Storage Unit in the Project.

6.05 Limitations on Charging and Discharging of Storage Units.

- (a) Seller shall not charge any of the Storage Units from the transmission or distribution grid:
  - (i) During the applicable Deferral Hours shown in Section 1.03(b) of this Attachment 1.
  - (ii) *{SCE Note: additional charging parameters and limitations, if any, will be based on specific project needs.}*



- (b) Seller may discharge any of the Storage Units as backup power to the Customer upon and for the duration of any grid outage at such Customer's Site (each, an "Unrelated Energy Discharge"). Seller will promptly notify SCE of each Unrelated Energy Discharge (including the affected Storage Unit(s) and the exact start and end times thereof). Notwithstanding anything to the contrary in this Agreement, (i) Seller shall not be entitled to receive any Performance Payments for an Unrelated Energy Discharge, (ii) the Unrelated Energy Discharge shall not count towards Metered Amounts for purposes of meeting the performance requirements set forth in Section 3.04 of this Attachment 1, and (iii) Seller shall be responsible for all costs associated with an Unrelated Energy Discharge, including any associated energy charging costs.

## **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

### **9.04 Seller Covenants.**

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller shall not use, submit, claim, or receive a Double Incentive during the Delivery Period.

## **ARTICLE 10. EVENTS OF DEFAULT**

### **10.01 Events of Default.**

- (a) Notwithstanding anything in this Agreement to the contrary, upon Notice to SCE, Seller may cure an Event of Default of Seller under Section 10.01(a)(ii) or (iii) caused by one or more specific Storage Unit(s), by removing the Storage Unit(s) that caused the Event of Default of Seller from the Project and this Agreement by Notice to SCE within the cure period provided under Section 10.01(a)(ii) or (iii), as applicable.
- (b) In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:
  - (i) Over two (2) consecutive months, the sum of Metered Amounts for such month, divided by the Expected Shifted Deferral Savings for such month (expressed as a percentage), is less than ninety percent (90%);
  - (ii) Seller charges any Storage Unit(s) in violation of Section 6.05(a) of this Attachment 1.

## ATTACHMENT 1[-6]

*{SCE Note: Delete number and remove all other Product-Specific Attachment 1's}*

### BEHIND THE METER PERMANENT LOAD SHIFT (THERMAL) PROVISIONS

#### ARTICLE 1. PURCHASE AND SALE OF PRODUCT

##### 1.02 Project.

- (a) Storage Units. The “Project” consists of the TES Resource(s) included in the then-currently effective Exhibit B (including all TES Resources added or substituted pursuant to Section 6.04 of this Attachment 1, but excluding all TES Resources removed pursuant to Section 6.04 or 10.01(a) of this Attachment 1), Prevention Equipment, Metering, and Protective Apparatus, together with all appurtenant materials, equipment systems, software, communication systems, structures, features and improvements necessary to charge thermal energy storage produced during the off-peak hour and to store and release the electric energy during peak hours to support the Customer’s Site loads. “TES Resource” means a type of thermal energy charging and storage device that is installed to store thermal energy, as more particularly described in Exhibit B, that is located at a Customer’s Site together with all appurtenant materials, equipment systems, structures, features and improvements necessary to charge, store and release electric energy at such Customer’s Site, which results in the shifting of electric energy usage from one period of time to another on a recurring basis, by storing thermal energy produced outside of the Deferral Hours and using the thermal energy to support Customer loads during the Deferral Hours of *[xx am/pm to xx am/pm PPT]* resulting in a reduction in the Customer’s on-Site consumption of retail electric energy provided by SCE to the Customer. The TES Resources listed in the then-effective Exhibit B may include TES Resources installed by Seller or other TES Resources at the Customer’s Site owned, operated or controlled by Seller, any Affiliate of Seller, or by a Customer. The term TES Resources excludes the Site, land rights and interests in the land.
- (b) Technology Type. *[SCE Note: to be added, e.g., ice, chilled water TES Resources]*.
- (c) Location of Sites. Sites will be identified to SCE in the process set forth in Exhibit B.
- (d) Eligibility.

