Tesla Energy Products Purchase Agreement
California Self-Generation Incentive Program (SGIP)

This "Agreement" is between Tesla, Inc. ("Tesla"), and the entity represented by you, as the signatory to this Agreement ("Buyer"). The Agreement consists of (1) the below Price Sheet and (2) the attached terms & conditions, and is effective on the date that you agree to this Agreement (by electronic acceptance, signature or e-mail).

As described in Section 2 below, as a condition of the pricing in this Agreement, Buyer must also sign a ten (10) year "Services Agreement," contemporaneously with this Agreement.

Price Sheet

Buyer information

Buyer Name: City of Riverside

Buyer Business Address:

Signatory Name:

Signatory Phone Number:

Tesla entity

Tesla, Inc. of 3500 Deer Creek Road, Palo Alto, CA, 94304
888-765-2489
CA CSLB 949283

Energy Products and Contract Price

Energy Storage System Product Value:	210kW / 1160 kWh Powerpack or Megapack System $749,453
SGIP Eligible Costs	$1,087,484
SGIP Incentive	$1,000,000
Contract Price (after SGIP Incentive and discounts):	$0
Job No.:	JB-9241421-00
Installation Location:	1501 Central Ave, San Bernardino, CA 92408, US

Approximate Completion Date

180-600 days from the date of this Agreement **Signed by**

Buyer:

Your signature:

Title:

Date:

Tesla, Inc.:

By:

Title: Sr. Director, Energy Operations

Date: 04/08/2021

CERTIFIED AS TO FUNDS AVAILABILITY

BY: _____
Chief Financial Officer/Treasurer

Approved as to Form:
By: Susan Wilson
Assistant City Attorney



Energy Products Purchase Agreement
Terms & Conditions

1. **Authorization; Representations**. By your acceptance of this Agreement (by electronic acceptance or signature), you represent and agree that you are an authorized representative of Buyer, permitted to bind Buyer in this Agreement. If applicable, you and Buyer further represent and warrant to Tesla that all financial information that you or Buyer has provided (or will provide) to Tesla is true and accurate and fairly represents Buyer's financial position as at the date it was provided. Tesla may terminate this Agreement if any of the representations in this Section 1 are incorrect.

2. **Purchase; SGIP Program.**

(a) Buyer agrees to purchase the "Products" indicated in the Price Sheet. Tesla agrees to sell Buyer the Products and install them at the address you provided in the Price Sheet (the "Site"). Notwithstanding the above, prior to installing the Products, Tesla may review Buyer's credit, and Tesla shall have the right to terminate this Agreement in its sole discretion based upon the outcome of such credit review.

(b) The Products will be financed by the California Self-Generation Incentive Program ("**SGIP**"), which provides an incentive payment to be paid over five (5) years, subject to certain conditions (the "**SGIP Incentive**"). The SGIP Incentive when assigned to Tesla as the SGIP payee permits Tesla to offer the Products at a reduced cost, or no cost to Buyer. Buyer hereby assigns the SGIP Incentive to Tesla, and releases any claim to the SGIP Incentive. Buyer agrees to cooperate with Tesla's efforts to obtain the SGIP Incentive, including signing necessary documents.

(c) As a condition of receiving pricing based upon the SGIP Incentive, Buyer agrees to notify Tesla and the SGIP program administrator, not less than ninety (90) days in advance, if Buyer intends to sell or relocate the Products within ten (10) years after the date they are installed. This obligation will survive the termination or expiration of this Agreement. Contact information for the SGIP program administrator can be found at https://www.selfgenca.com/home/contact/. Notification to Tesla should be directed to CommercialAccounts@Tesla.com.

(d) In order to enable the SGIP Incentive, Buyer is required to sign the "**Services Agreement**" contemporaneously with this Agreement. As more fully detailed therein, the Services Agreement provides for Tesla to maintain the Products for ten (10) years, and also provides that Tesla will remotely operate the Products in a manner necessary to obtain the SGIP Incentive.

3. **Contract Price.** The Price Sheet shows the price of the Products and their installation after the SGIP Incentive ("Contract Price"), and the value of the Products ("**Product Value**"). The Contract Price is charged in accordance with the Schedule of Payments on the Price Sheet, and payment is due thirty (30) days after the date of each invoice. Subject to Section 4, the Contract Price is inclusive of all taxes and permitting fees. The Contract Price does not include, and Tesla is not obligated to provide, any ongoing services in connection with the Products (including maintenance services), except as required in connection with Tesla's limited warranties in Section 12, and as separately agreed under the Services Agreement.

4. **Changes to Price Sheet.**

(a) Tesla's obligation to install the Products is conditioned on such work falling with Tesla's "Standard Scope", which assumes standard wage rates, no unforeseen site conditions, no significant upgrades to existing electrical works, interconnection fees not to exceed $1,000, and customary government costs, taxes and fees. Further information about what constitutes Tesla's Standard Scope is available upon request.

(b) Tesla has the right to update the Price Sheet if, upon further diligence regarding the Site, Tesla determines that there are conditions outside of the Standard Scope. If Buyer does not reject the updated Price Sheet within thirty (30) days and cancel this Agreement, the changes will be deemed accepted.

(c) In addition, Tesla may in its sole discretion determine that because of issues beyond the Standard Scope, or because of the unavailability of the SGIP Incentive, Tesla will not install the Products. In such case, Tesla may terminate this Agreement by notice to Buyer, and if applicable shall refund the Order Payment.

5. **Installation; Service.** Tesla will contact Buyer to perform an energy efficiency audit of the Site as required by the SGIP program, and subsequently, to schedule installation of the Products. Installation will be performed by Tesla or an affiliate or subcontractor, at Tesla's election. Tesla will commission the System in accordance with its standard practices. Buyer authorizes Tesla, or its affiliate or subcontractor, to submit on Buyer's behalf any permit or interconnection application that is required in connection with the Products. Buyer also agrees to give Tesla, or its affiliate or subcontractor, access to



the Site as scheduled so Tesla can install and service the Products. Buyer is responsible for all existing property conditions at the Site, whether known or unknown.

6. **Payment.** By entering into this Agreement, Buyer agrees to pay the Contract Price as described in the Price Sheet. Tesla may provide combined or separate invoices for each of the Products. Risk of loss shall transfer with respect to each component of the Products, upon its delivery to the Site. Title to the Products will transfer to Buyer after Tesla (i) completes installation and (ii) receives payment in full of the Contract Price (if any).

7. **Order Payment**. The Order Payment (if any) that Buyer previously paid for the Products is now non-refundable, except in the circumstances described in Section 4(c). When this Agreement becomes effective, Tesla incurs significant costs preparing to install the Products. The Order Payment is a reasonable estimate of the damages Tesla would incur if Buyer cancels its order before the Products are installed.

