



**RATE SCHEDULE SOLAR-2  
CLASSIFIED SERVICE  
INDIVIDUAL SOLAR ELECTRIC SERVICE**

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AVAILABILITY

This rate schedule is available within the Company's service territory to customers who are requesting new service requiring a new line extension and are located in areas where a line extension for regular electric service is less economical than Individual Solar Electric Service. The Company has the right to refuse service at unsecured locations which in the Company's opinion is a high risk area for vandalism, theft, or other damage.

The customer's system must be in a location that is determined by the Company to be reasonably accessible by standard Company vehicles. It will be located on the customer's property. If the system is not installed at the customer's permanent residence (that at which the customer resides for at least six months a year) the customer may be required to post security as determined by the Company for the amount of the Solar Electric system Net Installed Cost.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule SOLAR-2 prior to January 1, 2010.

This service is only available until the Company investment in the Individual Solar Electric Service reaches the ACC approved funding limit.

APPLICATION

The Company has the sole right to determine the customer's eligibility for service under this schedule. Service under this schedule is limited to solar electric systems with name plate ratings of 200 watts or greater and having a Net Installed Cost of more than \$1,500.

TYPE OF SERVICE

The Company will offer power generated by a Company owned and maintained Solar Electric system for customers who cannot be economically connected by extension of the Company's distribution system. The system typically will include a photovoltaic module array, the module array mounting structure, the control structure, the control equipment, any necessary wiring, batteries, and any other equipment necessary to provide service that meets all applicable building and safety codes at a mutually agreed upon point of delivery. The Company will own, maintain, and make any necessary repairs to the Solar Electric system. If the system is damaged or in need of repairs, the customer shall notify the Company promptly.

This service is a substitute for and is in lieu of the customer being connected to the Company's electric distribution system. Any back-up, supplemental, or alternate power generation source may be contracted for with the Company. The Company assumes no obligation to provide or arrange for such back-up, supplemental or alternative power unless it is part of the Solar Electric Service Agreement and not interconnected to the normal Company system. Any back-up power equipment must meet Company technical specifications, and be connected to the Solar Electric system only at a Company designated point.

INITIAL FEE

An Initial Fee equal to five percent or more of the estimated Total Installed Cost of the Solar Electric system is required from the customer at the time the Contract is executed. The Initial Fee will be deducted from the Total Installed Cost, starting with the system component with the longest life, to yield the Net Installed Cost by system component. The Initial Fee shall be non-refundable unless the Company subsequently determines that it will not install the Solar Electric system. The customer has the option to pay a higher initial fee to reduce the net installed cost of the system.



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INITIAL FEE (cont)

The minimum Initial Fee is:

<u>Estimated Total Installed Cost</u>		<u>Minimum Initial Fee</u>
Up to	\$100,000	5%
More than	\$100,000	10%

RATE

The total monthly bill is based on the type of system installed and the rate formula specified below. The exact charge will be specified in the service agreement entered into between the Company and the customer. Since each system is designed to meet the individual customer's specific needs, the rate will vary based on the following formula:

A. Monthly service fee, dependent on battery type and system size:

<b>Battery</b>	<u>System Size</u>	
	Up to 2.5 kW	Over 2.5 kW
None	\$ 5.00	\$ 5.00
Sealed	\$45.00	\$65.00
Flooded	\$65.00	\$85.00

plus,

B. Component Fee which is the summation of the Net Installed Cost by System Component times the appropriate Monthly Percentage. The monthly percentages listed are maximums that can not be reduced below marginal cost:

<b>Type</b>	<u>System Component</u> <b>Average Life</b>	<b>Straight Line</b> <b>Depreciation</b> <b>Life</b>	<b>Monthly</b> <b>Percentage</b>
<b>Long</b>	Greater than 13 years	20 Years	1.41%
<b>Medium</b>	Between 7 and 13 years	10 Years	1.83%
<b>Short</b>	Less than 7 years	5 Years	2.75%

plus,

C. any applicable sales tax and regulatory assessments.

The Company may offer an accelerated payment schedule to accelerate equipment depreciation allowing the customer to purchase the system for a lower book value.



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TERMINATION OF SERVICE

Upon termination of service for any reason other than the Contract terms:

- a) The customer shall pay to the Company on demand (in addition to all other monies to which the Company may be legally entitled by virtue of such termination) a facility termination charge defined as the Net Installed Cost less depreciation (based on customer's payment selection), plus the removal cost less the market salvage value for the Solar Electric facilities to be removed. Market salvage value is defined as new reconstruction cost of the system less depreciation for the same time period as the existing system.
- b) Upon termination of service, either by the Company or the customer, the customer will have the option to purchase the Solar Electric facilities based on Company's Net Installed Cost less accumulated depreciation.

If the system is damaged because of vandalism, theft, or abuse the Company has the right to terminate service and remove the remaining equipment.

SYSTEM MODIFICATIONS

The Company will reasonably respond to customer requests for improvement to the performance of the Solar Electric system. However, the Company has the sole right to determine if and when a modification to the existing system shall be made. Such modification will be reflected in the customer's monthly bill with a Solar Electric Service Agreement modification. An initial fee of at least 5 percent of the total modification cost shall be required prior to installation. The initial fee is non-refundable unless the Company determines that the modification is not warranted.

The Company shall adjust the monthly bill by adding the Net Modification Cost to the existing Net Installed Cost to yield a revised Net Installed Cost that will hence forth be used to compute the monthly bill. The Net Modification Cost will be equal to the total modification cost less the Initial Fee for the modification. The Company shall provide the customer the revised Net Installed Cost and monthly billing with the revised or amended Solar Electric Service Agreement.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Solar Electric Service Agreement.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.