Notwithstanding any other provision in this Agreement, Seller must satisfy and maintain the following eligibility requirements for a TES Resource to be included in the Project and receive the Product Price (or any portion thereof):

- (i) Seller must provide Notice, consistent with the requirements set forth in Section 6.03 of this Attachment 1, to SCE that Seller intends to install a TES Resource at the applicable Site(s) or acquire the rights to other existing TES Resources owned, operated or controlled by Seller, any Affiliate of Seller, or by a Customer at the applicable Site;
- (ii) Throughout the Delivery Period, the TES Resource(s) must be either owned, operated or controlled by (A) Seller, (B) any Affiliate of Seller, or (C) a Customer who, in the case of (B) and (C), has entered into an agreement with Seller as needed for the TES Resource to comply with the requirements of this Agreement related to TES Resource(s) included in the Project;
- (iii) Throughout the Term, neither Seller nor the retail account of the Customer served by the TES Resource shall use, submit, claim, or receive any rebates, discounts, incentives, low interest loans, or services from any other programs funded or administered by SCE or the CPUC for the same service provided under this Agreement by the TES Resource installed at the Customer's Site (each, a "Double Incentive"). Notwithstanding any other provision hereof, Double Incentives do not include (a) any Self-Generation Incentive Program (SGIP) incentive (b) any state or federal investment tax credits associated with the Project or TES Resources, and (c) any other state or federal tax credits or tax benefits (including depreciation) associated with the Project or TES Resource(s).
- (iv) The Customer served by the TES Resource must be an SCE Customer that directly takes or receives electricity services from *[SCE Note: insert applicable circuit or portion of circuit]*;
- (v) The energy reductions during any peak hours associated with the Project installations that were used to receive compliance credits when coupled with solar or independent of solar (if applicable) to meet the Title 24 mandates set by the CEC will be deemed as ineligible.

1.03 Contracted Amount.

The “Contracted Amount” means, collectively, the Expected Capacity Savings and the Expected Shifted Deferral Savings.

(a) Expected Capacity Savings.

The Expected Capacity Savings is \_\_\_\_\_. *[SCE Note: insert summation of hourly capacity savings]*

(b) Expected Shifted Deferral Savings.

Subject to any adjustment as otherwise provided herein, the Expected Shifted Deferral Savings for each Deferral Hour in the Delivery Period are as set forth below. For purposes of determining whether Metered Amounts satisfy meeting Expected Shifted Deferral Savings, such Metered Amounts must be generated during the *[applicable deferral hours, e.g., Weekdays 1:00 pm PPT]* for each Deferral Hour in the Delivery Period are as set forth below.

Applicable Hours (Hour Ending)	Expected Deferral Savings (in kWh)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1												
2												
3												
4												
5												
6												
7												
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1.04 Price.

Seller shall be paid in three installments, as follows:

- (a) The Deployment Payment (only for Projects that commenced installation of a new Distributed Energy Resource or associated systems after the Program Effective Date) is \$[Number]/kW multiplied by the total Expected Capacity Savings for the Delivery Period.

- (b) The Reservation Payment is \$/Number/kW multiplied by the total Expected Capacity Savings for the Delivery Period.
- (c) The Performance Payment will be based on the Product Price of \$/Number/kWh. The Performance Payment will be determined in accordance with Section 3.02.

SCE may, upon written notice to Seller, increase any or all of the Deployment Payments, Reservation Payments, or Performance Payments hereunder

1.05 Exclusive Rights.

SCE's exclusive rights to the Product and all benefits derived therefrom shall be subject to the following conditions:

- (a) Seller shall not, and shall ensure that its Affiliates and the Customers associated with the Project do not, sell the Product (or any portion thereof) to any Person other than SCE.
- (b) SCE acknowledges that Seller shall have the right to sell the energy from any Generating Facility to Customers associated with the Project throughout the Delivery Period, and Seller retains the right to all proceeds from such sales.

