

## SHARED SOLAR PROGRAM RATE CONTRACT TERMS AND CONDITIONS

Pursuant to Section 676(b) of the City of Los Angeles Charter, the City of Los Angeles acting by and through the Department of Water and Power ("LADWP") is authorized to enter into rate contracts. Application to the Shared Solar Program ("SSP") constitutes acceptance by eligible customers of SSP rate contracts containing the following terms and conditions (each, a "Contract"). Within these terms and conditions, the eligible customer is referred to as "Subscriber", and Subscriber and LADWP may be referred to hereinafter individually as a "Party," or collectively as the "Parties".

### RECITALS

- A. Subscriber intends to purchase Electric Service under LADWP Schedule R-1 Residential Service from LADWP for the dwelling unit occupied by Subscriber at the location identified by Subscriber when applying to the SSP (the "Home"), as a retail end-use customer, in accordance with the terms and conditions herein.
- B. When applying to the SSP, Subscriber identified the amount of energy consumption in kilowatt-hours ("kWh") per calendar month for participation in the SSP (the "Subscription").
- C. The Rates Group, a subset of LADWP's Financial Services Organization, is responsible for determining the per unit Subscription rate (\$/kWh) which is designed to reflect the full SSP cost of service for particular ten (10)-year periods. Accordingly, Subscriber will be notified by LADWP of the per unit Subscription rate that applies to his or her Contract ("Rate").
- D. Subscriber may be eligible to receive a discounted Rate. In order to be considered for a discounted Rate, Subscriber must complete and provide to LADWP a form entitled SSP External Funding Qualifications. Submitting such form does not guarantee a discount on Subscription costs and is not otherwise required for Subscribers not seeking a discounted Rate.
- E. Subscriber's Rate will not increase over the life of his or her Contract, except to the extent that a Rate reduction could be reversed, as described below in Section 2.1.

### ARTICLE I. DEFINITIONS

The definitions, terms, conditions, and requirements provided in the applicable Rate Ordinance(s), the Electric Service Requirements, and the Rules are incorporated in and made a part of these terms and conditions by this reference. The following additional terms, when initially capitalized herein, whether in the singular or plural tense, shall mean:

- 1.1 Billing Period: The time interval between two consecutive reading dates of LADWP's electric revenue meters used for billing purposes.
- 1.2 Effective Date: As defined in Section 2.4 of these terms and conditions.
- 1.3 Electric Service: As defined in the Rules.
- 1.4 Electric Service Requirements: Requirements prescribed in writing by LADWP in effect at the time the Subscriber's Contract commences, and all revisions thereto or replacements thereof, which are necessary and proper for the regulation of any electric service installed, operated, and maintained within the City of Los Angeles. The Electric Service Requirements shall be in conformance with the Charter of the City of Los Angeles and the Rules.
- 1.5 Laws: All applicable statutes, ordinances, rules, orders, regulations and codes of the City of Los Angeles, the State of California, and/or Federal governmental authorities having jurisdiction, including, but not limited to, the Charter of the City of Los Angeles as amended.

- 1.6 Prudent Utility Practices: Those practices, methods, and equipment, as changed from time to time, that are commonly used in prudent engineering and operations to design and operate electric equipment lawfully and with safety, dependability, efficiency, and economy.
- 1.7 Rate Ordinance: An ordinance, in accordance with City of Los Angeles Charter Subsection 676(a) or any amendments to or replacements of that subsection, approving the rates fixed by the Board of Water and Power Commissioners of the City of Los Angeles (Board) for electric energy or surplus energy.
- 1.8 Rules: The Rules Governing Water and Electric Service in the City of Los Angeles adopted by the Board under Resolution No. 56, dated September 8, 1983, and all amendments, revisions, and replacements thereof.

