APS Storage Rewards Frequently Asked Questions

What is the APS Storage Rewards program?

The APS Storage Rewards program offers a residential battery storage option, with an APS-owned battery system, to customers without the hassle or expense of owning their own. The battery will be owned, managed and maintained by us and participants will:

- receive a one-time \$500 participation bill credit.
- help us study the impact of using battery storage as an energy source during high energy use periods.

How long is the program and the participation commitment?

10 years or as long as the program is available and the battery is functional.

What battery is installed?

The battery that will be installed is the Sunverge One.

How long will it take to install the battery? Do I need to be home?

The amount of time required for installation at each home will vary based on several factors. Typical install is 2-3 business days, and can be scheduled after permits are issued.

You will need to be at the home during the initial inspection to provide the installer access to your yard. And during the installation of the battery, the installer will require unrestricted access to the area where the battery may be placed.

Could the battery be used as an energy backup source if there is an outage in my area?

While power outages are rare, we have designed the battery system such that if an outage occurs and there is charge remaining in the system, it can briefly power small loads such as lighting and the main refrigerator. We cannot guarantee backup services since we cannot predict the timing of the outages—but we are providing this feature in the event that it might be helpful to you if the battery is charged at the time of the outage. Currently, no residential batteries are rated or approved for medical or life-saving equipment and we will not connect such equipment to the backup panel.

What happens if the system breaks?

We will work with the battery installer to maintain the battery during the term of the program. Any service issues will be appropriately addressed as they may arise.

What are some of the safety features of the battery system installed at my home?

- Storage Rewards residential batteries have UL 9540 certification, are designed to operate outdoors and have a high temperature rating—important for Phoenix-area sites selected for this program.
- Storage Rewards residential batteries are installed in accordance with national and local electric codes: each installation obtains a permit from the local permitting authority.
- Storage Rewards batteries are remotely monitored 24/7 by the manufacturer and by us to ensure the units are functioning properly.
- Storage Rewards batteries also have automated alerts that notify the manufacturer and us if the units are not functioning properly.
- We will service the battery systems regularly, to ensure their ongoing health and proper function.

What if I need to do electrical work at my house? Can I turn the battery off at my electric panel?

- Please contact us if you need to do electrical work at your home that requires a temporary power outage—we will arrange for someone to come to your home and perform a proper shutdown and startup of the battery system.
- To protect your safety, if you're not sure whether a home repair project might affect the battery system, please email storagerewards@aps.com in advance of your repairs.

How do I lock and unlock my HASP lock?

Check out this video to see how to use your new HASP lock.

What do I need to do, if anything, to maintain the battery?

- We will maintain Storage Rewards batteries at no cost to you over the program term.
- Please DO keep the area around the battery clean and free of leaf litter.

APS Storage Rewards

Contact Information and Hours of Operation

Phone:

844-605-4337 (toll free) staffed 7:30am-5:00pm M-F

602-371-7171 after hours

Email:

storagerewards@aps.com staffed 7:30am-5:00pm M-F

- Please also keep bushes and tree branches trimmed so that they do not encroach upon or touch the cabinet.
- Please make sure that drip or irrigation systems do not spray water on the battery cabinet
- It is best to keep pets away from the battery system.
- For your safety, do not attempt to open the cabinet or attempt any maintenance yourself.
- Please do not affix anything onto the battery cabinet.
- For your safety, and because the cabinet is specially designed to keep out the dust and the elements, please do not nail anything into the cabinet, or penetrate the cabinet exterior in any way.

What do I do if I notice something is wrong with the battery system?

- Monsoon storms can be hard on outdoor appliances: if a tree branch damages the
 cabinet, or you suspect heavy dust deposits due to recent storm conditions in your area,
 please contact us at storagerewards@aps.com or by calling 844-605-4337 (602-3717171 after hours) to arrange a service call.
- If you accidentally damage the cabinet, or notice vandalism has occurred, please contact us at storagerewards@aps.com or by calling 844-605-4337 (602-371-7171 after hours) to arrange a service call.
- Please get to safety, do not attempt to control the incident, and call 911 in the unlikely event that the battery is releasing gas, or you see evidence of scorch marks or active fire, or the battery makes an unusually loud noise. Once you report the incident to the 911 operator, please call us at 844-605-4337 (602-371-7171 after hours).

What do I do if I lose power to the circuits that are on the backup loads panel, but I have power in the rest of my house?

The battery system provides the ability to provide backup power from the battery in case there is a grid outage. As part of the installation of the system a backup loads panel was installed and specific circuits and outlets in your home were assigned to that backup panel.

When the utility grid is available the backup panel receives power from the grid through the Sunverge battery system. When there is a utility grid outage, the battery system detects the loss of the grid and automatically switches over to power the circuits on your backup panel via the battery. The battery will support the backup loads so long as there is sufficient battery capacity available. There is no action required on your part, the system automatically starts supporting the backup loads via the battery. Once the grid is restored, the system automatically switches back to supporting the backup loads from power from the grid through the battery system.

If for any reason you lose power to the backup loads, the system is monitored and we and the battery system manufacturer receive an alert. If you have power to the rest of your house and only have a loss of power to the backup panel circuits, you can do the following while we work to address the issue.