**ARTICLE 2. TERM AND DELIVERY PERIOD**

2.04 Project Completion Date.

In addition to the conditions listed in Section 2.04, the following conditions must be satisfied for the Project to achieve its Project Completion Date:

- (a) Seller has completed and complied with, to SCE's satisfaction, Seller's obligations set forth in Section 1.02(d) of this Attachment 1 in order to bring the Project into full operation as contemplated by this Agreement;
- (b) The applicable TES Resources have been completed and installed in accordance with Exhibit B;
- (c) Each TES Resource has achieved a TES Resource Completion Date;
- (d) Seller has demonstrated, based on the Post-Installation Inspection Reports for each TES Resource and to SCE's reasonable satisfaction, that the aggregate installed Capacity of all TES Resources that have achieved TES Resource Completion Dates is capable of meeting the Expected Capacity Savings and

the Expected Shifted Deferral Savings set forth in Section 1.03 throughout the Term; and

- (e) Seller has provided to SCE a compilation report that combines all Post-Installation Inspection Reports for TES Resources that have achieved the TES Resource Completion Date.

### **ARTICLE 3. PAYMENTS**

#### **3.01 Payment Mechanisms.**

- (a) **“Invoicing Party”**: Seller
- (b) **“Paying Party”**: SCE for Deployment Payment (if applicable), Reservation Payment, and Performance Payment; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) **“Invoice Date”**: the fifth (5<sup>th</sup>) day after receiving Notice of approval from the SCE Contract Representative in accordance with Section 3.01(f) below)
- (d) **“Payment Date”**: Thirty (30) days after SCE’s Accounts Payable’s receipt of Seller’s invoice.
- (e) **“Invoice Calculation Period”**: end of Delivery Period
- (f) **Other Payment and Invoicing Requirements.**

Seller shall send an electronic copy of the invoice to the SCE Contract Representative on or before the thirtieth (30<sup>th</sup>) day after: (i) the Project Completion Date for the Deployment Payment; (ii) the Initial Delivery Date for the Reservation Payment; and (iii) the end of the Delivery Period for the Performance Payment. SCE shall have ten (10) Business Days from receipt to provide Notice of approval or denial of the accuracy of such invoice or decline such invoice and provide the basis of such declination. Upon Notice from SCE that the invoice is approved, Seller shall send an invoice to Accounts Payable by the Invoice Date.

#### **3.02 Performance Payment Calculations.**

The Performance Payment will equal the summation of the Deferral Hour Settlement Calculations for each hour during the applicable Deferral Hours (set forth in Section 1.03 of this Attachment 1) in the Delivery Term. Each Deferral Hour Settlement Calculation will be calculated pursuant to the following table, where “n” is the applicable Deferral Hour being calculated:

Deferral Hour Settlement Calculation<sub>n</sub> =

<b>Shifted Deferral Savings/Expected Shifted Deferral Savings (expressed as a percentage)</b>	<b>Deferral Hour Settlement Calculation</b>
100.00%	Expected Shifted Deferral Savings * Product Price
≥ 90.00% to 99.99%	Shifted Deferral Savings for such Settlement Interval in kWh * .75 * Product Price
< 90.00%	Shifted Deferral Savings for such Settlement Interval in kWh * 0.00 * Product Price

“Shifted Deferral Savings” means the electric energy offset by the TES Resource(s) in the Project during the Settlement Interval at the Customer(s)’ Site(s), expressed in kWh, as described in Exhibit B.

3.03 Excess Deliveries.

- (a) If during any Settlement Interval in a Deferral Hour Seller delivers Shifted Deferral Savings in excess of the product of the Expected Capacity Savings, expressed in kW, and the length of such Settlement Interval, expressed in hours, then such excess amount shall be excluded from Shifted Deferral Savings.
- (b) If during Deferral Hour delivers Shifted Deferral Savings in excess of one hundred percent (100%) of the Expected Shifted Deferral Savings, then such excess amounts shall be excluded from Shifted Deferral Savings.

**ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT**

4.01 Seller’s Obligations.

Seller’s obligations to be performed pursuant to Section 4.01 shall, if the Project is a Storage-Backed Project, include the obligation to install batteries with stored energy capability capable of delivering the Expected Capacity Savings and Expected Shifted Deferral Savings as of the Effective Date.



## ARTICLE 5. INTERCONNECTION; METERING; TESTING

### 5.02 Metering, Communications, Dispatch and Telemetry.

#### (a) Metering Systems.

Seller shall install an approved Metering System(s) capable of monitoring the performance of the TES Resources and measuring the amounts of Shifted Deferral Savings in fifteen (15) minute intervals exclusively from the TES Resource(s) (collectively, the “Metering System(s)”).

