

SOLAR COMMUNITIES FEED-IN TARIFF PPA

**SOLAR POWER PURCHASE
AGREEMENT FOR THE
Solar Communities Feed-in
Tariff Program**

Seller Name: _____

Seller Address: _____

Facility Address: _____

This Solar Power Purchase Agreement for the Solar Communities Feed-In Tariff for Solar Photovoltaic Renewable Resources (the "PPA") is made by and between _____ a [e.g., **LLC, LP, CORPORATION**] organized and existing under the laws of the State of [STATE], with its headquarters at [ADDRESS], [CITY], [STATE] [ZIP CODE] (the "Seller") and Long Island Electric Utility Servco LLC ("Agent" or "T&D Manager") as agent of and acting on behalf of the Long Island Lighting Company d/b/a LIPA ("LIPA" or "Buyer"), a corporation organized under the laws of the State of New York and a wholly-owned subsidiary of the Long Island Power Authority ("Authority"), which is a corporate municipal instrumentality and political subdivision of the State of New York, each with its principal place of business at 333 Earle Ovington Boulevard, Suite 403, Uniondale, NY 11553. Seller and Buyer are each referred to herein as a "Party," and collectively referred to as the "Parties". The Parties are the only parties to this PPA. Agent is executing this PPA on behalf of Buyer in its capacity as agent for Buyer, and Agent is not a principal party to this PPA.

RECITALS

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

WHEREAS, pursuant to the Amended and Restated Operations Services Agreement dated December 31, 2013, as it may be restated, amended, modified, or supplemented from time to time ("A&R OSA"), between LIPA and PSEG Long Island LLC ("PSEG LI"), PSEG LI, through its operating subsidiary, Agent, has assumed managerial responsibility for the day-to-day operational maintenance of, and capital investment to, the electric transmission and distribution system owned by LIPA ("T&D System"), including Buyer's power supply planning, as of January 1, 2014. Accordingly, Agent will administer this PPA and shall be LIPA's representative in all matters related to this PPA; and

WHEREAS, LIPA, as the principal, shall have ultimate, final, and full liability for the obligations imposed hereunder on LIPA, including responsibility for all undisputed sums due and owing Seller; and

WHEREAS, Buyer desires to purchase solar photovoltaic ("PV") electric capacity and energy ("Solar Generation"), Environmental Attributes (as defined herein), Ancillary Services (as

defined herein), and other products and services associated with such Solar Generation, collectively referred to as the "Solar Products", from solar electric generating facilities to be constructed on customer premises pursuant to the Solar Communities Feed-In Tariff for Solar Photovoltaic Renewable Resources ("Solar Communities Feed-in Tariff Program") as defined and provided in Service Classification No. 11 in LIPA's Tariff for Electric Service (the "Tariff"); and

WHEREAS, Seller desires to develop, design, construct, own and operate a PV electric generating facility with an expected rated capacity of approximately _____ **[minimum output of 200 kW and maximum output of less than 5000 kW] net kilowatts** alternating current ("AC") ("Nameplate Capacity"), which value may be amended by mutual agreement, that is located in the Town/City of _____ **[TOWN/CITY]**, New York, and is ground mounted or mounted on the roof of an active non-residential customer's building or structure, or on a carport with open sides that is used to shelter motor vehicles and is installed over a paved parking area composed of asphalt, or concrete, or similar permanent material, which is further described in Section 2.16 below as the "Facility"; and

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

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

ARTICLE 1 - MILESTONE DATES

- 1.1 "Effective Date" means the date on which this PPA is executed by both Seller and Buyer.
- 1.2 "Target Commercial Operation Date" or "Target COD" is _____, 20__.
[NOTE: Parties to insert date in accordance with Section 12.2.]
- 1.3 "Termination Date" is the date on which this PPA is terminated as provided by Article 12.

ARTICLE 2 - DEFINITIONS

- 2.1 "AC" means alternating current, as set forth in the fifth (5th) paragraph of the Recitals.
- 2.2 "Agent" has the meaning set forth in the Preamble, including its successors and assigns.
- 2.3 "Ancillary Services," means (a) any or all of the following services, as defined in the NYISO Open Access Transmission Tariff: (i) Scheduling, System Control and Dispatch; (ii) Voltage Support Service; (iii) Regulation Service; (iv) Energy Imbalance; (v) Operating Reserves Service; and (vi) Black Start Service; and (b) any other services that FERC has either authorized or required as an ancillary service.
- 2.4 "Arbitrators" has the meaning set forth in Section 9.2(iii).
- 2.5 "Authority" has the meaning set forth in the Preamble, including its successors and assigns as permitted hereunder.
- 2.6 "Authorized COD Extension" has the meaning set forth in Section 12.2.
- 2.7 "Business Day" means Monday through Friday, except for federal or New York State holidays, 8:00 AM to 5:00 PM eastern time.
- 2.8 "Buyer" has the meaning set forth in the Preamble, including its successors and assigns as permitted hereunder.
- 2.9 "Change in Law" means the enactment, adoption, promulgation, modification, suspension, repeal or judicial determination, after the Effective Date, by any Governmental Authority of any

Legal Requirement that materially affects the costs associated with a Party's performance of its obligations hereunder.

