

SolarCurrents Customer-Owned Solar Pilot Program Contract

This SolarCurrents Customer-Owned Solar Pilot Program Contract, including all exhibits hereto ("Agreement") is made and entered into as of the date executed by The Detroit Edison Company ("Detroit Edison") below, ("Effective Date") by and between Detroit Edison, a Michigan corporation, whose address is One Energy Plaza, Detroit, Michigan 48226, and [Name] ("Customer"), who receives distribution service from Detroit Edison at [Insert Address], (the "Property") for the purpose of establishing a 20 kW or less DC nameplate capacity photovoltaic solar system pilot program ("Customer-Owned Pilot Program") as further described at www.dteenergy.com/solar. For purposes of this Agreement, the term "Customer" shall also include the owner of the Property ("Property Owner"), in the event that the Property is owned by someone other than or in addition to Customer, together with subsequent owners of the PV System (as defined below) and the Property (as those terms are defined in this Agreement) during the Term of this Agreement.

1. **REC Generation and Delivery.** Customer agrees to sell and Detroit Edison agrees to purchase from Customer all of the Renewable Energy Credits ("RECs") generated by Customer's photovoltaic solar electric generating system (the "PV System" and includes an Existing PV System (defined below)) as more fully described in the attached Exhibit A – PV System Details. As used in this Agreement, a "Renewable Energy Credit" or "REC" means a unit of credit which equals one megawatt-hour ("MWh") of electricity generated by a PV System, including any and all renewable energy attributes and/or benefits derived from such generation or as calculated by the Michigan Public Service Commission ("MPSC") operations staff, and certified by the MPSC Administrator pursuant to the Clean, Renewable and Efficient Energy Act, as modified from time to time (referred to herein as "the Act"), and includes all RECs, including but not limited to incentive RECs as defined by MCL 460.1039. The PV System (i) was installed at the Property no more than [] years prior to the Effective Date, and meets the requirements set forth on Exhibit A – PV System Details ("Existing PV System") or (ii) will be installed by Customer at the Property in accordance with this Agreement and will achieve operation by [] ("Operation Date") as provided in Exhibit A – PV System Details. For delivery and title transfer purposes only under this Agreement, for every kilowatt-hour ("kWh") generated by the PV System, the equivalent kWh of a REC will be deemed delivered and title to such kWh of a REC will transfer to Detroit Edison.
2. **Term.** The term ("Term") of this Agreement shall commence as of the Effective Date; provided that Customer's delivery obligations shall be twenty (20) years, beginning on the Operation Date and if the Customer has an Existing PV System, delivery obligations shall be twenty (20) years beginning on the Effective Date. If the Customer does not have an Existing PV System, then installation of the PV System shall be completed within one year from the Effective Date or this Agreement shall automatically terminate.
3. **REC Credit and Up Front REC Payment Program.** Detroit Edison shall pay Customer as follows for RECs generated by the PV System: (1) an upfront payment of a portion of an estimated twenty (20) years of production of RECs under this Agreement ("Up Front REC Payment") as set forth in the table below and (2) a fixed price for the RECs generated over the Term ("Monthly REC Credit"), both of which shall be determined as follows:

One- Time Up Front REC Payment

New PV System:

Total amount of Up Front REC Payment

\$2.40 times the number of DC watts installed ("Total Up Front REC Payment")

Existing PV System Installed from:

01/01 – 12/31, 2005

20% of the Total Up Front REC Payment

01/01 – 12/31, 2006

40% of the Total Up Front REC Payment

01/01 – 12/31, 2007

60% of the Total Up Front REC Payment

01/01 – 12/31, 2008

80% of the Total Up Front REC Payment

01/01/2009 – Present

100% of the Total Up Front REC Payment

Fixed Price Monthly REC Credit

\$0.11 per kWh generated by the PV system in the month.