Each Metering System installed to provide the fifteen (15) minute billing data must be a functioning system that is functionally equivalent to an Interval Data Recorder meter capable of recording the energy used to charge the TES Resource and the energy offset by the TES Resource at the Host when the thermal energy is discharged by the TES Resource.

The installed Metering Systems must be able to perform the following functions:

- (i) record the input/output of the TES Resource within an accuracy of plus or minus two percent (2%);
- (ii) record the offset in energy to the Host Site resulting from the thermal energy discharge of the TES Resource within an accuracy of plus or minus two percent (2%) of actual system output; and
- (iii) collect fifteen (15) minute interval data which shall be summarized in fifteen (15) minute intervals by day, month and year.

Each Metering System must be in compliance with the applicable SCE electric service requirements.

In addition, Seller shall select a Performance Monitoring and Reporting Service Provider (“PMRS”) and Performance Data Provider (“PDP”) to allow SCE to determine the amount of energy stored and discharged from the TES Resource and the amount of energy offset to the Host Site by the TES Resource. The PDP is a service provider that monitors and reports the energy production data from the TES Resource to SCE and must perform the obligations set forth in Section 5.02(b) of this Attachment 1. Seller may act as its own PMRS. The PDP must be independent of Seller and approved by SCE.

The PDP must log all data required pursuant to subsections (i), (ii) and (iii) above. The meters must be tested according to all applicable American

National Standard for Electricity Meters C-12 testing protocols and certified by an independent testing body. All meters must provide the PMRS and PDP with the ability to access and retrieve the data required pursuant to subsections (i) and (ii) above from the meter(s) using SCE-approved meter communication and data transfer protocols.

All meters must have the ability to retain collected data in the event of a power outage. Meters that are reporting data remotely must have sufficient memory to retain seven (7) days of data. Seller shall ensure that SCE receives monthly data that contains the fifteen (15) minute interval energy production data (in kWh) for the Project.

The meter must be listed on the CEC's website (currently located at <https://www.energy.ca.gov/programs-and-topics/programs/solar-equipment-lists>) as a qualified meter. If the CEC's list is no longer available, SCE will provide a list of eligible meters.

(b) PDP Responsibilities.

Seller shall ensure that the PDP performs the following responsibilities for the purposes of measuring and verifying TES Resource performance at each Customer's Site under the terms of this Agreement:

- (i) Manage meter reading/data retrieval schedule.
- (ii) Read and retrieve performance meter data.
- (iii) Calculate the monthly input/output of the TES Resource(s);
- (iv) Provide the meter data as an excel file to the SCE Contract Representative, listing the individual read data for each meter on a single worksheet with a summary of all the meter data for invoicing purposes by the tenth (10<sup>th</sup>) day of the calendar month.
- (v) Validate performance data prior to providing to SCE using the approved validation rules as set forth in Section 5.02(c) of this Attachment 1.
- (vi) Troubleshoot and resolve communications issues.
- (vii) Report any outages which resulted in zero kWh production.
- (viii) Store data in accordance with this Section 5.02.

- (ix) Make historical performance data available to SCE as requested.
  - (x) Provide technical support and customer support to SCE.
  - (xi) Communicate meter/device changes to SCE.
  - (xii) Provide disaster recovery and data backup services as requested by SCE.
  - (xiii) Manage data on PDP server.
  - (xiv) Ensure confidentiality of customer information and performance data.
  - (xv) Possess technical expertise and capability.
  - (xvi) Comply with all Applicable Laws.
- (c) Data Validation.
- (i) Seller shall ensure that the PDP validates all data prior to sending it to the SCE Contract Representative. Seller shall comply with the data validation rules set forth in Exhibit M.
  - (ii) SCE or its designated contractor may perform random audits of PDP data, at SCE's cost, to ensure accuracy and compliance with the requirements outlined in this Agreement. SCE or its designated contractor may, at its discretion, inspect and test the performance meter.
- (d) SCE's Access to Meters.
- (i) Seller grants, or shall cause the applicable Customer(s) to grant, SCE reasonable access to all Metering Systems for meter readings and any purpose necessary to effectuate this Agreement.
  - (ii) Seller shall promptly provide SCE access to all meter data and data acquisition services as SCE may reasonably request.
  - (iii) Seller shall make the contracts with the PMRS and PDP available to SCE upon request, and shall be responsible for any issues related to data integrity and data transfer to SCE.