## ARTICLE II. AGREEMENT

In consideration of the foregoing Recitals, which are hereby incorporated herein, and of the mutual benefits, terms, and conditions contained herein, the Subscriber's Contract shall include the following:

- 2.1 **Subscription.** Except as otherwise provided herein, LADWP shall provide Electric Service at the Home, and bill, in accordance with the applicable rate schedule(s) in the Rate Ordinance(s), the Rules, and the Electric Service Requirements. Commencing on the Effective Date, each bill for the Home shall include the cost of the Subscription. Subject to Section 2.7 of these terms and conditions, commencing on the Effective Date, the Subscription, or the appropriate multiple when billing is not monthly, shall be credited against the electrical energy consumption at the Home to reduce the amount of energy consumption in each bill that is subject to the applicable rate schedule(s) of the Rate Ordinance(s). The amount of the consumption at the Home each Billing Period in excess of the Subscription, or the appropriate multiple when billing is not monthly, remains subject to the applicable rate schedule(s) in the Rate Ordinance(s) in the same manner as if the Subscriber had no Subscription.
- The Rate may be reduced from that which was initially communicated to Subscriber as described above in Recital C, in order to reflect the award of funding by a third party for such purposes. Such Rate reduction requires completion and provision to LADWP of a form entitled SSP External Funding Qualifications and shall be determined in accordance with the funding criteria, as administered by LADWP in its sole discretion. LADWP shall reverse such Rate reduction, and restore the Rate that was initially communicated to Subscriber as described above in Recital C, if and when LADWP determines in its sole discretion that Subscriber is no longer eligible for the Rate reduction.
- 2.2 **Subscription Limit.** The Subscription shall not exceed the Subscriber's average monthly electrical energy consumption during each year of the Term, as defined in Section 2.5, by an amount of kWh exceeding the size of blocks of energy then being used for new SSP subscriptions ("Energy Consumption Limit"). In the event that the Energy Consumption Limit is exceeded, the Subscriber's Contract shall be terminated; provided, however, that, rather than immediate termination of the Subscriber's Contract, a monthly Subscription may be reduced in size by one or more blocks of energy then being used for new SSP subscriptions, if that reduction results in compliance with the Energy Consumption Limit and is agreed upon by the Parties.
- 2.3 **Equipment Rights.** Subscriber will have no rights associated with any SSP-associated solar electricity generating, interconnection, metering, data acquisition, or other related solar equipment ("SSP Generation Equipment") for any purpose.

- 2.4 Effective Date.** The Subscriber's Contract shall commence on the first day of the first Billing Period for Subscriber for which the bill rendered by LADWP reflects Subscriber's participation in the SSP (the "Effective Date").
- 2.5 Contract Term.** The term of Subscriber's Contract (the "Term") shall start on the Effective Date and continue to and including the tenth (10<sup>th</sup>) anniversary of the Effective Date. As used in these terms and conditions, "Termination Date" means the date Subscriber's Contract expires in accordance with this Section or is terminated prior to its full Term.
- 2.6 Account Status.** Subscriber must maintain a metered account, in good standing, associated with Electric Service under LADWP Schedule R-1 Residential Service at a dwelling unit located within LADWP's service territory.
- 2.7 Subscription Applicability.** Any discount from application of the Subscription as described in Section 2.1 is inapplicable to taxes and the Minimum and Power Access Charges as defined in the applicable Rate Ordinance(s). Also, no Subscription amounts in excess of the consumption in that Billing Period are eligible to be applied against bills in subsequent Billing Periods.
- 2.8 Refunds.** All transactions related to the Subscription portion of any utility bill of Subscriber are non-refundable.
- 2.9 Totalizing.** Customer accounts will not be totalized under Subscriber's Contract.
- 2.10 Priority.** In the event of discrepancy between Subscriber's Contract and the applicable Rate Ordinance(s), the terms and conditions of Subscriber's Contract shall prevail.
- 2.11 Measurements.** Energy consumption values shall be based on LADWP-owned meters located at the Home. Such meters shall be read, tested, and maintained in accordance with the Rules and LADWP's procedures and practices.