The Up Front REC Payment shall be paid within 60 days after receipt of Customer's installation contractor's final invoice and Customer's proof of payment for the complete PV System or the Effective Date if the Customer has an Existing PV System. Detroit Edison may inspect the PV System to satisfy itself that the PV System meets the requirements of the Customer-Owned Pilot Program, including the requirements under this Agreement. After the Operation Date or Effective Date, in the case of an Existing PV System, the Monthly REC Credit shall be calculated monthly and pro-rated in the case of the first and last months of the Term, based on the energy generated the prior month from the PV System and Customer's monthly bill from Detroit Edison ("Monthly Utility Bill") shall reflect a credit in the amount of the Monthly REC Credit.

Notwithstanding anything stated to the contrary in this Agreement, if Customer pledges this Agreement and/or the proceeds of this Agreement as security to finance the PV System, and Detroit Edison receives notice from a third party lender, which (i) provided financing for the PV System and has filed the appropriate recordings for such financing or (ii) has a mortgage on the Property, directing

any proceeds under this Agreement shall be payable to such third party, Detroit Edison shall make such payments under Section 3 of this Agreement to said third party.

4. Customer-Owned Pilot Program Obligations.

- a. If Customer does not have an Existing PV System, then Customer shall, at its sole expense, install and own the PV System located at the Property according to the specifications and requirements described in Exhibit A – PV System Details. Customer's PV System shall be located at the Property at all times during the Term of this Agreement. Customer shall independently select a contractor to install the PV System and Customer's sole recourse for any issues or problems with the PV System shall be through such contractor selected by Customer. Customer shall be solely responsible for ensuring that the PV System complies with all applicable federal, state, and local laws, rules, or regulations, and any national standards as determined by the MPSC.
 - b. Concurrent with this Agreement, Customer shall execute Detroit Edison's form Interconnection and Parallel Operating Agreement for Category 1 Projects (Inverter Based - 20kW or less)(or its successor agreement) currently on file with the MPSC, as modified from time to time, ("Parallel Operating Agreement") at the time of installation for the PV System. For Existing PV Systems, Customer shall have executed the Parallel Operating Agreement concurrent with the commencement of the operations for such existing system.
 - c. Customer shall provide a meter enclosure for the PV System generation meter and grant Company access to the generation meter.
 - d. Customer agrees to fully cooperate with and assist Detroit Edison in registering any generated RECs in the Michigan Renewable Energy Certification System ("MIRECS"), such equivalent system used in the State of Michigan, or any other system for REC certification. Customer agrees to comply with the requirements of MIRECS and provide any additional information as Detroit Edison may require from time to time for MIRECS. Customer shall not incur any charges for MIRECS except those ancillary costs associated with providing Detroit Edison with information for MIRECS.