### 5.03 Testing.

- (a) Access.

- (i) Prior to each TES Resource Completion Date, Seller shall provide, and cause each applicable Customer to provide, SCE and all Evaluators engaged by Seller or SCE access to each Site and TES Resource to examine, test, measure, and inspect the TES Resource and to perform all Pre- and Post-Installation Inspections (as described in numeral (b) and (c) of this Section 5.05, respectively). Seller shall also provide SCE and all Evaluators access to, and the ability to review, any records or documents needed to examine, test, measure, or inspect each TES Resource prior to the TES Resource Completion Date for such TES Resource.
  - (ii) Any access required pursuant to this Section 5.03(a) shall be granted to SCE or any Evaluator, as the case may be, for the number of days needed to complete any Pre- or Post-Installation Inspections. The obligation to provide access described in this paragraph shall apply regardless of whether the Customer associated with a Site or TES Resource changes during the Term.
- (b) Pre-Installation Description; Pre-Installation Inspection.

Solely with respect to each Customer with an existing TES Resource at such Customer's Site(s):

- (i) Seller shall, in addition to the Pre-Installation Inspection information provided at a Site without pre-existing TES Resource(s), prepare a Pre-Installation Description of the Site and the existing TES Resource containing the information required in Exhibit B. Seller shall submit the Pre-Installation Description to SCE at least fifteen (15) Business Days prior to the Pre-Installation Inspection at the Site. Within ten (10) Business Days after receipt of the Pre-Installation Description, SCE shall either (x) provide Notice to Seller that it has accepted the Pre-Installation Description, or (y) provide Notice that, within SCE's reasonable determination, the Pre-Installation Description is materially inaccurate, incomplete or inconsistent with this Agreement, or otherwise deficient in any manner. If SCE provides Notice under subsection (y) above, then Seller shall re-submit the revised Pre-Installation Description, which shall again be subject to SCE's approval or disapproval in accordance with this Section 5.03(b)(i).
- (ii) Seller, at Seller's expense, shall engage an independent third party not affiliated with Seller (the "Evaluator") to conduct an on-site Pre-Installation Inspection of the existing TES Resource that Seller intends to modify that will constitute part of a TES Resource under

this Agreement. The Evaluator shall verify the accuracy of the Pre-Installation Description and calculate and establish the incremental savings that the modifications would provide for purposes of measuring the Expected Shifted Deferral Savings. The Pre-Installation Inspection shall take place after execution of this Agreement and before the commencement of construction activities. Such Inspection shall be conducted consistent with the requirements of Exhibit B. The Evaluator must (A) have demonstrated and significant experience performing evaluation, measurement and verification studies of TES Resources with demonstrated and significant experience using the guidelines identified in Exhibit B, (B) have sufficient depth and breadth in the skills required to perform the tasks identified in the Project Measurement and Verification Protocol, and (C) adhere to all applicable ethical evaluation practices. The selection of an Evaluator under this Section 5.03(b)(ii) shall be subject to SCE's consent, which consent shall not be unreasonably withheld.

- (iii) Seller shall cause the Evaluator to issue a Pre-Installation Inspection Report consistent with Exhibit B within thirty (30) days after the completion of the Pre-Installation Inspection. Subject to Section 5.03(b)(iv), such report and its findings shall be binding on the Parties for purposes of measuring the Expected Shifted Deferral Savings and for verifying the accuracy of the Pre-Installation Description.
- (iv) Within thirty (30) days after receipt of a Pre-Installation Inspection Report, SCE shall either:
  - (A) provide Notice to Seller that it has accepted the Pre-Installation Inspection Report, or
  - (B) provide Notice that, within SCE's reasonable determination, the Pre-Installation Inspection Report is materially inaccurate, incomplete, does not properly measure the items specified in Exhibit B, that the Pre-Installation Inspection was not conducted in accordance with Exhibit B, or is materially deficient in any manner whatsoever.