- 2.10 "COD Notice" has the meaning set forth in Section 3.7.
- 2.11 "Commercial Operation Date" or "COD" means the date when Buyer determines that the following conditions have been met: (i) the Facility is substantially complete, operational and capable of delivering Solar Generation, and Seller has accepted such Facility from its equipment supplier(s) and installer(s); and (ii) the Facility has been interconnected with LIPA's Electrical System in full compliance with the Interconnection Procedures and applicable law.
- 2.12 "Completion Notice" has the meaning set forth in Section 3.7.
- 2.13 "Delivery Point" is the point at which Seller's Interconnection Facilities are connected to Buyer's interconnection facilities and where Buyer's metering facilities are located, which is identified in Exhibit 2 to Attachment A in the three-line diagram/sketch.
- 2.14 "Environmental Attributes" means the current and future regulatory credits, benefits, emissions reductions, offsets, and allowances, or market value accrued, howsoever entitled, statutory or voluntary, as the result of generating solar energy from the Facility, including but not limited to (i) renewable energy credits and certificates; (ii) certificates or offsets for avoided emissions of pollutants regulated by the Clean Air Act and greenhouse gases that have or may be determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; or (iii) other emission offsets, and any other environmental benefits, reductions, offsets, allowances, certificates, or green tags resulting from generation of Solar Products.
- 2.15 "Event of Default" has the meaning set forth in Section 8.1.
- 2.16 "Facility" means Seller's newly manufactured and installed solar PV electric generating equipment having the Nameplate Capacity set forth in the Recitals above and having the specific location sufficiently identified with an address, parcel number and/or map picture. The address shall be identified in the heading of the first page of this PPA, constructed on structures described in the Recitals, which produces Solar Products in accordance with this PPA. The foregoing information shall also be included in Attachment A, Exhibit 2. The Facility will include equipment or other tangible assets necessary for the operation and maintenance of the Facility, including but not limited to solar modules, mounting systems, wiring harnesses, conduits, inverters, transformers, breakers, lightning protection, and grounding apparatus, together with any easements or leases Seller needs for the construction, operation, and maintenance of the Facility and the delivery of Solar Generation to the Delivery Point. Any Facility covered by this PPA will be owned or leased, operated, and maintained by Seller at Seller's sole cost and expense, for Seller's benefit as legal and beneficial owner of the Facility.
- 2.17 "Facility Address" is the address identified in the heading of the first page of this PPA and stated in Attachment A Exhibit 2 at which the Facility will be installed.
- 2.18 "FERC" means the Federal Energy Regulatory Commission or any successor thereto.
- 2.19 "FOIL" has the meaning set forth in Section 6.1.
- 2.20 "Forced Outage" means an unplanned outage of one or more of the Facility's components that results in a reduction of the ability of the Facility to produce Solar Generation.
- 2.21 "Force Majeure" means an event or circumstance, which prevents a Party from performing its obligations under this PPA, and which is not in the reasonable control of, or the result of negligence of, the Party claiming Force Majeure, and which by the exercise of due diligence the claiming Party is unable to overcome or cause to be avoided. Force Majeure shall

include an act of nature, riot, insurrection, war, explosion, labor dispute, fire, flood, earthquake, storm, ice, lightning, tidal wave, backwater caused by flood, act of the public enemy, terrorism, or epidemic; and (ii) interruption of transmission or distribution services as a result of a physical emergency condition (and not congestion-related or economic curtailment) not caused by the fault or negligence of the Party claiming Force Majeure and reasonably relied upon and without a reasonable source of substitution to make or receive deliveries hereunder, civil disturbances, strike, labor disturbances, labor or material shortage, national emergency, restraint by court order or other public authority or governmental agency, or other actions by such entities taken to limit the extent of disturbances on the electrical grid. A Party's financial incapacity, Seller's ability to sell the Solar Products at a more favorable price or under more favorable conditions, or Buyer's ability to acquire the Solar Products at a more favorable price or under more favorable conditions or other economic reasons shall not constitute an event of Force Majeure. Force Majeure does not include a Forced Outage to the extent such event is not caused or exacerbated by an event of Force Majeure, as described above, and does not include Seller's inability to obtain financing, permits, or other equipment and instruments necessary to plan for, construct, operate or maintain the Facility.

- 2.22 "Governmental Authority" – means (i) any federal, state, local, municipal, or other government, (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power (including the NYISO, FERC, and NERC), and (iii) any court or governmental tribunal; provided that Buyer and its subsidiaries shall not be included in such definition when acting as a Party pursuant to this Agreement and any related agreement between the Parties hereto.
- 2.23 "Interconnection Procedures" means the Smart Grid Small Generator Interconnection Procedures and, as applicable, the NYISO Small Generator Interconnection Procedures, including the relevant interconnection agreement executed by LIPA and Seller setting forth the terms and conditions under which Seller's Facilities are interconnected with LIPA's Electrical System, and any all other requirements, policies and procedures adopted by LIPA or the NYISO applicable the small generation facility.
- 2.24 "Interest Rate" has the meaning set forth in Section 6.2.
- 2.25 "Legal Requirements" means (i) all laws, statutes, codes, acts, treaties, ordinances, orders, judgments, writs, decrees, injunctions, rules, regulations, governmental approvals, authorizations or consents, directives, and requirements of all Governmental Authorities, including, but not limited to, LIPA's Electric Service Tariff and Smart Grid Small Generator Interconnection Procedures, the New York State Climate Leadership and Community Protection Act, and all regulations promulgated thereunder, and that portion of the New York State Clean Energy Standard adopted by the New York Public Service Commission on August 1, 2016 pursuant to the Order Adopting a Clean Energy Standard covering wind and other renewable energy projects, as such standard may be revised, supplemented or replaced by any successor provision of New York State law, regulation or policy from time to time, including, but not limited to, the New York State Climate Leadership and Community Protection Act ("Renewable Energy Standard"); and (ii) NYISO Rules.
- 2.26 "LIPA" has the meaning set forth in the Preamble, including its successors and assigns.
- 2.27 "LIPA's Electrical System" means the electric transmission and distribution system owned and operated by LIPA and consisting of all real and personal property, equipment, machinery, tools and materials and other similar items (including LIPA's Interconnection Facilities) now or hereafter comprising LIPA's system_for transmission and/or distribution of electricity, as modified or expanded from time to time.
- 2.28 "Nameplate Capacity" means the expected rated capacity of the Facility, as set forth in the