 - e. Customer hereby transfers to Detroit Edison all of Customer's interest in, and right and title to, all RECs generated by the PV System at the Property during the term of this Agreement. Customer hereby represents, warrants, covenants and agrees that (a) Customer and/or, if applicable, the undersigned Property Owner, is the owner of the PV System and the real property located at the Property, (b) Customer and/or, if applicable, the undersigned Property Owner, is the owner, free and clear of all claims and interests, of all of the RECS generated by the PV System at the Property, and (c) Customer and/or, if applicable, the undersigned Property Owner has all right and authority to make the transfer described in this Section 4[e]. Customer further represents, warrants, covenants and agrees that Customer, and/or, if applicable, the undersigned Property Owner is lawfully entitled to receive the Monthly REC Credit, the Up Front REC Payment, and any other consideration or amounts payable to Customer pursuant to this Agreement only with respect to RECs and Excess Energy (as defined in Section 5 hereof) generated while Customer is the owner of the PV System and the Property (collectively, "Compensation"); provided that Customer shall be entitled to Compensation only if Customer, while Customer is the owner of the PV System and the Property, delivers to Detroit Edison an original of this Agreement signed by Customer and Detroit Edison or an original of the Acknowledgement attached here to as Exhibit B, ("Acknowledgement") signed and dated by Customer.
 - f. Customer shall continue to be a customer in good-standing with Company and timely pay all monthly Company bills in full.
5. **Excess Energy.** Detroit Edison will receive and Customer will deliver all energy, if any, generated by the PV System at the Property in excess of Customer's consumption for any period of generation by the PV System ("Excess Energy"). Customer will receive compensation for the Excess Energy generated by the PV System as set forth in the Detroit Edison's Standard Contract Rider No.16 Tariff (referred to herein as "Net Metering") on file with the MPSC, as modified from time to time.
 6. **No Warranty.** Entering into this Agreement does not imply any representation or warranty by Detroit Edison of the design, installation or operation of the PV System, and Detroit Edison expressly disclaims any and all warranties, express and implied, of the PV System as to workmanship, design, quality, or performance, including the WARRANTIES OF MERCHANTABILITY AND FITNESS OF THE EQUIPMENT FOR THE PURPOSE INTENDED.
 7. **Indemnity.** Customer shall indemnify, defend, and hold Detroit Edison, its employees, agents, successors, assigns, subsidiaries and affiliates harmless against any and all claims, demand, liens, lawsuits, judgments or actions of whatsoever nature that may be brought on account of the installation, maintenance, operation, repair, or replacement of the PV System, including any component thereof. Detroit Edison shall not be responsible or liable for any personal injury or property damage caused by the PV System, including any component thereof. Any indemnity obligation shall survive termination and/or expiration of this Agreement.
 8. **Standard of Care.** Customer shall maintain the PV System, including the individual components thereof in good working order at all times during the Term of this Agreement. If during the Term of this Agreement the PV System, including any components thereof should be damaged or destroyed, Customer shall promptly use commercially reasonable efforts to repair or replace such component to its original specifications, tilt and orientation at Customer's sole expense.
 9. **Damages for Breach of Agreement.** In the event Customer breaches this Agreement in any manner, including but not limited to removal of any portion of the PV System prior to expiration of the Agreement, Detroit Edison may, without waiving any other remedy available under law or in equity, cancel this Agreement, withhold any credits in Customer's Monthly Utility Bill and/or payments to