8. **Privacy.** The Tesla Customer Privacy Policy is part of this Agreement. You, as the authorized representative of Buyer, agree to be contacted at the phone number listed in the Price Sheet with more information or offers about Tesla products. You understand these calls or texts may use automated dialing or pre-recorded messages. This consent is not a condition of purchase. You may opt out of this consent at any time by contacting Tesla at 1-888-765-2489.

9. **Intellectual Property.** Tesla owns all intellectual property rights associated with the Products. Tesla grants Buyer a non-exclusive license to use any software embedded into the Products, only in connection with the operation of the Products.

10. **Remote Monitoring and Firmware Upgrades.**

(a) Buyer agrees that Tesla may access the Products remotely to monitor performance, perform diagnostics and upgrade firmware. This monitoring requires a high speed internet line, which Buyer must provide at Buyer's cost. If Buyer does not maintain this internet connection, Tesla cannot monitor the Products. Tesla is not responsible for any issues arising from Buyer's failure to provide an internet connection, or a failure of monitoring arising from the same.

(b) "Buyer Data" consists of the data related to the Products which Tesla makes available to Buyer via the Tesla app or any other performance monitoring provided by Tesla. Buyer Data shall be owned by Buyer. Tesla may use Buyer Data (i) to perform its obligations under this Agreement including any warranties, (ii) to improve Tesla's products and services generally (including by performing analyses on such information), and (iii) to aggregate with other data. Public disclosure of such information by Tesla is permitted if neither Buyer nor the owner or long-term occupant of the site where the Products are located (the "Site Host") could reasonably be identified from the publicly disclosed information.

(c) Any information obtained by Tesla through remote monitoring of the Products that is not Buyer Data shall be owned by Tesla ("Tesla Data"), shall be confidential information of Tesla, and shall not be required to be made available by Tesla to any person.

(d) Notwithstanding anything herein to the contrary, Tesla may disclose either Buyer Data or Tesla Data as requested or required by an applicable administrator of the SGIP program ("SGIP Administrator"), and Tesla shall not be responsible for the SGIP Administrator's use or disclosure of such data.

11. **Maintenance & Operation.** Tesla will provide Buyer with an initial copy of an applicable storage system operation and maintenance guide (as updated by Tesla from time to time, the "Manuals"). The Manuals provide Buyer with operation and maintenance instructions, answers to frequently asked questions, and service information. Buyer must cause the Products to be maintainedin accordance with the Manuals (including by contracting with Tesla for maintenance services). In addition, Buyer must comply with the Manuals, to the extent the Manuals apply to Buyer's activities at the Site.

12. **Limited Warranties.** The Products and installation work are covered by the following limited warranties. **THESE ARE THE ONLY EXPRESS WARRANTIES MADE IN CONNECTION WITH THE PRODUCTS AND INSTALLATION WORK. Any other warranties, remedies and conditions, whether oral, written, statutory, express or implied (including any warranties of merchantability and fitness for purpose, and any warranties against latent or hidden defects) are expressly disclaimed. If such warranties cannot be disclaimed, Tesla limits the duration of and remedies for such warranties to the durations and remedies described below**.

Storage System	The Storage System is covered by the Tesla Limited Warranty applicable to the product and model purchased. By approving this Agreement, Buyer accepts the terms of the Tesla Limited Warranty for the applicable product, which can be obtained on our website or will be provided upon request.

	In order to maintain the Tesla Limited Warranty, maintenance on the Storage System must be performed by Tesla, a Tesla affiliate or subcontractor, or a Tesla-certified maintenance provider.
Workmanship	Tesla warrants that (a) Tesla's installation workmanship will be free from defects for 10 years from the date the Products are installed (or, in the case of main panel or structural upgrades, 1 year from the date those upgrades were performed); (b) Tesla's installation workmanship will not invalidate the applicable Tesla Limited Warranty; and (c) Tesla will not damage the Site during our installation of the Products. If Tesla breaches this workmanship warranty, Tesla will repair the defective work or damage at Tesla's cost. If Tesla cannot do this itself, Tesla will pay for someone else to do it. Such repair work shall not extend the original warranty period, but the remainder of the original warranty period shall apply to the repair work.

13. **Warranty Exclusions.** The "Workmanship" warranty above does not cover any defect caused by (1) events beyond Tesla's reasonable control, including but not limited to lightning, flood, earthquake, fire, excessive wind and other extreme weather events, accidents, abuse, misuse or negligence; (2) Buyer's failure to operate or maintain the Products in accordance with the applicable owner's manual(s); (3) strikes by balls or other objects, dirt, dust, bird excrement, animals, insects, foliage or algae growth; (4) water entering around a fitting, accessory or other material not installed by Tesla; (5) any material or equipment connected to the Products that was not installed by Tesla; or (6) someone other than Tesla installing, altering, removing, re-installing or repairing any part of the Products unless that person does so in compliance with the applicable owner's manual(s). The "Workmanship" warranty also does not cover (i) any defects in the equipment or components incorporated into Tesla's work (such as breakers, electrical panels, soft-start devices for HVAC equipment, etc.); (ii) pre-existing conditions at the Site, including but not limited to unpermitted conditions, improper electrical wiring, cracked or crumbling masonry; (iii) normal wear and tear or deterioration, or superficial defects, dents or marks that do not impact the performance or functionality/integrity of the Products; or (iv) theft or vandalism. The warranty for the "Storage System" above is not subject to the above exclusions, but is subject to other exclusions which are described in the warranty document.

14. **IP Indemnity**.

(a) As used in this Section 14, "Representatives" means Buyer and Buyer's affiliates, and their respective directors, officers, partners, members, shareholders, agents, employees, subcontractors, successors and assigns; "Losses" means damages and liabilities, including reasonable attorneys' fees; and "Claim" means a claim, action, suit, proceedings, demand, investigation or assessment made or brought by any third party.

(b) Tesla shall indemnify, defend and hold harmless Buyer and its Representatives from any Losses arising out of any Claim alleging that the Products infringe the intellectual property rights of a third party. However, Tesla shall have no obligation to indemnify Buyer or any of its Representatives to the extent the Claim arises out of: (a) use of the Products in combination with any other products, materials or equipment not expressly authorized by Tesla; or (b) any modifications or changes made to the Products other than by Tesla. If a Claim for infringement or alleged infringement of any intellectual property rights is made, Tesla may, at its own expense, (i) modify any or all of the intellectual property rights so as to avoid the infringement or the alleged infringement; or (ii) take such other action as Tesla deems reasonable to avoid or settle such Claim.