fifth (5th) paragraph of the Recitals.

- 2.29 "New York Control Area" has the meaning set forth in Section 1.14 of the NYISO Open Access Transmission Tariff, as amended or recodified.
- 2.30 "NYISO" means the New York Independent System Operator Inc., or any successor or assignee thereof.
- 2.31 "Party" or "Parties" has the meaning set forth in the Preamble, including the successors and assigns as permitted hereunder.
- 2.32 "PPA" has the meaning identified in the Preamble and shall include all attachments, exhibits, schedules, and appendices hereto, and all amendments that may be made from time to time pursuant to the terms of this PPA.
- 2.33 "Prudent Utility Practice(s)" means the practices, methods, and acts (including the practices, methods, and acts engaged in or approved by a significant portion of the renewable energy electric power generation industry in the Northeast region that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with Legal Requirements, regulations, permits, codes, standards, equipment manufacturer's recommendations, reliability, safety, environmental protection, economy, good business practices and expedition. Prudent Utility Practice(s) are not intended to be limited to the optimum practice, method or act to the exclusion of others.
- 2.34 "PSEG LI" has the meaning set forth in the Recitals, including its successors and assigns.
- 2.35 "PURPA" means the Public Utility Regulatory Policies Act of 1978, as may be amended from time to time.
- 2.36 "PV" has the meaning set forth in the fourth (4th) paragraph of the Recitals.
- 2.37 "Qualifying Facility" or "QF" means a "qualifying small power production facility", as that term is defined in Section 3(17)(C) of the Federal Power Act, and that meets the requirements set forth in 18 C.F.R. § 292.203(a) and satisfies all other FERC rules and regulations applicable to Qualifying Facilities.
- 2.38 "Renewable Energy Standard" has the meaning set forth in Section 2.25.
- 2.39 "Scheduled Maintenance Outage" shall mean the hours of a planned partial or complete interruption or reduction of the Facility's generating capability that has been coordinated and scheduled in advance with the Buyer and the NYISO, as required, with a mutually agreed start date, time and duration.
- 2.40 "Seller" has the meaning set forth in the preamble, including its successors and assigns as permitted hereunder.
- 2.41 "Seller's Interconnection Facilities" means the facilities identified as such in Exhibit 2 to Attachment A in the Three-Line Diagram/System Sketch

- 2.42 "Smart Grid Small Generator Interconnection Procedures" or "SGIP" mean PSEG Long Island's Smart Grid Small Generator Interconnection Procedures, as may be modified or superseded from time to time.
- 2.43 "Solar Communities Feed-in Tariff Program" has the meaning set forth in the Recitals.
- 2.44 "Solar Generation" has the meaning set forth in the fourth (4th) paragraph of the Recitals.
- 2.45 "Solar Products" has the meaning set forth in the fourth (4th) paragraph of the Recitals.
- 2.46 "Summer Peak Period" is defined as the months of May through September inclusive.
- 2.47 "Target COD" has the meaning set forth in Section 1.2.
- 2.48 "Tariff" means LIPA's Tariff for Electric Service (as set forth in the fourth (4th) paragraph of the Recitals), as it may be modified or superseded from time to time.
- 2.49 "Term" has the meaning set forth in Section 4.1
- 2.50 "Termination Date" has the meaning set forth in Section 1.3.
- 2.51 "T&D Manager" has the meaning set forth in the Recitals.

ARTICLE 3 - GENERAL PROVISIONS

- 3.1 Applicability. This PPA shall only apply to the Facility described in Attachment A that is to be installed by Seller at the Facility Address and that has been deemed eligible by LIPA in accordance with the Solar Communities Feed-in Tariff Program. This PPA shall only apply to Solar Products produced by the Facility and Seller shall not have the right under this PPA to sell to Buyer any Solar Products procured by Seller from sources other than the Facility.
- 3.2 Interconnection Requirements. At all times during the Term, commencing with the COD, Seller and the Facility shall comply with the Interconnection Procedures for the Facility and Seller's failure to do so shall be an Event of Default. If any conflict arises between any portion of this PPA and the requirements of the Interconnection Procedures, the Interconnection Procedures shall take precedence. Disconnection of the Facility from LIPA's Electrical System for any contractual, operational or safety reason shall not obligate Buyer to replace any revenues thus lost by Seller.
- 3.3 Metering. Seller shall, at Seller's sole cost and expense, provide and install the meter socket approved by Buyer. Except as provided in the Interconnection Procedures, Buyer shall provide a revenue meter to be read by Buyer at approximately monthly intervals for determination of payment due to Seller. Seller will incur monthly maintenance charges as imposed by LIPA pursuant to the Interconnection Procedures and in accordance with the applicable Service Classification in the Tariff (currently Service Classification No. 11), and shall pay Buyer the amount of such charges no later than the thirtieth (30th) day of each calendar month. Any request by Seller to test the metering accuracy shall be conducted at Seller's cost pursuant to Buyer's prevailing rates, practices and policies for testing retail revenue meters. In the event that upon examination any meter is found to be inaccurate by more than one percent (1%), prior readings of the meter for billing purposes going back to the date from which the error arose (or if not known halfway to the date of the last inspection from which the meter was found to be accurate) shall be adjusted