Customer for the Monthly REC Credit as provided under this Agreement and obtain a refund of the pro-rated amount of the Up Front REC Payment, and any reasonable costs and attorney fees associated with collecting such refund (collectively "Refund"). All remedies are cumulative.

- 10. Termination.** Customer may terminate this Agreement at any time for convenience upon ninety (90) days written notice to Detroit Edison; provided that Detroit Edison shall be entitled to receive the Refund.
- 11. Customer Covenants, Representations and Warranties.** Customer covenants, represents and warrants that:
- a. Customer is authorized and competent to sign this Agreement and has read this Agreement in its entirety and agrees to be bound by its terms;
 - b. Customer is an end-use distribution consumer located within the distribution service territory of Detroit Edison in Michigan whose primary business is not the generation of electricity for retail or wholesale sale from the same facility and is taking service under Detroit Edison's Net Metering Rider;
 - c. Customer will install a PV System or has an Existing PV System at the Property, which, consistent with the requirements of the Customer-Owned Pilot Program, was installed as of the date set forth in respect of an Existing PV System, and in respect of a PV System does or will conform to the specifications and requirements described in Exhibit A – PV System Details attached hereto;
 - d. In the event Customer pledges this Agreement and/or the proceeds of this Agreement as security to finance the PV System, Customer shall retain the exclusive ownership rights of any such RECs generated to sell to Detroit Edison under this Agreement;
 - e. In the event Detroit Edison receives notice from a third party lender, which (i) provided financing for the PV System and has filed the appropriate recordings for such financing or (ii) has a mortgage on the Property, directing any proceeds under this Agreement shall be payable to such third party, Detroit Edison shall make such payment and Customer shall have no recourse against Detroit Edison;
 - f. the PV System constitutes a fixture of the Property;
 - g. Customer and/or, if applicable, the undersigned Property Owner is the owner of record of the Property; and
 - h. Customer agrees to purchase its requirements for electric energy (other than that generated by the PV System) from Detroit Edison for the entire Term of this Agreement.
- 12. Force Majeure.** Neither Detroit Edison nor Customer shall be liable for any loss or damage of any nature whatsoever incurred or suffered as a result of any failures or delays in performance due to any cause or circumstance beyond its control, including but not limited to, any failures or delays in performance caused by strikes, lockouts or labor disputes, fires, Acts of God or the public enemy, riots, incendiaries, interference by civil or military authorities, compliance with the law or with the orders or policies of any governmental authority. The party claiming force majeure shall in good faith use such effort as is reasonable under all the circumstances known to that party at the time to remove or remedy the cause(s) and mitigate the damages, except that settlement of strikes or lockouts shall be within the sole discretion of the party involved.
- 13. Successors and Assigns and Subsequent Owners.** Detroit Edison and Customer agree that (a) this Agreement shall be binding upon and inure to the benefit of all successors and assigns of the Detroit Edison, (b) all representations, warranties, covenants, obligations and agreements of Customer hereunder, including but not limited to the assignment of RECs to Detroit Edison, shall be binding upon, and the rights of Customer hereunder shall inure to the benefit of, every subsequent owner of the PV System and the Property for the period that such person owns the PV System and the Property during the term of this Agreement, it being agreed by Detroit Edison and Customer that, among other things, Detroit Edison shall be entitled to all RECs generated by the PV System at the Property during the Term of this Agreement notwithstanding any change in ownership of the PV System and the Property during the term of this Agreement, and (c) the PV System shall be subject to all terms and provisions of this Agreement during the term of this Agreement. It shall be Customer's sole obligation to properly notify and assign the rights and obligations of this Agreement to a subsequent property owner.
- 14. Recording.** Detroit Edison and Customer shall execute and record against the Property, in the office of the Register of Deeds for the county in which the Property is located, a Memorandum of Solar *Currents* Customer-Owned Solar Pilot Program Contract substantially in the form contained in Exhibit C attached hereto, for the purpose of giving public notice of the existence of this Agreement, including but not limited to the obligation to transfer RECs to Detroit Edison hereof and the agreement of Customer set forth in this Section 11. Detroit Edison and Customer further agree that (a) at all times during the term of this Agreement, the owner of the PV System shall also be the owner of the Property and the sole owner, free and clear of all claims and interests, except any third party lender, which (i) provided financing for the PV System and has filed the appropriate recordings for such financing or (ii) has a mortgage on the Property, of all RECs generated by the PV System at the Property during such person's ownership of the PV System and the Property, and (b) no owner of the PV System and the Property shall sell the PV System and the Property without providing a copy of this Agreement to the purchaser and delivering to Detroit Edison an original of this Agreement with the Acknowledgement signed and dated by the purchaser. In the event this Agreement is terminated as provided in paragraph 10 and Detroit Edison received full payment of the Refund, Detroit Edison agrees to record a memorandum discharging the notice as provided in Exhibit C, in the office of the Register of Deeds for the county in which the property is located.
- 15. Saving Clause/Independent Terms.** Each term and condition of this Agreement is deemed to have independent effect and the invalidity of any partial or whole paragraph or article shall not invalidate the remaining paragraphs or articles.