15. **Limitation of Liability.** Tesla and Buyer shall not be liable to one another for any indirect, special or consequential damages arising out of this Agreement. To the fullest extent permitted by law, Tesla and Buyer's aggregate liability to one another under this Agreement is limited to the Product Value. This Section 15 applies, without limitation, to any liability arising out of any Site survey performed by Tesla or its affiliate or subcontractor in connection with this Agreement. This Section 15 does not apply to Buyer or Tesla's obligation to indemnify the other for third-party claims, as required under Section 14 or otherwise under applicable law.

16. **Term; Breach; Remedies.**

(a) This Agreement will continue in effect until Tesla has completed installation of the Products and received payment in full of the Contract Price, unless earlier terminated as permitted in Section 4 or this Section 16.

(b) If Tesla or Buyer is in breach of this Agreement, upon thirty (30) days prior written notice and opportunity to cure, the non-defaulting party may terminate this Agreement; and with or without terminating this Agreement, may pursue



any remedy it has under this Agreement or at law, including in Tesla's case, repossession of the Products (if title has not yet transferred) and collection of all amounts due (including those past due, which will be charged 2% interest per annum).

(c) Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration until fully performed.

17. **Governing Law; Integration.** This Agreement is governed by the laws of the State of California. The information at the links described above is part of this Agreement. Any other terms relating to the Products that are not contained or referred to in this Agreement are not binding on Tesla or Buyer.

18. **Assignment.** Tesla may, without need for Buyer's consent, assign, mortgage, pledge or otherwise directly or indirectly assign this Agreement and/or its interests in this Agreement (a) as collateral in connection with its financing activities; and (B) to any third party (including any affiliate of Tesla) or any person succeeding to all or substantially all of the assets of Tesla; provided, that, in the case of assignments to a third party under clause (b), Tesla is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Tesla's obligations hereunder by binding written instrument. .

19. **Insurance**. Tesla shall maintain, at its sole cost and expense, the following insurance coverage and shall, within a reasonable time of Buyer's request, furnish to Buyer a certificate evidencing such coverage:

(a) Commercial General Liability Insurance (CGL). Tesla carries commercial general liability insurance with coverage amounts that meet or exceed those required by law.

(b) Workers' Compensation Insurance. Tesla carries workers' compensation insurance for all employees in compliance with law.

20. **Further Assurances**. Tesla and Buyer shall each at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

21. **Arbitration.** Any dispute arising from or relating to this Agreement shall first be promptly referred to the senior level management of the Parties for resolution. If Tesla and Buyer are unable to resolve any such dispute within 20 days after referral, then Tesla or Buyer may take such dispute to binding arbitration in accordance with the then-current Streamlined Arbitration Rules of the Judicial Arbitration and Mediation Services ("JAMS"). The existence, content and result of the arbitration shall be confidential and conducted by a single arbitrator in English and in Santa Clara, California, unless otherwise agreed by the Parties. Buyer and Tesla will each bear its own expenses in the arbitration and will share equally the costs of the arbitration; provided, however, that the arbitrator may, in its discretion, award reasonable costs and fees to the prevailing party. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction.

Energy Products Operation and Maintenance Agreement
California Self-Generation Incentive Program (SGIP)

This "Agreement" is between Tesla, Inc. ("Tesla"), and the entity represented by you, as the signatory to this Agreement ("Buyer"). The Agreement consists of (1) the below Price Sheet and (2) the attached terms & conditions, and is effective on the date that you agree to this Agreement (by electronic acceptance, signature or e-mail) (the "Effective Date").

This Agreement accompanies a Tesla Energy Products Purchase Agreement ("Purchase Agreement"), which includes a reduced price as a result of Tesla obtaining the SGIP incentive with respect to the Products (as indicated in the Price Sheet, the "SGIP Incentive").

Price Sheet

Buyer information

Buyer Name: City of Riverside

Buyer Business Address:

Signatory Name:

Signatory Phone Number:

Tesla entity

Tesla, Inc. of 3500 Deer Creek Road, Palo Alto, CA, 94304
888-765-2489
CA CSLB 949283

Products

Products installed under Energy Products Purchase Agreement dated:
Powerpack or Megapack system of at least 1160 **kWh.**
Products Value: $749,453
SGIP Eligible Costs: $1,087,484
SGIP Incentive: $1,000,000
Job No.: JB-9241421-00
Installation Location: 1501 Central Ave, San Bernardino, CA 92408, US

Services Price

Annual price for Services:	**$0**
Extra Services	**Time-and-Materials Rate to be agreed by Buyer**

Payment Terms

Deadline for Payments:	**30 days after date of invoice**

Signed by

Buyer:

Your signature:

_____

Title:

Date:

_____

Tesla, Inc.:

By: _____

Title: Sr. Director, Energy Operations

Date:

04/08/2021

CERTIFIED AS TO FUNDS AVAILABILITY

BY: _____
Chief Financial Officer/Treasurer

Approved as to Form:

By: Susan Wilson

Assistant City Attorney

Operation and Maintenance Agreement
Terms & Conditions

1. **Authorization; Representations**. By your acceptance of this Agreement (by electronic acceptance, signature, or email), you represent and agree that you are an authorized representative of Buyer, permitted to bind Buyer in this Agreement. If applicable, you and Buyer further represent and warrant to Tesla that all financial information that you or Buyer has provided (or will provide) to Tesla is true and accurate and fairly represents Buyer's financial position as at the date it was provided. You also represent and agree that the Buyer owns or has sufficient rights to the Products in the Price Sheet, to contract for the Services. Tesla may terminate this Agreement upon notice to Buyer if any of the representations in this Section 1 are incorrect.

2. **Term; SGIP Operation and Grid Services**.

(a) This Agreement will continue in effect for ten (10) years from the date that the Products are fully installed, unless earlier terminated under Section 11 (the "Term"). The Parties agree that as of the Effective Date, the Products are intended to remain owned by Buyer and installed at the Site (as defined in Section 3) throughout the Term.

(b) During the Term, Tesla may monitor and operate (including charging and discharging) the Products, in order to comply with requirements of the SGIP Program, and to generate savings by shifting Buyer's grid electricity consumption from higher-priced times to lower-priced times, in Tesla's reasonable discretion. Buyer acknowledges that Tesla's cycling of the Products will consume some portion of the warrantied throughput of the Products; and will use electricity stored in the Products (together, "Cycling Costs"). Tesla expects that Tesla's activities described above will save significantly more than the Cycling Costs, but Tesla makes no guarantee of such savings. Buyer agrees that the provision of the Services herein are in full consideration of the Cycling Costs, and releases Tesla from any claim to recover any Cycling Costs.

(c) Buyer agrees to notify Tesla of any utility tariff changes with respect to the Site, during the Term.