accordingly.

- 3.4 No Electric Supply to the Facility. The Parties recognize that this PPA does not provide for the supply of any electric service by LIPA to Seller or to Seller's Facility, and Seller must enter into separate arrangements for the supply of electric services to the Facility. Should the Facility need any electric service, LIPA will identify a connection point, to which Seller shall make the appropriate connection arrangements. Seller shall pay LIPA for power consumed and customer service charges in accordance with the prevailing rates set forth in LIPA's Tariff.
- 3.5 Facility Operation. Seller shall provide staff as may be needed to control, operate and maintain the Facility in a manner consistent at all times with the terms and conditions of this PPA. Personnel employed by Seller capable of energizing, operating, maintaining and de-energizing the Facility shall be reachable by mobile telephone or other communication device at all times. Seller shall provide Buyer with and maintain a current emergency contact list for the duration of this PPA. Seller is solely responsible for all operations of the Facility, including asset retirement obligations at the end of the Facility's useful life, including dismantling and decommissioning, and Buyer shall have no responsibility or liability whatsoever for such Facility operation, maintenance, replacement or disposal costs.
- 3.6 Coordination of Scheduled Maintenance Outages. Seller shall maintain the Facility in a manner consistent with Prudent Utility Practice and in accordance with the operating instructions and manufacturer's warranties. However, the Seller shall not schedule outages during the Summer Peak Period with the exception of outages which are required to prevent damage to equipment and/or injury to persons.
- 3.7 Information Requirements. When the Facility is substantially complete, operational and capable of delivering Solar Products and Seller has accepted such Facility from its equipment supplier(s) and installer(s), in accordance with Sections 2.11(i), Seller shall send Buyer a written notice, accompanied by a copy of the results of any tests required by Buyer, stating that the conditions specified in Section 2.11(i) have been met ("Completion Notice"). Following Buyer's confirmation that the requirements of Section 2.11(i) have been met by Seller and interconnection of the completed Facility to LIPA's Electrical System, as defined in Section 2.11(ii), Buyer shall send Seller a written notice stating that the conditions specified in Section 2.11(i) and (ii) have been met and that COD has occurred ("COD Notice"). Within thirty (30) days after COD, Seller shall provide documentation signed by Seller's equipment provider(s) and installer(s) of the installed Nameplate Capacity of the Facility covered by this PPA.
- 3.8 Title, Risk of Loss. Title and risk of loss of Solar Products passes from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Solar Products free and clear of all liens, security interests, claims, encumbrances or any interest therein or thereto by any person, arising prior to the Delivery Point.
- 3.9 Adherence to Program Rules. The Facility must meet and continue to meet for the term of the PPA all eligibility requirements under the Solar Communities Feed-In Tariff Program. Seller agrees to abide by the Interconnection Procedures, and all Solar Communities Feed-In Tariff Program rules and guidelines promulgated by LIPA which are in effect in or pursuant to the Tariff (currently in Service Classification No. 11 in LIPA's Tariff), as it may be modified or superseded from time to time.
- 3.10 Time for Performance. Time is of the essence with respect to all obligations under this PPA. In the event a Party's performance is delayed or prevented by Force Majeure, provided such affected Party gives prompt notice to the other Party and commences and diligently continues

commercially reasonable efforts to resolve or overcome such Force Majeure, except as otherwise expressly provided in this PPA, such obligation shall be suspended until such Force Majeure is resolved or overcome, following which such affected Party shall perform such obligation as soon as reasonably practicable.

- 3.11 Change in Law. Except as otherwise provided herein, Seller shall be responsible and pay for all additional costs resulting from a Change in Law affecting or arising on Seller's side of the Delivery Point; Buyer shall be responsible and pay for all additional costs resulting from a Change in Law affecting or arising on Buyer's side of the Delivery Point (other than ad valorem, franchise or income taxes which are related to the sale of Products to Buyer and are, therefore, the responsibility of Seller)
- 3.12 Compliance with Renewable Energy Standard. As of the Effective Date of this PPA, the Facility and the Environmental Attributes to be produced thereby shall be approved under the Renewable Energy Standard. Seller shall take all actions necessary to ensure that the Environmental Attributes are recognized as in full conformance with the Renewable Energy Standard.

Seller shall grant Buyer permission to register the Environmental Attributes with the New York Generation Attribute Tracking System and the New York State Energy and Research Development Authority and comply with all related registration requirements, as such requirements may be amended or modified from time to time. Seller shall assign to Buyer its rights to participate in a tracking system of accounting for generation-related Environmental Attributes and the resulting certificates associated with renewable generation in the New York Control Area. Seller shall take all steps necessary to effect such assignment and execute and deliver all such instruments, including the Designation of Responsible Party form from NYSERDA, or other documents to ensure availability of Environmental Attributes to Buyer.