- 16. **Nonwaiver.** The failure of Detroit Edison to insist or enforce, in any instance, strict performance by Customer of any of the terms of this Agreement, or to exercise any rights herein conferred shall not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights in any future occasion.
- 17. **Governing Law.** This Agreement shall be governed by the law of the State of Michigan. In the event of a conflict between the terms and conditions of this Agreement, and Detroit Edison's Tariff, including any other agreement on file with the MPSC this Agreement shall control. The parties agree that any action with respect to this Agreement shall be brought in a court of competent subject matter jurisdiction located in the State of Michigan and the parties hereby submit themselves to the exclusive jurisdiction and venue of such court for the purpose of such action.
- 18. **Entirety.** This Agreement states the entire understanding between the parties regarding the subject matter herein and any other representations are null and void. No modification, alteration, amendment or construction of this Agreement will be binding upon the parties unless in writing signed by both parties hereto.
- 19. **Property Owner.** In the event that the Property is owned by someone other than or in addition to Customer, the undersigned Property Owner joins in the execution of this Agreement for the purpose of: authorizing the execution and recording of a Memorandum of this Agreement in the form of Exhibit C; affirming the assignment of RECs contained in subsection 4(e) above, the representations and warranties contained herein that are applicable to the fee owner of the Property, including the representations and warranties contained in Sections 4 and 11 above; and for the purpose of acknowledging and agreeing that any payments to be made by Detroit Edison hereunder shall be made solely to Customer.

This Agreement has been duly executed as of the day, month and year first above written.

Customer

Name: _____

Date: _____

The Detroit Edison Company

By: _____

Name: Graydon Nance

Its: Manager Renewable Energy Development & Technology

Effective Date: _____

Property Owner

Name: _____

Date: _____

Exhibit A – PV System Details

Installer completes the following AFTER project completion and installation

Customer Name _____

Customer Contact Number _____

Customer Address _____

Installer Name _____

Installer Contact Number _____

Actual price for PV installation (*attach invoice for total PV System and Installation*) _____

Customer's DTE Energy Account Number _____

Date of Completion of PV System Installation _____

Date of town / municipal / county inspection _____

Name of inspection entity (town, municipal, county) _____

Date of installer inspection _____

PV System Installation Details:

Tilt _____ ° (90° is vertical, 0° is flat)

Orientation _____ ° (180° is south, 90° is east, 270° is west)

Manufacturer of PV panels installed _____

Model number of PV panels installed _____

STC rating (watts DC) per panel _____ x Number of panels _____ = Total STC Rating (watts DC) _____

Manufacturer of PV inverter installed _____

Model number PV inverter installed _____

PV Inverter Input Peak Power Rating per Inverter _____ (watts) x Number of Inverters _____ = Total Input Peak Power Rating _____

Estimate of annual kWh generated _____

Efficiency % _____ Battery Backup? Yes _____ No _____

As the installer for this PV system, I certify that the above-referenced PV System was installed at the Customer address stated above and that the information represented above is true and accurate.

Installer's Signature

Date

For Detroit Edison SolarCurrents Use Only

Amount of Up Front REC Payment (\$) _____

Exhibit B

Note this is used for any subsequent purchaser of the Property

ACKNOWLEDGEMENT

The undersigned hereby acknowledges that (a) the undersigned is the current owner of the PV System and the Property, and (b) by the terms of the Agreement, all representations, warranties, covenants, obligations and agreements of Customer under the Agreement, including but not limited to the transfer of RECs to Detroit Edison pursuant to the Agreement, are binding upon the undersigned, and all rights of Customer under the Agreement inure to the benefit of the undersigned, by virtue of the undersigned's status as the current owner of the PV System and the Property. All capitalized terms in this Acknowledgement shall have the meanings ascribed to them in the foregoing SolarCurrents Customer-Owned Solar Pilot Program Contract.

Date: _____

Exhibit C

Note this is recorded at the Register of Deeds to put the public (mortgagor, any subsequent purchaser, etc.) on notice of the agreement]

MEMORANDUM OF SOLARCURRENTS CUSTOMER-OWNED SOLAR PILOT PROGRAM CONTRACT

THIS MEMORANDUM OF SOLARCURRENTS CUSTOMER-OWNED SOLAR PILOT PROGRAM CONTRACT (this "Memorandum") is entered into as of _____, 20__, by and between _____ ("Customer"), and The Detroit Edison Company, a Michigan corporation ("Company"). For purposes of this Memorandum, the term "Customer" shall also include the owner of the real property described in Attachment A hereto (the "Real Property") in the event that the Real Property is owned by someone other than or in addition to Customer. (Customer and Company are referred to collectively herein as the "Parties".)