(d) As a condition of receiving pricing based upon the SGIP Incentive, Buyer agrees to notify Tesla and the SGIP program administrator, not less than ninety (90) days in advance, if Buyer intends to sell or relocate the Products within ten (10) years after the date they are installed. This obligation will survive the termination or expiration of this Agreement. Contact information for the SGIP program administrator can be found at https://www.selfgenca.com/home/contact/. Notification to Tesla should be directed to CommercialAccounts@Tesla.com.

(e) If Buyer intends to vacate or sell the Site during the Term, Buyer shall ensure that that the buyer of the Site accept assignment of this Agreement, or an agreement substantially similar and reasonably acceptable to Tesla, in order to ensure continued compliance with the SGIP Program.

(f) From time to time, Tesla may identify demand response or similar grid services programs, whereby the Products can help meet demands of the electrical grid, or improve its reliability, by charging or discharging the Products (or agreeing to make the Products available for charging or discharging) (each, a "Grid Services Program"). Tesla will notify Buyer of any proposed Grid Services Program and identify: (i) the anticipated economic benefit for Buyer; (ii) the anticipated impact on the availability of the Products; and (iii) the anticipated Cycling Costs. Buyer may elect to participate or not participate in a Grid Services Program, provided that if Buyer does not provide Tesla with notice of its election within thirty (30) days after Tesla's notice of the Grid Services Program, Tesla may treat the same as an election to participate.

3. **Tesla to Provide Services.** For the Products indicated in the Price Sheet, Buyer agrees to purchase the "Services" in accordance with Appendix 1 (the "Scope of Services") during the Term, to be performed at the site where Tesla installed the Products (the "Site").

4. **Scope of Services.**

(a) Tesla's Scope of Services assumes standard wage rates, no constraints to Tesla's access to the Site, and no unforeseen site conditions. If Tesla encounters challenges accessing the Site, or unforeseen site conditions not caused by Tesla, Tesla may treat the costs it incurs as Extra Services as set forth in Section 4(b).

(b) Any service not included in the Scope of Services shall be an "Extra Service." Extra Services will include, for example repairs arising from abuse by Buyer. Upon request, Tesla may provide Buyer a time-and-materials rate proposal for Extra Services, and upon agreement of Buyer in writing, Tesla may agree to perform the Extra Services. When used in this Agreement, "Services" shall include "Extra Services," when context requires. If Buyer pays a fee to Tesla for Extra Services in connection with an issue that is subsequently determined to be covered by a Tesla Manufacturer's Limited Warranty or other warranty provided by Tesla for the Products, Tesla shall provide a refund to Buyer.



(c) Title and risk of loss to all parts, materials or equipment installed by Tesla during the performance of the Services shall transfer to Buyer when such parts, materials or equipment have been installed and the Products (or the affected part of the Products) have been commissioned or re-commissioned.

5. **Site Access.** Tesla will contact Buyer to schedule the Services. Services will be performed by Tesla or an affiliate or subcontractor, at Tesla's election. Buyer also agrees to give Tesla, or its affiliate or subcontractor access to the Site as scheduled so Tesla can provide the Services.

6. **Extra Services.** Tesla may bill for Extra Services upon their completion. By entering into this Agreement, Buyer agrees to pay any agreed-upon fee for Extra Services, in accordance with the Payment Terms in the Price Sheet.

7. **Privacy.** The Tesla Customer Privacy Policy is part of this Agreement. You, as the authorized representative of Buyer, agree to be contacted at the phone number listed in the Price Sheet with more information or offers about Tesla products. You understand these calls or texts may use automated dialing or pre-recorded messages. This consent is not a condition of purchase. You may opt out of this consent at any time by contacting Tesla at 888-765-2489.

8. **Remote Monitoring and Firmware Upgrades.**

(a) Tesla's SGIP-related monitoring and cycling described in Section 2 requires a continuous high-speed internet connection, which Buyer agrees to provide at Buyer's cost. Buyer agrees that Tesla may access the Products remotely to monitor performance, perform diagnostics and upgrade firmware. If Buyer does not maintain this continuous internet connection the monitoring will not function. Tesla shall not be responsible for any issues arising from Buyer's failure to provide an internet connection, or a failure of monitoring arising from the same.

(b) "Buyer Data" consists of the data related to the Products which Tesla makes available to Buyer via the Tesla app or any other performance monitoring provided by Tesla. Buyer Data shall be owned by Buyer. Tesla may use Buyer Data (i) to perform its obligations under this Agreement including any warranties, (ii) to improve Tesla's products and services generally (including by performing analyses on such information), and (iii) to aggregate with other data. Public disclosure of such information by Tesla is permitted if Buyer could not reasonably be identified from the publicly disclosed information.

(c) Any information obtained by Tesla through remote monitoring of the Products that is not Buyer Data shall be owned by Tesla ("Tesla Data"), shall be confidential information of Tesla, and shall not be required to be made available by Tesla to any person.

9. **Services Warranty**.

(a) Tesla warrants that (i) it shall perform all Services in accordance with Prudent Industry Practices, any applicable Tesla operation and maintenance manuals, and this Agreement, and (ii) any labor performed, and any materials installed, in the performance of the Services shall be free from defects in design and workmanship for 12 months after such labor was performed or such materials were installed (collectively, the "Services Warranty"). "Prudent Industry Practices" means the methods approved by a significant portion of the electrical services industry operating in the state in which the Products are installed that, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with applicable law, reliability, safety, environmental protection, economy and expedition.

(b) Tesla shall remedy any defect or otherwise cure a breach of the Services Warranty, at its own cost and expense, as promptly as reasonably practicable after Buyer notifies Tesla in writing of such breach, in a manner and at such times that reasonably minimizes interruption of the operation of the Products and revenue loss to Buyer. This shall be Tesla's sole and exclusive liability, and Buyer's sole and exclusive remedy, in connection with a breach of the Services Warranty.

(c) EXCEPT AS REQUIRED BY LAW, OR AS PROVIDED FOR IN THIS AGREEMENT, TESLA MAKES NO WARRANTIES OR GUARANTEES WITH RESPECT TO THE SERVICES AND DISCLAIMS ANY WARRANTY OR GUARANTEE IMPLIED BY APPLICABLE LAWS, INCLUDING IMPLIED WARRANTIES OF PERFORMANCE, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES OF CUSTOM OR USAGE.

10. **Limitation of Liability.** Tesla and Buyer shall not be liable to one another for any indirect, special or consequential damages arising out of this Agreement, except to the extent provided in Section 11(b). To the fullest extent permitted by law, Tesla and Buyer's aggregate liability to one another under this Agreement is limited to the Products Value. This Section 10 applies, without limitation, to any liability arising out of any Site survey performed by Tesla or its affiliate or



subcontractor in connection with this Agreement. This Section 10 does not apply to Buyer or Tesla's obligation to indemnify the other party, as may be required under applicable law.