- 3.13 FERC QF Compliance. If the Facility has a Nameplate Capacity of greater than one (1) megawatt AC, then Seller covenants and agrees that, within thirty (30) days of the Commercial Operation Date or longer period allowed by law, it will self-certify the Facility as a QF either by completing and filing Form No. 556 or other similar form with the Federal Energy Regulatory Commission ("FERC") as the same may be amended or otherwise required by law or by obtaining such determination by FERC. If the Facility fails to maintain its status as a QF under PURPA, then notwithstanding anything to the contrary in this PPA, such event shall constitute an Event of Default and Buyer may terminate this PPA. Thereafter, Seller shall be entitled to sell the Products in the wholesale market and arrange for transmission service with the NYISO pursuant to the NYISO's Open Access Transmission Tariff and in compliance with applicable law.

ARTICLE 4 - TERM OF AGREEMENT

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

ARTICLE 5 - SALE AND PURCHASE OF SOLAR PRODUCTS

- 5.1 Sale and Purchase Obligation. During the Term and subject to the provisions of this PPA, Seller shall sell and deliver or cause to be delivered, and Buyer shall purchase and receive or cause to be received, one hundred percent (100%) of the Solar Products generated by the Facility up to the Nameplate Capacity. Buyer shall have the right to resell the Solar Products. If and to the extent that Buyer requests the Facility to provide Ancillary Services within its capability, Buyer and Seller acknowledge and agree that such provision of Ancillary Services may result in a reduction of the amount of other Solar Products generated by the Facility. Seller shall not receive reimbursement or any other

compensation for such reduction.

- 5.2 Exclusivity. Seller shall not sell or deliver Solar Products to the Buyer generated from any source other than the Facility. Buyer is not obligated to purchase Solar Products from any replacement facility or Solar Products delivered to any point other than the Delivery Point.
- 5.3 Solar Products Price. Buyer shall pay Seller a price of \$[0.xxxx] per kWh for all Solar Generation that is produced and delivered by Seller to the Delivery Point, which shall be the total consideration paid for the provision of all Solar Products. The amount of electricity will be measured using the dedicated meter for the Facility in accordance with Section 3.3. This rate will remain in effect for the entire Term without adjustment or escalation for any reason. Any energy flowing back to the Facility on the Facility's dedicated stand-alone meter will be deducted from the amount flowing to Buyer at the same rate as the purchase price. If Buyer determines that more than one percent (1%) of the Facility's gross output is consistently flowing to the Facility, then purchases and payments may be terminated until such time as the cause of the amount flowing to the customer can be determined and remedied by the generator to the Authority's satisfaction.
- 5.4 Taxes and Fees. Seller shall have sole responsibility for paying any taxes or fees applicable to the Facility or to the sale of Solar Products to Buyer, including any federal, state or local income, production, gross receipts and sales tax. These fees include the monthly service administrative charge required by the Tariff.

ARTICLE 6 - BILLING AND PAYMENT

- 6.1 Records, Invoices and Payments. Each Facility shall be treated as a unique account in Buyer's or its T&D Manager's accounting system which shall record the amount of Solar Generation delivered by Seller and which will produce the invoice of payment due from Buyer. The meter at the Delivery Point of the Facility shall be read as part of Buyer's normal meter reading procedures, which is approximately once a month. Buyer shall pay Seller's invoices for Solar Products received in good order on a monthly basis. Prior invoices may be reissued to correct meter inaccuracies in accordance with Section 3.3. Subject to Article 16, all documents received or created by Buyer shall be subject to disclosure under the Freedom of Information Law of New York ("FOIL") as may be amended from time to time.
- 6.2 Billing Disputes. Either Party may dispute invoiced amounts, but shall pay to the other Party the undisputed portion of invoiced amounts on or before the invoice due date. To resolve any billing dispute, the Parties shall use the procedures set forth in Section 9.2. When a billing dispute is resolved, the Party owing shall pay within thirty (30) Business Days of the date of such resolution, with late payment interest computed at the effective interest rate as established by Section 2880 of the Public Authorities Law of the State of New York, and any successor thereto ("Interest Rate"). Except in instances where it is demonstrated that fraud hindered the discovery of billing errors, any claims for adjustments on account of subsequently discovered errors must be made within two (2) years of the date on which the invoice was issued.

ARTICLE 7 - SUCCESSORS AND ASSIGNS

- 7.1 Assignment by Seller. This PPA shall not be freely assignable by Seller to any third party without written consent of Buyer, which shall not be unreasonably withheld, conditioned or delayed, and, provided said third party assignee executes a written undertaking acceptable in form to Buyer by which assignee agrees to be bound by all the terms and conditions of this PPA; and further provided, that Seller may collaterally assign its interest in this PPA, with the consent of the Buyer, to any lender or any financial institution or institutions participating in the financing of the Facility. No such assignment shall alter or impair the rights of any surety. Provided that Seller reimburses Buyer for Buyer's reasonable legal fees, Buyer agrees upon reasonable request of Seller to provide such legal opinions and

consents as may be reasonably requested by Seller and Seller's lender in connection with such financing.

