

NESOLAR SAVINGS POWER PURCHASE AGREEMENT

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

WITNESSETH:

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

WHEREAS, beginning on or about the anticipated delivery date stated in Appendix A, or as soon thereafter as arrangements for the Customer's facilities are put into place, the Customer desires to sell any excess energy generated by the production facilities to NES, and NES is willing to purchase such excess energy, subject to the terms and conditions set forth herein and in the NESolar Savings Guidelines.

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

1. Term and Termination:

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

2. Sale and Purchase of Excess Energy:

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

3. Delivery and Metering:
 - (a) The Customer shall deliver the excess energy to NES's grid at a single delivery point as defined in the IOA.
 - (b) NES shall install and maintain a meter, capable of accurately measuring the quantity of energy delivered by the Customer to the NES grid. The Customer shall grant reasonable access to NES for meter reading and maintenance purposes.
 - (c) For Customer production facilities with a net production capacity of 50 kW or less, no system impact study by NES will be performed, although NES reserves the right to perform such study should NES deem it necessary.
 - (d) Customer shall adhere to all additional production facility requirements as defined in the IOA.
 - (e) It is expressly understood that Customer is responsible for the protection of the production facilities as defined in the IOA.
4. Billing and Payment:
 - (a) NES shall calculate the amount payable to the Customer for the excess energy on a monthly basis, based on the meter reading schedule as defined by NES.
 - (b) Payment shall be applied to the Customer's electric bill as a credit.
5. Price Adjustment:
 - (a) The monthly purchase price per kWh as noted on the NES website (nespower.com). The purchase price is subject to the NESolar Savings Guidelines and adjusted to include TVA's monthly Standard Service Fuel Cost Adjustment.
6. Rights to Receipt of Green Benefits (RECs):
 - (a) The Customer acknowledges that NES retains all rights to Environmental Attributes and Renewable Energy Credits (RECs) associated with energy purchased by NES at the delivery point.

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

"Renewable Energy Certificates" or "RECs" means all the Environmental Attributes, as defined in this Agreement, associated with the generation of one (1) MWh of energy from an Energy Resource, and the reporting rights, title, and interest in and to such Environmental Attributes.
7. Notice
 - (a) Wherever in this Agreement notice is required to be given by either party to the other, such notice shall be in writing and shall be effective when mailed by certified mail, return receipt requested, with postage prepaid, hand delivered, or in the form of an Electronic Mail Record. All such notice shall be directed to the addresses specified below:

If to NES:

Energy Services Engineering Manager
Nashville Electric Service
1214 Church Street
Nashville, TN 37246

If to Customer:

Name:
Address:
Email:
Telephone:

The above-listed names and contact information of either party may be changed by written notification to the other.

8. Representations and Warranties:

(a) The Customer represents and warrants that:

- i. The production facilities comply with all applicable laws, regulations, permits, and standards;
- ii. The Customer is the legal owner of the production facilities and has the authority to enter into this Agreement.

(b) NES represents and warrants that it has the authority to purchase the excess energy and to fulfill its obligations under this Agreement.

9. Indemnification:

(a) Customer shall indemnify, defend, and hold harmless NES and its respective officers, directors, employees, agents, and affiliates from and against any claims, damages, liabilities, costs, or expenses (including reasonable attorneys' fees) arising out of or in any way connected with the activities within the scope of this Agreement, except for negligence or intentional misconduct of NES or its respective agents or employees.

10. Governing Law and Dispute Resolution:

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

(b) Unless otherwise provided in this Agreement, the Parties agree to use their best efforts to resolve disputes related to this Agreement informally through non-binding mediation. Any legal or equitable action related to this Agreement shall be brought in the United States District Court for the Middle District of Tennessee and THE PARTIES HEREBY WAIVE: (a) ANY OBJECTION TO THAT COURT'S JURISDICTION OVER THEM, OR THAT VENUE IS PROPER IN SUCH COURT, and (b) ANY RIGHT TO A JURY TRIAL.

11. Miscellaneous:

(a) This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, whether written or oral, arrangements or understandings relating to its subject matter. No representation, promise, inducement or statement of intention has been

made by either party which is not embodied herein.

- (b) If any part of any provision of this Agreement or any other agreement, document or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement, and the parties hereby agree to negotiate with respect to any such invalid or unenforceable part to the extent necessary to render such part valid and enforceable.
- (c) No subsequent amendment or agreement between NES and Operator regarding this Agreement shall be effective or binding unless it is in writing and made by authorized representatives of the parties hereto.
- (d) Descriptive headings in this Agreement are for convenience only and shall not affect the construction of this Agreement.

Appendix A
Qualified Facility Information

Customer Name: _____

Account Number: _____

Customer Class: Residential Commercial

Contractor Name: _____

System Size: _____

Production Facility Address: _____

Generation Type: Solar Wind Other

Nashville Electric Service Application for

Interconnection of Renewable Generation form: Obtained Date _____

Initiation Notice Form: Obtained Date _____

Operational Notice Form: Obtained Date _____

Interconnection Agreement: Obtained Date _____

Commissioning Agreement: Obtained Date _____