11. **Breach; Remedies.**

(a) If Tesla or Buyer is in breach of this Agreement, upon thirty (30) days prior written notice and opportunity to cure, the non-defaulting party may terminate this Agreement; and with or without terminating this Agreement, may pursue any remedy it has under this Agreement or at law. Tesla may also terminate this Agreement if the Products are substantially destroyed other than due to Tesla's fault; or if the Purchase Agreement is terminated.

(b) Buyer shall be responsible for, and Tesla shall be entitled to invoice for, any loss of part or all of the SGIP Incentive due to damage to the System caused by Buyer, or Buyer's breach of this Agreement. Breaches that may result in the loss of part or all of the SGIP Incentive may include, without limitation, removing or selling the Products without notifying the SGIP Administrator as required in Section 2(e), not providing Tesla with access to the Products in order to perform maintenance as required in Section 4; or continued failures to provide internet connectivity as required in Section 8.

(c) If this Agreement is terminated by Tesla during the first five (5) years of the Term, then Buyer shall owe Tesla the following amount, as reasonably calculated by Tesla: For each year or portion thereof remaining in the first five (5) years of the Term, Buyer shall pay ten percent (10%) of the SGIP Incentive (the "Termination Payment") (Thus, if the Agreement is terminated for Buyer default three (3) years from the date that the Products are fully installed, Buyer shall owe 20% of the SGIP Incentive). Buyer agrees that the damages in this Section 11 are a reasonable preestimate of Tesla's damage as a result of the early termination of this Agreement. The Termination Payment shall be due and payable thirty (30) days after Tesla's issuance of an invoice therefor.

(d) Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration.

12. **Governing Law; Integration.** This Agreement is governed by the laws of the State of California. The information at the links described above is part of this Agreement. Any other terms relating to the Products that are not contained or referred to in this Agreement are not binding on Tesla or Buyer.

13. **Assignment.** Tesla may, without need for Buyer's consent, assign, mortgage, pledge or otherwise directly or indirectly assign this Agreement and/or its interests in this Agreement (a) as collateral in connection with its financing activities; and (B) to any third party (including any affiliate of Tesla) or any person succeeding to all or substantially all of the assets of Tesla; provided, that, in the case of assignments to a third party under clause (b), Tesla is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Tesla's obligations hereunder by binding written instrument.

14. **Insurance**. Tesla shall maintain, at its sole cost and expense, the following insurance coverage and shall, within a reasonable time of Buyer's request, furnish to Buyer a certificate evidencing such coverage:

(a) Commercial General Liability Insurance (CGL). Tesla carries commercial general liability insurance with coverage amounts that meet or exceed those required by law.

(b) Workers' Compensation Insurance. Tesla carries workers' compensation insurance for all employees in compliance with law.

15. **Further Assurances**. Tesla and Buyer shall each at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

16. **Arbitration.** Any dispute arising from or relating to this Agreement shall first be promptly referred to the senior level management of the Parties for resolution. If Tesla and Buyer are unable to resolve any such dispute within 20 days after referral, then Tesla or Buyer may take such dispute to binding arbitration in accordance with the then-current Streamlined Arbitration Rules of the Judicial Arbitration and Mediation Services ("JAMS"). The existence, content and result of the arbitration shall be confidential and conducted by a single arbitrator in English and in Santa Clara, California, unless otherwise agreed by the Parties. Buyer and Tesla will each bear its own expenses in the arbitration and will share equally the costs of the arbitration; provided, however, that the arbitrator may, in its discretion, award reasonable costs and fees to the prevailing party. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction.

Appendix 1

Scope of Services

Tesla will (i) proactively monitor the Products as set forth below, and (ii) respond to inquiries by phone, web and/or email. Tesla may respond, remotely or on-site as deemed necessary by Tesla, to telemetry signals and/or Buyer inquiries. The Services that Tesla will provide are limited to the following:

- Perform preventative maintenance, as Tesla deems consistent with Prudent Industry Practices
- Alert the customer of Product performance and failure issues
- Provide visibility of Product performance through Tesla's Powerhub user interface
- Alert the customer if the Product is not communicating with the internet
- Remove, return, replace and/or fix parts covered by valid manufacturer warranty
- Investigate and replace defective balance of system hardware and/or defective wiring for the duration of the Workmanship Warranty. (After the Workmanship Warranty, the Parties may agree for Tesla to perform this service as Extra Work.)
- Remotely update products software and firmware to improve performance

Excluded services and repairs listed below may be performed as an Extra Service, as set forth in Section 3(b):

- Moving debris from the equipment, or the area around the equipment
- Maintenance of the area around the Products, including vegetation management
- Maintenance to the degree necessitated by vandalism, negligence or misconduct of Buyer or another party not under Tesla's control
- Removal and reinstallation of equipment for reasons not related to warranty failures

SELF-GENERATION INCENTIVE PROGRAM

Proposed System Information Attestation

The following information (Responses to Questions 1 – 5) is required by the Developer of the storage system applying for SGIP's Equity Resiliency Budget or Non-Equity Resiliency Budget with a discharge duration greater than two hours.

1) Provide an estimate of how long the project's fully charged battery will provide electricity for the relevant facility average load during an outage.

The useful capacity of the project's battery is 1160 kWh, while the average site load is 98 kW. The project's fully charged battery will provide electricity to the average site load for 11 hours

2) Indicate whether the project's critical loads can and will be isolated.

Critical loads will be covered as part of the systems full facility backup, and all loads will be isolated from the grid during an outage. Loads that are deemed non critical can be turned off to extend back up duration.

3) Provide an estimate of how long the project's fully charged battery will provide electricity to critical uses during an outage.

The system is designed assuming all site loads are "critical", the project's fully-charged battery will provide electricity to the site for 11 hours

4) Provide an estimate of how long the project can operate in less-than favorable circumstances, such as if an outage occurs when the battery has been discharged or during the winter (if paired with solar).

In less-than favorable circumstances, the useful capacity of the project's battery is 580 kWh. It will provide electricity to the average site load for 5.5 hours.

5) Summarize information given to the customer about how the customer may best prepare the storage system to provide backup power, in the case of a Public Safety Power Shutoff (PSPS) event announced in advance (provide an attachment with more information if necessary).

No action is required from the customer to prepare the system as Tesla plans to extend "Storm Watch" to commercial customers to help them better manage battery charging for PSPS events. Storm Watch communicates with the National Weather Service to know when severe weather or PSPS events are likely to occur and automatically triggers Storm Watch mode. Customer will receive notification once battery starts charging in preparation for PSPS. This mode pushes the limits and charges the system to maximum capacity so it can provide backup power. If desired, they can also reach out to Tesla at powerpacksupport@tesla.com to request pre-emptive charging of their energy storage system.