- 7.2 Assignment by Buyer. This PPA shall not be assigned by Buyer without the prior written consent of Seller, which shall not be unreasonably withheld, conditioned or delayed; provided, however, that Buyer may, without the consent of Seller (i) collaterally transfer, sell, pledge, encumber or assign this PPA or the account, revenues, or proceeds hereof in connection with any financing, (ii) transfer or assign this PPA to an affiliate of Buyer, or (iii) transfer or assign this PPA to any person or entity succeeding to all or substantially all of the transmission and distribution assets of Buyer.
- 7.3 Successors and Assigns. This PPA shall bind and inure to the benefit of the Parties to this PPA and any permitted successor or assignee acquiring an interest hereunder consistent with Sections 7.1 and 7.2 hereof. LIPA is not obligated to continue to purchase Solar Products until Seller's successor or assignee has accepted and complied with all conditions of this PPA.

ARTICLE 8 - EVENTS OF DEFAULT; DAMAGES

- 8.1 Events of Default. The following shall constitute an event of default, unless excused by Force Majeure ("Event of Default"):
- (a) Failure of either Party to comply with any terms, provisions and conditions set forth in this PPA and such failure continues more than thirty (30) days after receiving written notice of the same; or
 - (b) (i) any Seller breach or inaccuracy of representations or warranties as and when made; (ii) wrongful termination of this PPA by Seller; (iii) failure by Seller to maintain insurance as required by Article 10; (iv) failure by Seller to comply with the Interconnection Procedures causing LIPA's termination of the interconnection, as set forth in Section 12.4; or (v) any form of diversion and/or theft of electricity from the Buyer by Seller.
- 8.2 Damages. Upon an Event of Default by Seller, Buyer may, upon written notice, at Buyer's option:
- (a) Suspend performance or payments pending Seller's remediation of the circumstances constituting the Event of Default;
 - (b) Terminate this PPA;
 - (c) Recover from Seller the damages Buyer incurred as a direct result of the Event of Default; and
 - (d) Except as may be limited under the terms of this PPA, exercise any other right or remedy Buyer may have at law or equity, including specific performance.
- 8.3 Limitation of Remedies. Neither Party shall be liable to the other Party for consequential, exemplary or punitive damages, except and to the extent Seller is liable to indemnify Buyer and/or T&D Manager with respect to any claim by a third party pursuant to Article 11.

ARTICLE 9 - CONTRACT ADMINISTRATION AND NOTICES; DISPUTE RESOLUTION

- 9.1 Notices in Writing. Notices required by this PPA shall be addressed to the other Party as follows:

Seller:

Name:

Attention: [Name of an Officer of the Company]

Address:
City, State, Zip:
Phone:
Email:

Buyer:

Name: Long Island Electric Utility Servco, LLC
c/o Long Island Lighting Company d/b/a LIPA

Attn: Manager, Power Program Operations, Power Markets, PSEG Long
Island LLC
Address: 175 E. Old Country Road, Suite 1-16
Hicksville, New York 11801
Email: PwrMktFIT@pseg.com

With copies to:

PSEG Long Island, LLC
333 Earle Ovington Blvd.
Uniondale, New York 11553
Attn: Vice President, Legal

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

Seller: _____
Attention: [Name of an Officer of the Company]
[Address]
[City, State, Zip]
Phone:
E-mail:

Buyer:
Long Island Electric Utility Servco, LLC
c/o Long Island Lighting Company d/b/a LIPA

Attn: Manager, Power Asset Management PSEG Long Island LLC
Address: 175 E. Old Country Road EOB, 2nd Floor
Hicksville, New York 11801
Phone: (516) 949-8295
E-mail: PAMfitLI@pseg.com

9.2 Dispute Resolution.

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

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

9.2 shall be confidential, subject to applicable law, and shall be treated as compromise and settlement negotiations for purposes of Federal Rule of Evidence 408 and applicable New York State rules of evidence.

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

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

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

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

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

ARTICLE 10 - INSURANCE

10.1 Coverage. Seller shall maintain in full force and effect, general liability insurance for personal injury and property damage of at least \$1,000,000 per occurrence per Facility. A business owner's policy that provides at least this level of coverage is acceptable for meeting the insurance requirement of this PPA. Seller shall promptly notify Buyer of any termination notices received and provide documentation of the replacement coverage within 15 days.

10.2 Certificate of Insurance. Prior to PPA execution, Seller shall provide a Certificate of Insurance documenting the required coverage as set forth in Section 10.1 hereof to Buyer, naming Buyer and T&D Manager as additional named insureds, and the certificate shall become a part of this PPA. Automatic notification to Buyer must be established for both annual renewals and, if appropriate, any termination of such insurance. Certificate Holders will be Buyer and Agent.

ARTICLE 11 - INDEMNIFICATION; LIABILITY LIMITATION; REPRESENTATIONS AND WARRANTIES

- 11.1 Seller Indemnification. Seller shall indemnify, hold harmless and defend Buyer and T&D Manager, their affiliates, directors, trustees, officers, employees, and agents from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property, including the Facility, in any manner directly or indirectly connected with, or arising out of the installation, operation or maintenance of Seller's Facility, except in those cases where loss occurs due solely to the negligence or willful misconduct of Buyer and/or T&D Manager or their officers or employees.
- 11.2 Tariff Limitation of Liability Provisions. In addition to the other Sections of this PPA pertaining to limitations of liability, Section 1.C.7. of LIPA's Tariff (See Leaf Nos. 27-29), is incorporated by reference and shall apply with respect to limitations of liability and other provisions of Section 1.C.7.
- 11.3 Representations and Warranties. Seller makes the representations and warranties set forth in Attachment A Exhibit 1, which are incorporated herein by reference as if set forth herein in full.