### **ARTICLE III. SSP ENVIRONMENTAL ATTRIBUTES**

- 3.1 Procurement.** LADWP shall be responsible for procuring eligible renewable energy resources for the SSP in accordance with the program budget.
- 3.2 Environmental Attributes.** By participating in the SSP, Subscriber acknowledges and agrees that LADWP shall own, and LADWP may assign or sell in LADWP's sole discretion, all right, title, and interest, now existing or arising hereafter, associated with or resulting from the development and installation of the SSP Generation Equipment or the production, sale, purchase, or use of the electrical energy output of the SSP Generation Equipment, including, without limitation, all rights, credits (including tax credits), rebates, benefits, reductions, offsets, and allowances and entitlements of any kind, howsoever entitled or named (including carbon credits and allowances), whether arising under federal, state, or local law, international treaty, trade association membership, or the like arising from the environmental attributes of the SSP Generation Equipment or the energy output of the SSP Generation Equipment, further including, without limitation, green tags, renewable energy credits, tradable renewable certificates, portfolio energy credits, the right to apply for (and entitlement to receive) incentives under incentive programs offered by the State of California, and the right to claim U.S. Department of Treasury ARRA grants under Section 1603 and/or federal income tax credits under Sections 45 and/or 48 of the Internal Revenue Code, to the extent that such right, title, or interest are not owned by a third party.

**ARTICLE IV.  
REPRESENTATIONS AND ADDITIONAL COVENANTS**

- 4.1 Authority to Execute.** Subscriber and LADWP do each hereby respectively represent to the other that it has the capacity and authority to enter into a Contract with the other.
- 4.2 Subscription Transfer Process.** Subject to the provisions of this Section and with advance notice to LADWP, Subscriber may elect to change the Home for which the Subscription will apply (the "Subscription Transfer"), provided such new Home is a dwelling unit within LADWP's service territory eligible under then existing SSP guidelines. Subscriber will notify LADWP of such change at least thirty (30) days prior to the effective date of such change. Subscriber may transfer the Subscription to a new Home one (1) time in any calendar year at no charge. An administration fee of twenty-five dollars (\$25) will be charged for any Subscription Transfer in excess of one (1) time in a calendar year. LADWP has no responsibility to initiate any Subscription Transfer without notice from Subscriber.

**ARTICLE V.  
DEFAULT AND EARLY TERMINATION**

- 5.1 Default by Subscriber.** The occurrence of any of the following shall constitute a material breach and default of Subscriber's Contract by Subscriber:
- 5.1.1** Failure by Subscriber to make payment to LADWP of uncontested amounts within the times set forth in these terms and conditions; or
  - 5.1.2** Failure by Subscriber to comply with requirements pertaining to the safety of persons or property set forth in the applicable Laws, Rate Ordinance(s), the Electric Service Requirements, or the Rules; or
  - 5.1.3** Failure by Subscriber to provide timely notice to LADWP in accordance with Section 4.2 of these terms and conditions; or
  - 5.1.4** Failure by Subscriber to substantially observe and perform any other material provision of Subscriber's Contract within thirty (30) calendar days of receiving written notice from LADWP of the provisions of Subscriber's Contract with which LADWP believes Subscriber has not complied. If Subscriber determines that any such provision cannot be complied with within thirty (30) days, Subscriber shall so notify LADWP in writing within thirty (30) days of receiving LADWP's written notice. Subscriber's written notice shall contain a statement of the reasons why the provision cannot be complied with within thirty (30) days, and Subscriber shall provide an estimated schedule for compliance with the provision. Upon receipt of such written notification from the Subscriber, LADWP's Community Solar Program Manager, or his or her designee, at his or her sole discretion, may establish, after consultation with Subscriber, a new date to achieve compliance. If Subscriber complies with the provision by the established date to achieve compliance, then LADWP will take no further action regarding that instance of non-compliance.
- 5.2 Default by LADWP.** Failure by LADWP to substantially observe and perform any material provision required by Subscriber's Contract, where such failure results in a condition materially harmful to Subscriber and continues for thirty (30) calendar days after receipt of written notice from Subscriber, shall constitute a material breach and default by LADWP of Subscriber's Contract, provided, however, that if the nature of such default is curable, but that the same cannot with due diligence be cured within the thirty (30) calendar day period, LADWP shall not be deemed to be in default if it commences to cure the default within the thirty (30) calendar day period and thereafter diligently prosecutes the same to completion.