ATTESTATION

[DEVELOPER SECTION]

I, Tesla, Inc. (print name of Developer), hereby attest that each of the statements provided in this document are true and correct.

Signature: _____

Name Printed: RJ Johnson

Title: Sr. Director, Commercial Energy Sales

Date: December 4, 2020

[CUSTOMER SECTION]

I, City of Riverside (print name of Customer), hereby attest I have received the information provided in this document prior to signing a contract with the developer.

Signature: _____

Name Printed: _____

Date: _____

Approved as to Form:
By: Susan Wilson
Assistant City Attorney

AUTHORIZATION TO: RECEIVE CUSTOMER
INFORMATION OR ACT ON A CUSTOMER'S BEHALF

Form 14-796

SOUTHERN CALIFORNIA EDISON
An *EDISON INTERNATIONAL* Company

AUTHORIZATION TO: RECEIVE CUSTOMER INFORMATION OR ACT ON A CUSTOMER'S BEHALF

THIS IS A LEGALLY BINDING CONTRACT – READ IT CAREFULLY

I, _____ (T)
NAME

of Riverside, City of **(Customer) have the following mailing address**
NAME OF CUSTOMER RECORD

2911 Adams St, Riverside, CA 92504 **, and do hereby appoint**
MAILING ADDRESS CITY STATE ZIP

Tesla, Inc. **of** 3500 Deer Creed Rd
NAME OF THIRD PARTY MAILING ADDRESS

Palo Alto , CA 94304
CITY STATE ZIP

to act as my agent and consultant (Agent) for the listed account(s) and in the categories indicated below:

ACCOUNTS INCLUDED IN THIS AUTHORIZATION

1. 1501 Central Ave, San Bernardino, CA 92408, US — 3-040-5712-98
SERVICE ADDRESS — SERVICE ACCOUNT NUMBER

2. _____ — _____
SERVICE ADDRESS — SERVICE ACCOUNT NUMBER

3. _____ — _____
SERVICE ADDRESS — SERVICE ACCOUNT NUMBER

(For more than three accounts, please list additional Service Addresses and Service Account Numbers on a separate sheet and attach it to this form) (T)

INFORMATION, ACTS AND FUNCTIONS AUTHORIZED – This authorization provides authority to the Agent. The Agent must thereafter provide specific written instructions/requests (e-mail is acceptable) about the particular account(s) before any information is released or action is taken. In certain instances, the requested act or function may result in cost to you, the customer. Requests for information may be limited to the most recent 12 month period.

I (Customer) authorize my Agent to act on my behalf to perform the following specific acts and functions (initial or put an 'x' inside all applicable boxes): (T)

- [x] 1. Request and receive billing records, billing history and all meter usage data used for bill calculation for all of my account(s), as specified herein, regarding utility services furnished by the Utility.[1]
- [ ] 2. EPA Benchmarking
- [x] 3. Request and receive copies of correspondence in connection with my account(s) concerning (initial all that apply):
  - [x] a. Verification of rate, date of rate change, and related information;
  - [x] b. Contracts and Service Agreements;
  - [ ] c. Previous or proposed issuance of adjustments/credits; or
  - [ ] d. Other previously issued or unresolved/disputed billing adjustments.
- [ ] 4. Request investigation of my utility bill(s)
- [x] 5. Request special metering, and the right to access interval usage and other metering data on my account(s).
- [ ] 6. Request rate analysis.
- [x] 7. Request rate changes.
- [ ] 8. Request and receive verification of balances on my account(s) and discontinuance notices.

[1] The Utility will provide standard customer information without charge up to two times in a 12 month period per service account. After two requests in a year, I understand I may be responsible for charges that may be incurred to process this request.

AUTHORIZATION TO: RECEIVE CUSTOMER INFORMATION OR ACT ON A CUSTOMER'S BEHALF

I (CUSTOMER) AUTHORIZE THE RELEASE OF MY ACCOUNT INFORMATION AND AUTHORIZE MY AGENT TO ACT ON MY BEHALF ON THE FOLLOWING BASIS[2] (initial one box only):

☐ One time authorization only (limited to a one-time request for information and/or the acts and functions Specified above at the time of receipt of this Authorization).

☐ One year authorization - Requests for information and/or for the acts and functions specified above will be accepted and processed each time requested within the twelve month period from the date of execution of this Authorization.

☐ Authorization is given for the period commencing with the date of execution until _____ (Limited in duration to three years from the date of execution.) Requests for information and/or for the acts and functions specified above will be accepted and processed each time requested within the authorization period specified herein

RELEASE OF ACCOUNT INFORMATION:

The Utility will provide the information requested above, to the extent available, via any one of the following. My (Agent) preferred format is (check all that apply):

☐ Hard copy via US Mail (if applicable): _____

☐ Facsimile at this telephone number: _____

☒ Electronic format via electronic mail (if applicable) to this e-mail address: **commercial.interconnection@tesla.com**

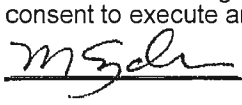
I (Customer), _____(print name of authorized signatory), declare under penalty of perjury under the laws of the State of California that I am authorized to execute this document manually or electronically on behalf of the Customer of Record listed at the top of this form and that I have authority to financially bind the Customer of Record. I further certify that my Agent has authority to act on my behalf and request the release of information for the accounts listed on this form and perform the specific acts and functions listed above. I understand the Utility reserves the right to verify any authorization request submitted before releasing information or taking any action on my behalf. I authorize the Utility to release the requested information on my account or facilities to the above Agent who is acting on my behalf regarding the matters listed above. I hereby release, hold harmless, and indemnify the Utility from any liability, claims, demands, causes of action, damages, or expenses resulting from: 1) any release of information to my Agent pursuant to this Authorization; 2) the unauthorized use of this information by my Agent; and 3) from any actions taken by my Agent pursuant to this Authorization, including rate changes. I understand that I may cancel this authorization at any time by submitting a written request. **[This form must be signed by someone who has authority to financially bind the customer (for example, CFO of a company or City Manager of a municipality).]** (T) (T)

_____ AUTHORIZED CUSTOMER SIGNATURE TITLE (IF APPLICABLE)

_____ TELEPHONE NUMBER (T)

Executed this _____ **day of** _____ MONTH _____ YEAR **at** _____

I (Agent), hereby release, hold harmless, and indemnify the Utility from any liability, claims, demand, causes of action, damages, or expenses resulting from the use of customer information obtained pursuant to this authorization and from the taking of any action pursuant to this authorization, including rate changes. I also hereby indicate my consent to execute and submit this signature electronically. (T) (T)



AGENT SIGNATURE

(702) 680-6738
TELEPHONE NUMBER

Tesla, Inc.
COMPANY

Executed this 4 **day of** December MONTH 2020 YEAR

[2] If no time period is specified, authorization will be limited to a one-time authorization.