1. On the date hereof, for valuable consideration, the Parties entered into a Solar*Currents* Customer-Owned Solar Pilot Program Contract (the "Agreement"), by which, among other things, Customer assigned to Company all of Customer's interest in, and right and title to, all Renewable Energy Credits ("RECs") generated during the term of the Agreement by the photovoltaic solar system ("PV System") owned by Customer and located on Real Property.
2. Pursuant to the Agreement, the Parties agree that (a) the Agreement, including but not limited to the assignment of RECs to Company, shall be binding upon and inure to the benefit of all of the Company's successors and assigns, (b) the representations, warranties, covenants, obligations and agreements of Customer under the Agreement, including but not limited to the assignment of RECs to Company, shall be binding upon, and the rights of Customer under the Agreement shall inure to the benefit of, each person owning the PV System and the Real Property for the period that such person owns the PV System and the Real Property during the term of the Agreement, it being agreed by the Parties that, among other things, Company shall be entitled to all RECs generated by the PV System at the Property (as that term is defined in the Agreement) during the term of the Agreement notwithstanding any change in the ownership of the PV System and the Real Property during the term of the Agreement, and (c) the PV System and the Real Property shall be subject to all terms and conditions of the Agreement during the term of the Agreement.
3. The Parties have executed and record this Memorandum for the purpose of giving public notice of the existence of the Agreement, including but not limited to the assignment of RECS to Company pursuant to the Agreement and the Parties' agreement as described in Paragraph 2 of this Memorandum.
4. All of the terms and conditions of the Agreement are hereby incorporated into this Memorandum by reference as though fully set forth herein, and the Agreement and this Memorandum shall be deemed to constitute a single document. Should there be any inconsistency between this Memorandum and the Agreement, the Agreement shall prevail.

IN WITNESS WHEREOF, Customer and Company have entered into this Memorandum as of the date indicated above.

Customer

Name: _____

Property Owner

Name: _____

Company

The Detroit Edison Company,

BY: _____

NAME Graydon Nance

ITS: Manager, Renewable Energy Development
& Technology

Acknowledged before me in _____ County, Michigan on _____, 20__,	
by _____.	
Notary's	Notary's
Stamp: _____	Signature: _____
(Notary's name, county and date commission expires)	

Acknowledged before me in Wayne County, Michigan, on _____, 20__,	
_____ of The Detroit Edison Company,	
a Michigan corporation, for the corporation.	
Notary's	Notary's
Stamp _____	Signature _____
(Notary's name, county, and date commission expires)	

[Empty rectangular box]

Prepared by and when recorded return to: Heather A. Betts, Detroit Edison, One Energy Plaza, 688 WCB, Detroit, Michigan 48226

ATTACHMENT A

**MEMORANDUM OF SOLARCURRENTS CUSTOMER-OWNED SOLAR
PILOT PROGRAM CONTRACT**

Description of Property

Tax identification number: _____

Commonly known as: _____

Exhibit D

Assignment

The undersigned, _____("Borrower"), as security for the timely repayment of that certain promissory note executed by Borrower on the ___ day of _____, 20__ in favor of _____("Lender"), hereby assigns to Lender any and all payments due and payable to Borrower by the Detroit Edison Company ("Detroit Edison") under that certain SolarCurrents Customer-Owned Solar Pilot Program Contract dated the ___ day of _____, 20__, and authorizes and directs Detroit Edison to make such payments to Lender at the following address upon written notice from Lender to Detroit Edison, One Energy Plaza, Detroit, Michigan 48226

Attention: _____

Borrower's execution of this Assignment is not intended to convey any right, claim, or interest in Renewable Energy Credits , which have been assigned to Detroit Edison.

Customer: _____

Date: _____