- 1) Go to your service panel and flip the grid bypass switch following the steps below.
- 2) Email <u>storagerewards@aps.com</u> to let us know that you have placed the backup panel into the grid bypass position.

3) If this occurs while you are out of town and you need to notify us of any loss associated with foods stored in your refrigerator or freezer, please email storagerewards@aps.com and we will process a claim.

Steps to Enable Grid Bypass

Your backup load panel receives power from the grid through the battery system when the grid is available. The battery system will provide battery power to the backup load panel if there is a grid outage so long as there is sufficient battery capacity available. If you have a situation where you have power to the rest of your home but do not have power to your backup loads, then the grid is still available and can via a switch provide power to your backup circuits. The steps below show how to switch the breakers to bypass the battery system so that your backup loads are supported directly from the grid.

1. Locate the Backup Load Panel

The backup load panel is typically located near your main electrical panel.



Figure 1 – Location of Backup Load Panel

Figure 2 –Backup Load Panel

2. Locate the Grid Bypass Switch on the Backup Load Panel

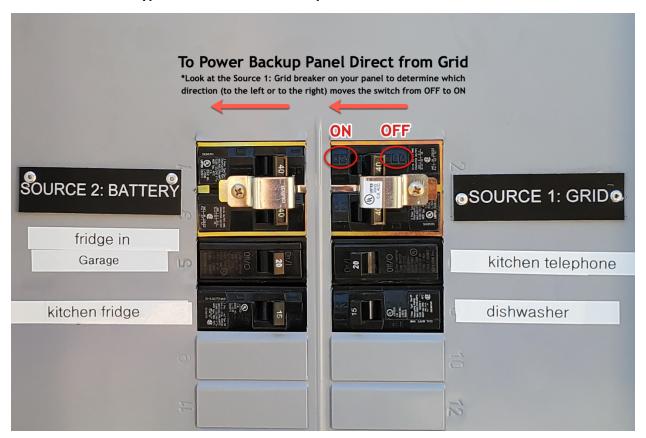


Figure 3 - Grid Bypass Switch

3. Switch the Breakers from Battery System Supported to Direct from Grid Supported The breaker switch that sets the grid to provide power directly to the backup panel will be labeled "Source #: Grid". The breaker switch that sets the battery to provide power to the backup panel will be labeled "Source #: Battery".

IMPORTANT: The two breaker switches work **TOGETHER**. At the same time, you are turning the Grid source breaker to the ON position you are turning the Battery source breaker to the OFF position.

a. Read the Labeling on Your Grid Breaker

The Grid breaker should already be in the position labeled "OFF". Note which direction (to the left or to the right) turns the breaker to "ON". In the example you would turn the breaker to the left. Your panel may differ and the Grid breaker may need to be moved to the right for "ON".

b. Switch the Breakers

<u>Using both hands</u>, one on the Grid breaker and the other hand on the Battery breaker, switch the breakers in the direction of Grid breaker "ON". You should hear and possibly even feel BOTH breakers click into their new positions as you make the switch.

- 5. Go check and verify that your backup loads have power.
- **4. Email** storagerewards@aps.com to let us know that you have placed the backup panel into the grid bypass position.

How will participating in the program affect my bill?

Participants will continue to be billed as they are today, but as an APS Storage Rewards program participant, they'll receive a one-time \$500 participation bill credit on their electric bill.

NOTE: Saver Choice Plus and Saver Choice Max are time-of-use plans with a demand charge. For customers who will be on this type of plan for the first time, visit aps.com/shiftstaggersave to learn how easy it is to save energy and money on these plans.

What if I move?

If the ownership of the home changes, through the sale of the home or otherwise, the subsequent homeowner(s) can elect to take your place in the agreement. If the subsequent homeowner(s) decline participation in the agreement, we will remove the battery. Please remember to disclose to prospective buyers that the battery system is owned and maintained by us.

If a participant moves out but retains ownership of the home, we require notification, to ensure all parties are aware of the requirements for 24/7 access to the APS-owned equipment.

What if I decide I no longer want to participate in the program?

If a participant wants to be removed from the program, we require 90-days written notice and we will work with their schedule for the removal of the battery, at no cost to them.

Who owns the battery and power generated?

The battery will be owned by us, but the power used from the battery will be available for the participants to use. We will charge the battery in most cases when energy costs less and use the energy stored in it to serve participants' homes when energy costs more, reducing power needed from the grid at peak times.

What about taxes?

We will pay any property taxes due relating to the battery. You will be responsible for any income taxes which apply to you that are related to the one-time \$500 participation bill credit.

Although you will not be issued a 1099 tax form since annual credit will be under \$600, we do recommend you consult your tax advisor for any specific tax questions or concerns.

Do I need to add the battery to my homeowner's insurance?

We will provide insurance for the battery system. You must maintain homeowners insurance on the home while it has an APS-owned battery installed on the side of the home. Any questions about your insurance premiums and coverage should be addressed with your insurance provider prior to installation of the battery system.

Who can I contact if I have questions?

Please call the APS Storage Rewards program line at 844-605-4337 or email mailto:storagerewards@aps.com with any questions.