SOUTHERN CALIFORNIA EDISON
An EDISON INTERNATIONAL Company

Self Generation Incentive Program
Reservation Request Form

Southern California Edison
SGIPGroup@sce.com

Application ID:

Date Printed: 12/08/2020

Program Year: 2020

Instructions: This Self-Generation Incentive Program (SGIP) Reservation Request Form is reflective of the information entered in the online form process. Please review thoroughly for accuracy of information before signing. Once the form has been signed by all parties, scan and upload this document under the Reservation Request header in the Documents section of the online application. Incomplete applications will result in a suspended application. Upon successful submission of all reservation request information and documents, the Applicant will receive notice from the SGIP Program Administrator that their rebate request has been received.

NOTE: Your application is not submitted until you upload this form and all other required documentation and click on "Submit" via the online system.

Application Type

Application Type:	Energy Storage	**Incentive Step:**	5
Budget Category:	Equity Resiliency	**Incentive Rate:**	$1

Host Customer

Contact Name:	Gaurav Agarwal	**Mailing Address:**	2911 Adams St.
Company Name:	City of Riverside	**City, State, Zip:**	Riverside, CA, 92504-4303
Parent Company Name:		**Phone:**	951-826-5379
NAICS:	221310	**Email:**	gagarwal@riversideca.gov
Is this a public institution?	N/A		
Sector:	State or Local Government		
Sector definition:	Agreed		

Is Household Low-Income Status?	
Is the Host Customer enrolled for the medical baseline program?	
Has the Host Customer notified their utility of serious illness or condition that could become life-threatening of electricity is disconnected?	
Has the Host Customer received an incentive reservation letter from either the MASH, SASH, DAC-SASH, or SOMAH programs?	
Has applicant coordinated with their local governments and the California Office of Emergency Services?	No
Does the host customer provide critical services or infrastructure during a PSPS event to a community that is at least partially located in a Tier 2 or Tier 3 HFTD and eligible for the equity budget?	Yes
1. 911 call center/Public Safety Answering Point	N/A
2. Cooling center designated by state, local, or tribal government	N/A
3. Emergency operations center	N/A
4. Emergency response provider with the addition of tribal government providers	N/A
5. Fire station	N/A
6. Food bank	N/A
7. Independent living center	N/A
8. Jail or prison	N/A
9. Homeless shelters supported by federal, state, local, or tribal governments	N/A
10. Medical facility (hospital, skilled nursing facility, nursing home, blood bank, health care facility, dialysis center, or hospice facility)	N/A
11. Police station	N/A
12. Public and private gas, electric, water, wastewater or flood control facility	Yes

13. Location designated by an IOUs to provide assistance during PSPS events	N/A
14. Grocery store, corner store, market or supermarket with average annual gross receipts of $15 million or less over the last three tax years as calculated at a single location	N/A
Is this public or tribal government agency serving 50% of a low-income or disadvantaged community census tract?	
Opts into resiliency adder?	No

System Owner

Contact Name:	Gaurav Agarwal	**Mailing Address:**	2911 Adams St.
Company Name:	City of Riverside	**City, State, Zip:**	Riverside, CA, 92504-4303
Parent Company Name:		**Phone:**	951-826-5379
		Email:	gagarwal@riversideca.gov

Developer

Contact Name:	Jonathan Gubler	**Mailing Address:**	3055 Clearview Way
Company Name:	Tesla Inc.	**City, State, Zip:**	San Mateo, CA, 94402
		Phone:	6509635100
		Email:	commercial.incentives@tesla.com

1. Approaching or communicating with the host customer about the project and learning about its needs and energy profile	1. Yes
2. Developing the specifications for a system based on the customer's needs and interests	2. Yes
3. Soliciting bids from multiple manufacturers for the specified system	3. Yes
4. Gaining the customer's commitment to purchase or lease the specified system, usually but not necessarily by signing a purchase order with a customer or other form of agreement	4. Yes
5. Purchasing the specified system from the manufacturer to fulfill the obligation to provide a system to the customer	5. Yes
6. Securing permits for the system on behalf of the customer	6. Yes
7. Securing interconnection permission for the system on behalf of the customer	7. Yes
8. Submitting SGIP applications on behalf of the customer	8. Yes
9. Liaising with the SGIP administrators on incentive reservations	9. Yes
10. Liaising with the SGIP administrators on data reporting requirements	10. Yes
11. Supplying project data to SGIP evaluators	11. Yes
12. Physically constructing the system at the customer's premises	12. Yes
13. Installing the system at the customer's premises	13. Yes
Who is performing the other activities?	

Applicant

Contact Name:	Mike Snyder	**Mailing Address:**	6569 S Las Vegas Blvd Suite 200
Company Name:	Tesla Inc.	**City, State, Zip:**	Las Vegas, NV, 89119
Parent Company Name:		**Phone:**	7026806763
		Email:	commercial.incentives@tesla.com

Contractor/Installer Contact

Contact Name:	Mike Snyder	**Mailing Address:**	6569 S Las Vegas Blvd Suite 200
Company Name:	Tesla Inc.	**City, State, Zip:**	Las Vegas, NV, 89119
Contractor License Number (CSLB):	888104	**Email:**	commercial.incentives@tesla.com
Contractor License Type:		**Phone:**	7026806763

Payee Contact

Contact Name:		**Mailing Address:**	
Company Name:		**City, State, Zip:**	, ,

Payee Tax Status:		**Email:**	
Payee Tax ID:		**Phone:**	

Project Site Information

Site Address:	1501 Central Ave
City, State, Zip:	San Bernardino, CA, 92408
Project site within the SCE-defined local reliability area?	No
Disadvantaged Community or Low-Income Community according to the CalEnviroScreen?	Both
Is the site located in a high fire threat district (HFTD)?	Tier 2
Has experienced at least two discrete PSPS events?	Not Applicable
Household relies on electric pump wells for their water supplies?	Not Applicable
Participating San Joaquin Valley Pilot area?	
Agrees to location Eligibility:	Yes

Utility Information

Electric Utility:	Southern California Edison	**Peak Annual Demand (kW):**	179
Is the Host on an SGIP-Approved Rate?	Other SGIP-Approved Rate	**Other Rate:**	Non-Residential
Electric Utility is Municipal?	N/A	**Demand Response Participant?**	N/A
Account Name:	City of Riverside	**Demand Response Program Name:**	
Is Existing Service?	Yes	**Demand Response Obligation (kW):**	
Utility Account ID:	3-040-5712-98	**System Size Based on Load Growth?**	No
Utility Meter ID:	259000-079045	**Estimated Future Additional Demand (kW):**	
Gas Utility:			
Gas Utility is Municipal?	N/A		
Account Name:			
Is Existing Service?	N/A		
Utility Account ID:			
Utility Meter ID:			