If SCE provides Notice under subsection (B) above, then SCE, at SCE's expense, may engage a new Evaluator not affiliated with SCE ("SCE's Evaluator") to conduct a new Pre-Installation Inspection and to issue a new Pre-Installation Inspection Report. The findings of SCE's Pre-Installation Inspection Report shall be binding on the

Parties for all purposes under this Agreement, and Seller's Pre-Installation Inspection Report shall be of no force and effect. The selection of an Evaluator under this Section 5.03(b)(iv) shall be subject to Seller's consent, which consent shall not be unreasonably withheld.

(c) Post-Installation Inspection.

- (i) After Seller has completed, installed, and received a permission to operate letter from SCE for a TES Resource to be included in the Project, Seller, at Seller's expense, shall engage an Evaluator to conduct an on-site Post-Installation Inspection consistent with Exhibit B to verify:
  - (A) that the TES Resource has been completed and installed in accordance with Exhibit B; and
  - (B) the TES Resource's installed Capacity.

The selection of any Evaluator under this Section 5.03(c)(i) shall be subject to SCE's consent, which shall not be unreasonably withheld.

- (ii) Seller shall cause the Evaluator to issue a Post-Installation Inspection Report consistent with Exhibit B within thirty (30) days after the completion of the Post-Installation Inspection. Subject to Section 5.03(c)(iii) of this Attachment 1, such report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been satisfied.
- (iii) Within thirty (30) days after receipt of a Post-Installation Inspection Report that finds that the Generating Facility has met all of the criteria set forth in Section 5.03(c)(i), SCE shall either (A) provide Notice to Seller that it has accepted the Post-Installation Inspection Report, or (B) provide Notice that, within SCE's reasonable determination, the Post-Installation Inspection Report is materially inaccurate or incomplete, does not properly find whether the TES Resource meets all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1, does not provide enough information in support of finding that the TES Resource meets all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1, was not conducted consistent with Exhibit B in a material manner, or is materially deficient in any manner whatsoever. If SCE provides Notice under Section 5.03(c)(iii)(A) of this Attachment 1, then the completion date for the subject TES Resource

(the “TES Resource Completion Date”) shall be deemed to have occurred on the date SCE accepted the Post-Installation Inspection Report.

- (iv) If SCE provides Notice under Section 5.03(c)(iii)(B) of this Attachment 1, then SCE, at SCE’s expense, may engage SCE’s Evaluator to conduct a new Post-Installation Inspection and issue a new Post-Installation Inspection Report, a copy of which SCE shall make available to Seller. The findings of SCE's Post-Installation Inspection Report shall be binding on the Parties for purposes of determining whether the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been satisfied, and Seller’s Post-Installation Inspection Report shall be of no force and effect.
  - (A) If SCE’s Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have been met, then the TES Resource Completion Date shall be deemed to have occurred on the date ten (10) Business Days after the date the Post-Installation Inspection Report prepared by SCE’s Evaluator for the subject Generating Facility was provided to SCE.
  - (B) If SCE’s Post-Installation Inspection Report finds that the criteria set forth in Section 5.03(c)(i) of this Attachment 1 have not been met, then Seller may remedy the deficiencies identified in such Post-Installation Inspection Report. If Seller corrects the deficiencies identified in such Post-Installation Inspection Report, as determined by SCE or SCE’s Evaluator, the date ten (10) Business Days after the date on which SCE or SCE’s Evaluator deems the deficiency to be remedied and all of the criteria set forth in Section 5.03(c)(i) of this Attachment 1 to have been met, shall be deemed the TES Resource Completion Date.
- (v) With respect to an Evaluator engaged by Seller, Seller shall make the Evaluator who authored the Post-Installation Inspection Report available to SCE to discuss any Post-Installation Inspection within five (5) Business Days after SCE’s request. SCE shall also have the right to review all records and documents related to a Post-Installation Inspection or a Post-Installation Inspection Report.

## **ARTICLE 6. SELLER'S OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS**

### **6.01 Seller's Operation and Record Keeping Obligations.**

- (a) Seller's record keeping obligations pursuant to Section 6.01 shall include:
  - (i) Maintaining an operations log for each TES Resource which shall include information on availability, maintenance performed, outages, changes in operating status, inspections and any other significant events related to the operation of each TES Resource including information on charging and discharging.
  - (ii) Maintaining all records applicable to each TES Resource, including the electrical characteristics and settings or adjustments of the TES Resource(s) control equipment and protective devices.

### **6.03 Addition of TES Resources to the Project.**

- (a) Seller shall identify and secure agreements with Customers to install one or more TES Resources with a total installed Capacity sufficient to satisfy the Expected Capacity Savings and Expected Shifted Deferral Savings.
- (b) Upon securing agreement(s) with a Customer(s) as set forth in Section 6.03(a) of this Attachment 1, Seller shall, no more than once per calendar month, provide Notice to SCE of such agreement(s) and the information set forth in Article 1 of Exhibit B with respect to such Customer(s) and TES Resource(s).
- (c) Upon confirmation from SCE that a TES Resource satisfies the eligibility criteria set forth in Section 1.02(d) of this Attachment 1, Seller shall, no more than once per calendar month, provide to SCE the information set forth in Exhibit B with respect to such TES Resource(s) and corresponding Customer(s). Upon SCE's approval of Seller's submittal of the information required by Exhibit B, such approval not to be unreasonably withheld, Seller shall proceed with installation of the TES Resource(s). If a proposed TES Resource satisfies the eligibility criteria set forth in Section 1.02(d) of this Attachment 1, then such TES Resource will become part of the Project for purposes of this Agreement upon the TES Resource Completion Date for such TES Resource, subject to Seller's satisfaction of the conditions set forth in Section 5.01 and the TES Resource's continued eligibility under Section 1.02(d) of this Attachment 1.
- (d) Seller shall, if requested by SCE, utilize SCE's web-based reporting tool to upload all information set forth in this Section 6.03 and all Post-Installation



Inspection Reports generated by the Evaluator pursuant to Section 5.03 of this Attachment 1.

6.04 Removal, Substitution and Addition of TES Resources.

Seller shall ensure that every TES Resource in the Project remains installed at the corresponding Customer Site throughout the Delivery Period. At any time during the Delivery Period, upon Notice to SCE which must be received no later than the fifteenth (15th) calendar day of the month, Seller may (x) remove any Customer and any associated TES Resource from the Project, (y) replace any Customer and any associated TES Resource with another Customer and associated TES Resource, and (z) add any new Customer and associated TES Resource. Any such removal, replacement or addition, as applicable, shall not take effect until the first calendar day of the month after such Notice, provided that Seller shall comply with the provisions of Section 6.04(a)-(d) below for any replacement or addition of a Customer and associated TES Resource, and shall comply with the provisions of Section 6.04(c) and (d) only with respect to any removal of a Customer and associated TES Resource:

- (a) Any new Customer and associated TES Resource must satisfy the eligibility criteria set forth in Section 1.02(d) of this Attachment 1;
- (b) A TES Resource Completion Date must have been obtained for the TES Resource;
- (c) Any change in Customer and associated TES Resource(s) shall not modify the Expected Capacity Savings or the Expected Shifted Deferral Savings under this Agreement; and
- (d) Seller shall have otherwise complied with, and shall thereafter continue to comply with, the requirements of this Agreement with respect to any other Customer and associated TES Resource in the Project.

6.05 Limitations on Charging and Discharging of TES Resources.

Seller shall not charge any of the TES Resources from the transmission or distribution grid:

- (a) During the applicable deferral hours shown in Section 1.03(b) of this Attachment 1.
- (b) *{SCE Note: additional charging parameters and limitations, if any, will be based on specific project needs.}*

## **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

### 9.04 Seller Covenants.

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller shall not use, submit, claim, or receive a Double Incentive during the Delivery Period.

## **ARTICLE 10. EVENTS OF DEFAULT**

### 10.01 Events of Default.

- (a) Notwithstanding anything in this Agreement to the contrary, upon Notice to SCE, Seller may cure an Event of Default of Seller under Section 10.01(a)(ii) or (iii) caused by one or more specific TES Resource(s), by removing the TES Resource(s) that caused the Event of Default of Seller from the Project and this Agreement by Notice to SCE within the cure period provided under Section 10.01(a)(ii) or (iii), as applicable.
- (b) In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:
  - (iii) For any five (5) days within a month, the Shifted Deferral Savings for such month, divided by the Expected Shifted Deferral Savings for such month (expressed as a percentage) is less than ninety percent (90%);
  - (i) Seller charges any TES Resource(s) in violation of Section 6.05(a) of this Attachment 1.