ARTICLE 12 - TERMINATION OF AGREEMENT

- 12.1 Automatic Termination.
- (a) Expiration of Term. This PPA will terminate automatically without notice on the date that is twenty (20) years from COD.
- (b) Failure to Become Operational by Target COD. Subject to Section 12.2 and except in the event of Force Majeure, this PPA will terminate automatically without notice or opportunity to cure if Seller's Facility as described in Exhibit 2 of Attachment A has not achieved COD by the Target Commercial Operation Date specified in Section 1.2 unless Buyer grants an extension in writing as provided herein. A single extension may be granted by Buyer in its sole discretion pursuant to Section 12.2. In the event of Force Majeure, the Target Commercial Operation Date will be extended day for day for each day in which the Force Majeure event or circumstance is continuing.
- 12.2 Authorized COD Extension. The Target Commercial Operation Date is t w e l v e (1 2) months after the Effective Date for projects 200 KW – 999 KW AC. For projects 1,000 KW – 5,000 KW AC the Target Commercial Operation Date is twenty-four (24) months after the Effective Date. In the event that Seller cannot achieve the Target Commercial Operation Date specified herein and seeks an authorized extension thereof pursuant to this paragraph ("Authorized COD Extension"), Seller shall deliver written notice to Buyer no later than twenty (20) Business Days prior to the Target Commercial Operation Date, requesting the Authorized COD Extension provided herein and pledging to achieve COD by the Authorized COD Extension date as provided herein. Buyer shall grant such Authorized COD Extension provided that Seller demonstrates to Buyer's reasonable satisfaction, in accordance with Buyer's policies and procedures regarding Authorized COD Extensions, that Seller can achieve COD by such Authorized COD Extension date. The Authorized COD Extension date shall be twelve (12) months from the Target COD.
- 12.3 Force Majeure After COD. If a Force Majeure event completely preventing delivery of Solar Products continues for more than one (1) year, the Party not claiming the Force Majeure will be entitled to terminate this PPA upon written notice.
- 12.4 Audit/Disconnection. Buyer may perform periodic audits and testing of the Facility, including meters, at such intervals as it may deem proper. In the event that LIPA has, pursuant to the provisions of any interconnection agreement, disconnected the Facility, LIPA shall provide written notice thereof as soon as practicable to Seller of the issue or deficiency causing LIPA to disconnect the Facility and all payments shall cease as of the

date of disconnection. If after thirty (30) days from the receipt of the aforementioned notice the issue which caused the disconnection is not remedied to Buyer's satisfaction, Buyer may terminate this PPA and provide written notification to Seller.

- 12.5 Right to Lock Out. Upon termination of this PPA for any reason, Buyer may pursuant to the Interconnection Procedures padlock the manual disconnect switch in the open (disconnected) position and may modify or remove any Buyer installed equipment.
- 12.6 Post-Termination Purchases of Solar Products. After any termination of the PPA, Buyer will have no obligation to extend or re-enter this PPA or a similar feed-in tariff agreement with Seller and in the event such termination results from a Seller Event of Default in accordance with Section 8.2, or an unremedied disconnection as set forth in Section 12.4, this Facility will not be eligible for any net metering program of Buyer.

ARTICLE 13 - NO THIRD PARTY BENEFICIARIES

- 13.1 There are no third party beneficiaries to this PPA.

ARTICLE 14 - COMPLETE AGREEMENT

- 14.1 Complete Agreement. The terms and provisions contained in this PPA constitute the entire agreement between Buyer and Seller and supersede any prior agreement between the Parties regarding the subject matter hereof. There will be no amendments to this PPA except as mutually agreed to by the Parties in writing.
- 14.2 Severability. In the event any provision hereof is determined by a final, non-appealable judgment to be invalid or unenforceable, the remainder of this PPA shall continue in effect in the absence of such invalid or unenforceable provisions, provided that if performance or enforcement of this PPA in the absence of such provision would be inequitable or deprive a Party of a material element of its original bargain, the Parties will reform the PPA in good faith to reflect the original intent of the Parties as closely as possible.
- 14.3 Waiver. The failure of either Party to enforce at any time any of the provisions of this PPA, or to require at any time performance by the other Party of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, or in any way to affect the validity of this PPA or any part hereof or the right of such Party hereafter to enforce every such provision. No modification or waiver of all or any part of this PPA shall be valid unless it is reduced to a writing, signed by both Parties, that expressly states that the Parties agree to a waiver or modification, as applicable. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

ARTICLE 15 - CONTROLLING LAW; VENUE

- 15.1 The validity, performance, and all matters relating to the interpretation and effect of this PPA shall be governed by the laws of the State of New York, without regard to conflicts of laws principles thereof, and the exclusive jurisdiction and venue for any dispute not subject to resolution by adjudication by the FERC or arbitration in the manner provided in Section 9.2 shall be the courts in and for Nassau County, New York, having subject matter jurisdiction. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this PPA.