Proposed System Information

Equipment Technology:	Electrochemical Storage	**Total Rated Capacity (kW):**	210
System Manufacturer:	Tesla Inc.	**Total Energy Storage Capacity (kWh):**	1160
System Model:	PowerPack 1490025-XX-Y System (4hr)	**Discharge Hours Duration:**	5.52380952381
Other self-generation or storage equipment onsite?		**Opts-out of Resiliency Requirements:**	No
Charged at least 75% from renewables?	No		

Other Onsite System Information

SGIP Incentivized System(s) Onsite:

Technology	Make/Model	Project Code	Installed	Energy Storage Capacity (kWh)	Total Rated Capacity (kW)

Non-Incentivized System(s) Onsite:

Technology	Make/Model	Year Installed	Energy Storage Capacity (kWh)	Total Rated Capacity (kW)

Previous SGIP Generator Capacity (kW):	0
Previous SGIP Storage Capacity (kWh):	0

Project Finance

Total Eligible Project Cost (TEPC):	$1,087,484.00	**Taking Federal Investment Tax Credits (ITC):**	No
Ineligible Project Cost:		**ITC as a % of TEPC:**	%
		Approved California Manufacturer Equipment:	No

Other Incentives Received	Incentive Type	Incentive Amount	Description

Incentive Results

Incentive Calculation Equity	**Current Step 5**			**Incentive Rate: $1.00**	
Reference Table	**0-2 MWH**	**>2-4 MWH**	**>4-6 MWH**		
0-2 HOURS	100%	50%	25%		
2-4 HOURS	100%	50%	25%		
4-6 HOURS	50%	25%	12.50%		
	0-2 MWH	**>2-4 MWH**	**>4-6 MWH**		
Existing Onsite Equipment Offset	-	-	-		
0-2 HOURS	420,000	-	-		
2-4 HOURS	420,000	-	-		
4-6 HOURS	320,000	-	-		
Base Equipment Incentive					$1,000,000.00
CA Manufacturer Adder					
Max Equipment Incentive				a)	**$1,000,000.00**
Other Incentives	**Total Dollars**			**Impact on SGIP Incentive**	
Other IOU Incentive	0			b)	$0.00
Other Non-IOU Incentive	0			c)	$0.00
Non-Ratepayer Incentive	0				
Investment Tax Credit (0%)	0				
Adjusted Equipment Incentive				a+b+c = d)	**$1,000,000.00**
Total Other Incentives	e) 0				

SGIP Incentive Adjustments	**Equipment Incentive +**		**Total Other Incentives <=**	**Incentive Cap(s)**	**Incentive Adjustment**	
Project Incentive Cap (Equipment)	f)	$1,000,000.00		$5,000,000.00	*g)	0
Eligible Cost Cap (All Incentives)	f+g=h)	$1,000,000.00	0	$1,087,484.00	**i)	0
Equipment Incentive					***j)	$1,000,000.00
Calculated SGIP Incentive						**$1,000,000.00**

* g = 0 if f <= $5M, otherwise g = $5M - f

** i = 0 if h + e <= Total Eligible Cost, otherwise i = Total Eligible cost - (h + e)

*** j = h + i

The incentive adjustments shown above are based on the Total Eligible Project Cost, the Maximum Incentive Cap, and the Minimum Customer Investment. See the SGIP Handbook for more information on incentive limitations.

Calculated Incentive: $1,000,000.00

If changes have been made to your project since it was originally submitted, the calculated incentive amount above may differ from the requested incentive amount. The final incentive amount is subject to Program Administrator approval.

Projected PBI Calculation

Expected Total Production:	120,640 kWh
Total Incentive:	$1,000,000.00
Initial Payment:	$500,000.00
Performance Based Incentive:	$500,000.00
PBI Rate ($/kWh):	$0.8289125

Residential Energy Storage Eligibility Affidavit

Requirements of Host Customers and System Owners

- The energy storage system owner and/or Host Customer have the tools to control the usage of the energy storage system when operating in parallel with the grid.
- Provide performance data to the Program upon request (emailed, zipped file of 15 minute interval data) for a period of five (5) years.
- Pass the energy storage Field Verification Inspection.
- Host Customer and/or System Owner are required to discharge the energy storage system a minimum of 52 full discharges per year. A "full discharge" is the equivalent of discharging the SGIP-incentivized energy capacity, whether it is during a single or multiple discharges.
- Fulfill either of the two following conditions:
  - Option A: the Host Customer is on a TOU tariff, dynamic tariff (e.g. PG&E's SmartRate or SDG&E's Reduce Your Use), or agrees to integrate load through the California Independent System Operator's Proxy Demand Response, or equivalent tariff, prior to receiving the SGIP incentive and for five (5) years thereafter. Note that in the event that the Host Customer changes to a non-TOU tariff or is no longer enrolled in a demand reduction program, the energy storage System Owner is required to notify the Program Administrator within 30 days of change, and will be subject to Option B for the required five year period.
  - Option B: the Host Customer and/or System Owner agrees, for a minimum period of five (5) years, to discharge the energy storage system in an amount equivalent to 52 complete cycles per year of the incentivized energy capacity, which is defined as two hours of discharge at the SGIP incentivized power capacity rating, with discharges occurring during peak hours or peak day events (such as those called by PG&E's SmartRate program or SDG&E's Reduce Your Use), of the applicable IOU service territory.

Declarations by Host Customer and System Owner

By Execution of this document, System Owner and Host Customer each certify that the Project meets all program eligibility requirements and that the System Owner and Host Customer agree to abide by the rules and requirements set forth in the SGIP Handbook and SGIP Contract. The undersigned declare under penalty of perjury under the laws of the State of California that 1) The information provided is true and correct, and 2) the above-described generating system is new and intended to offset part or all of the Host Customer's electrical requirements at the site of installation. For residential energy storage projects, the Host Customer and System Owner certify that they have read and agreed to the terms of the Residential Energy Storage Eligibility Affidavit.

The Host Customer and System Owner are committed to completing this project, and by signing below, are starting their intent to contract with individual(s) necessary for completion of the project. The Host Customer is the reservation holder and reserves the right to submit new project specifications, including a new application with alternative System Owner and/or Applicant designations, upon withdrawal from the project and cancellation of this Agreement.

Host Customer Signature

Print Name:

Signature:

Title: Date:

System Owner (if not Host Customer)

Print Name:

Signature:

Title: Date:

Applicant (if not Host Customer)

Print Name: Mike Snyder

Signature:

Title: Director of Engineering, Energy Projects Date: 12/08/2020

Developer

Print Name: Jonathan Gubler

Signature:

Title: Supervisor, Incentive Programs Date: 12/08/2020