- 5.3 Remedies upon Default.** Either Party shall be entitled to monetary damages based on proof of actual damages resulting from default of the other Party. The non-defaulting Party shall have the right to terminate Subscriber's Contract upon the occurrence of any of the events of default described in this Article. In no event shall incidental or consequential damages be payable.
- 5.4 Early Termination.** Subscriber's Contract can be terminated by mutual written agreement of the Parties. Such agreement to terminate by LADWP shall be executed by LADWP's Community Solar Program Manager, or his or her designee. Alternatively, Subscriber may terminate the Contract at any time prior to its Term without penalty by giving at least thirty (30) calendar days' written notice of intent; provided, however, that Subscriber shall not be allowed to enroll again in the SSP for twelve (12) months following the Termination Date.
- 5.5 Monetary Obligations.** Unless otherwise set forth by mutual written agreement of the Parties, neither termination nor expiration of Subscriber's Contract shall affect the rights and obligations of the Parties to pay money for transactions occurring prior to such termination or expiration of the Contract.

## **ARTICLE VI. MISCELLANEOUS**

- 6.1 Written Notices.** Any written notice under these terms and conditions shall be deemed properly given on the date of delivery if delivered in person or three (3) days after mailing if sent by registered or certified mail, postage prepaid, to the person specified below unless otherwise provided for in these terms and conditions:

To the Subscriber at the mailing address for electricity bills from LADWP.

To LADWP:

Community Solar Program Manager  
Power Planning and Development Division  
Department of Water and Power of the City of Los Angeles  
111 North Hope Street, Room 968  
Los Angeles, CA 90012

- 6.2 Phone or Email Notices.** Notices not required to be in writing under these terms and conditions shall be deemed properly given by:

**6.2.1** Phone call:

To the Subscriber at any contact phone number for Subscriber on file with LADWP.

To LADWP's Community Solar Program Manager at 213-367-2203.

**6.2.2** Email:

To the Subscriber at any email address of Subscriber on file with LADWP.

To LADWP's Community Solar Program Manager at [CSP@ladwp.com](mailto:CSP@ladwp.com).

- 6.3 Change Notice Recipient Information.** Either Party may change, by written notice to the other Party, the name, mailing address, phone number, or email address of the person to receive notices under these terms and conditions.

- 6.4 Assignment.** Subscriber's Contract is not assignable, in whole or in part.

- 6.5 Entire Agreement.** These terms and conditions constitute the entire agreement between the Parties relating to the subject matter hereof and supersede any other prior agreements, written or oral, between the Parties concerning such subject matter.
- 6.6 Effect of Section Headings.** Section headings appearing in these terms and conditions are inserted for convenience only and shall not be construed as interpretations of text.
- 6.7 Third Party Beneficiaries.** Nothing in Subscriber's Contract shall provide any benefit to any third party or entitle any third party to any claim, cause of action, remedy, or right of any kind, it being the intent of the Parties that Subscriber's Contract shall not be construed as a third party beneficiary contract.
- 6.8 Nondedication of Facilities.** Subscriber's Contract shall not be construed as a dedication of any properties or facilities, or any portion thereof, by Parties to each other or the public.
- 6.9 Several Obligations.** The duties, obligations, and liabilities of the Parties are several and not joint or collective. Nothing contained in Subscriber's Contract shall be construed to create an association, trust, partnership, or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to the Parties. Each Party shall be individually and severally liable for its own obligations under the Contract.
- 6.10 Governing Law.** Subscriber's Contract was made and entered into in the City of Los Angeles and shall be governed by and interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of laws principles. All litigation arising out of, or relating to, Subscriber's Contract shall be brought in a State or Federal court in the County of Los Angeles in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 6.11 Waiver.** A waiver of a default of any part, term, or provision of Subscriber's Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term, or provision itself. A Party's performance after the other Party's default shall not be construed as a waiver of that default.
- 6.12 Attorneys' Fees and Costs.** Both Parties agree that in any action to enforce the terms of Subscriber's Contract, each Party shall be responsible for its own attorneys' fees and costs. The provisions of this Section shall survive expiration or termination of the Contract.