ARTICLE 16 – CONFIDENTIALITY

- 16.1 Confidential Information. The Parties agree that the following Sections of this Agreement consist of rate, cost, financial, and other economic and material terms the disclosure of which would cause substantial injury to the competitive position of both Buyer and Seller and shall be treated by

the Parties as “Confidential Information”:

- (a) Articles (Sections): 1.2 (TCOD only) and 5.3 (price only)
- (b) Attachments: Attachment A (Exhibits 2 and 3)

The Parties shall protect Confidential Information from disclosure to third parties consistent with the provisions of this Article 16 and subject to Legal Requirements, provided, however, that a Party may disclose Confidential Information to (i) its Affiliates, (ii) its, or its Affiliates’, rating agencies, potential lenders, potential investors or potential purchasers of, the Seller or the Project, (iii) its trustees, directors, employees, advisors, consultants, agents, partners, members, managers, or representatives, and (iv) any Governmental Authority, but only if and to the extent necessary in connection with applying for or obtaining (a) an easement, license or permit related to the Facility, or (b) funding from a Governmental Authority in connection with the Facility (such persons referenced in clauses (i) through (iii), “Confidential Parties”). Confidential Parties shall be obligated by Legal Requirements, professional rules of conduct or a legally binding obligation to maintain the confidentiality of such Confidential Information. For the purposes of this Section, an “Affiliate” shall mean with respect to any entity, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association or other entity or Governmental Authority (“Person”), any other Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For this purpose, “control” includes but is not limited to the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or equity interest. A voting interest of ten percent (10%) or more shall create a rebuttable presumption of control.

16.2 Compliance with the Freedom of Information Law. Seller expressly acknowledges that Buyer is subject to the requirements of New York’s Freedom of Information Law (“FOIL”) and must comply therewith. If Buyer is requested by a third party to disclose the Confidential Information that it has received from Seller, Buyer will, to the extent it is consistent with the requirements in Article 6 of the New York State Public Officers Law, (i) notify Seller of the request, (ii) provide Seller the opportunity to provide information regarding the need for confidential treatment, (iii) evaluate the third party’s request for disclosure and Seller’s request for confidential treatment, and (iv) determine if the Confidential Information is subject to disclosure under FOIL. If Buyer determines that the Confidential Information is subject to disclosure, it will provide prompt written notice of such determination to Seller so that Seller may seek a protective order or other appropriate remedy. If Seller does not obtain a protective order within ten (10) Days after Buyer provides notice to Seller of its intent to make public the Confidential Information, the Buyer may disclose such information with no liability or further obligation to Seller.

16.3 Treatment of Otherwise Publicly Available Information. Notwithstanding anything to the contrary in this Article 16, neither Party shall be required to hold confidential any information which: (i) was available to the public prior to the time of disclosure; (ii) is or becomes available to the public through no act or omission of the other Party or its Confidential Parties; (iii) is rightfully communicated or received by the other Party free of any obligation of nondisclosure and without restriction as to its use; (iv) was in the other Party’s possession and obtained on a non-confidential basis prior to its disclosure by the disclosing Party or its Confidential Parties; (v) is independently developed by the other Party without reference to or use of the Confidential Information of the disclosing Party; or (vi) disclosure is approved in writing by the disclosing Party.

16.4 Term of Confidentiality. The obligations set forth in this Article 16 shall survive expiration or termination of this Agreement for a period of three (3) years thereafter.

ARTICLE 17 – New York State Wage and Hours Provision

17.1 New York State Wage and Hours Provisions. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Seller’s employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and

supplement schedules issued by the State Labor Department, and Seller and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.

IN WITNESS WHEREOF, the Parties have executed this PPA.

Seller:

Legal Name of Entity

Signature of Authorized Representative

Print Name

Title

Date

Buyer:

Long Island Lighting Company d/b/a LIPA
by and through its agent, Long Island Electric Utility Servco LLC

Signature of Authorized Representative

Print Name

Title

Date

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT A

EXHIBIT 1

REPRESENTATIONS AND WARRANTIES

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

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

Date: _____

Authorized Officer: _____

Printed Name and Title: _____

EXHIBIT 2

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

Owner Information (to be supplied by applicant)

1. System Owner

Name _____
Address _____
City, State, ZIP _____
Phone _____
Email _____

2. System Installer/Contractor Name

Name _____
Address _____
City, State, ZIP _____
Phone _____
Email _____

3. Description of Facility

Storefront name (if applicable) _____

Address/Parcel Number/Map Picture (as applicable)

City, State, ZIP _____

Phone _____

Type of Facility (e.g., ground mounted, roof mounted, on carport)_____

Nameplate Capacity _____

4. PV System Specifications

DC Power Rating (Watts)_____

No. Phases: 1 or 3

AC Power Rating (Watts) _____

5. Three-Line Diagram/System Sketch

Attach diagram for proposed system with all major components, both DC and AC. Diagram must be dated and sealed by a NYS licensed Professional Engineer.

EXHIBIT 3

SOLAR PHOTOVOLTAIC INSTALLER'S INFORMATION

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

System designer:

Name: _____
Address: _____
Telephone: _____
Email: _____
Certification: _____ Attached _____ On File

Electrical contractor:

Name: _____
Address: _____
Telephone: _____
Email: _____
Certification: _____ Attached _____ On File

Construction contractor:

Name: _____
Address: _____
Telephone: _____
Email: _____
Certification: _____ Attached _____ On File

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK