



**Highline Electric Association**  
**Renewable Energy Credit (REC) Contract**  
***REC Applicant-sited Renewable Generation System***

This contract is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Highline Electric Association (HEA), whose address is PO Box 57, Holyoke, Colorado 80734 and \_\_\_\_\_ (“REC Applicant”) (HEA and REC Applicant collectively the “Parties”), whose address is \_\_\_\_\_.

The address of the renewable generation system (“Renewable Generation System”) is: \_\_\_\_\_ (“Site Address”).

1. **Purchase and Sale.** On the terms and subject to the conditions set forth in this Contract, the REC Applicant agrees to sell and HEA agrees to purchase from REC Applicant all of the Renewable Energy Credits (“RECs”) generated by the Renewable Generation System at the Site Address for the term of one (1) year (“Term”) beginning on the date listed above based on the “System Installation Information” attached hereto and incorporated by this reference into this Contract as Renewable Energy Application.
2. **Purchase Price.** The price for the RECs shall be payment based on HEA’s receipt of all RECs generated by the Renewable Generation System. The total price for the RECs shall be determined annually by the current market price.
3. **Representations.** The signatories hereto individually and collectively make the following representations:
  - a. They are individually authorized and competent to sign this Contract, and that they have read the Contract and agree to be bound by its terms.
  - b. The REC Applicant owns the Renewable Generation System in the HEA service territory at the address set forth above, and the REC Applicant’s business is not the generation of electricity for retail or wholesale sale from the same Address.
  - c. The REC Applicant has installed a Renewable Generation System at the Site Address, which conforms to the specifications, tilt and orientation, if applicable, described in the renewable energy application attached hereto.
  - d. The orientation of the photovoltaic system (“PV System”), if applicable, is free of shade from trees, buildings and other obstructions that might shade the orientation of the system measured from the center point of the solar array through a horizontal angle plus or minus 60 degrees and through a vertical angle between 15 degrees and 90 degrees above the horizontal plane.
  - e. The orientation of the wind generation system, if applicable, is free of obstruction from trees, buildings and other obstructions that might impede wind through the system.
  - f. REC applicant represents and warrants that REC applicant has good and marketable title to the RECs, and will transfer such good and marketable title to HEA. The REC applicant represents and warrants that the RECs shall be sold to HEA free and clear of all claims, liens, security interests and encumbrances of every kind, nature and description.

#### 4. Terms and Conditions.

- a. REC applicant shall be solely responsible for ensuring that the Renewable Generation System equipment installed for this program meets all applicable codes, standards, and regulatory requirements.
- b. The Renewable Generation System shall be located at the Site Address at all times during the term of this Contract.
- c. The Renewable Generation System shall be a minimum capacity of 500 watts.
- d. The Term of this Contract shall be one (1) year beginning the date listed above; however, this Contract shall renew automatically for additional one-year terms unless HEA provides REC Applicant with notice at least thirty (30) days prior to the end of the then current Term that HEA does not intend to renew the contract. This Contract is assignable by REC Applicant to any subsequent purchaser of REC Applicant's premises, pursuant to section 4(s) below. REC Applicant shall transfer all RECs produced by the Renewable Generation System during the Term of this Contract.
- e. The number of RECs eligible for sale under this contract shall be measured or calculated as outlined below, based upon the technology and size of the Distributed Generation (DG) system installed. One REC shall be generated for each 1,000 kWh of energy generated.
  - i. For all technologies and sizes:

The REC applicant may provide a revenue quality meter at the output of the Renewable Generation System for metering system output. The REC applicant will provide certification of meter tolerances to HEA. It shall be the responsibility of the REC Applicant to read the meter twice per annum and certify, in writing, to HEA the semi-annual kilowatt hour production of the system. Such certifications shall be made by January 15 and July 15 for each preceding 6-month period.
  - ii. For PV Systems:

In lieu of metering, the REC applicant may provide a calculation of the expected annual energy production of the PV System based on the most current version of the public domain solar calculator PVWatts. In the event PVWatts is no longer available, an equivalent tool shall be established.
- f. The RECs purchased under this Contract shall include all Environmental Attributes associated with the production of the system. "Environmental Attribute" means an aspect, claim, characteristic or benefit associated with the generation of a quantity of electricity by a Renewable Generation System, other than the electric energy produced, and that is capable of being measured, verified or calculated. An Environmental Attribute may include one or more of the following identified with a particular megawatt hour of generation by a Renewable Generation System designated prior to Delivery: the Renewable Generation System's use of a particular renewable energy source, avoided NOx, SOx, CO2 or greenhouse gas emissions, avoided water use (but not water rights or other rights or credits obtained pursuant to requirements of applicable law in order to site and develop the Renewable Generation System itself) or as otherwise defined under an applicable program, or as agreed by the Parties. Environmental Attributes do not include production tax credits or other direct third-party subsidies for generation of electricity by any specified Renewable Generation System.
- g. HEA will issue the annual REC renewable energy payment in the form of an account credit. (See section 2 above).
- h. Qualification for the REC payment does not imply any representation or warranty by HEA of the design, installation or operation of the PV System or wind generation system ("WG System"), and HEA expressly disclaims any and all warranties of the equipment as to workmanship, quality, or performance, including the fitness of the equipment for the purpose intended.

- i. HEA shall not be responsible or liable for any personal injury or property damage caused by the PV System or WG System or any individual component of the system.
- j. REC Applicant shall indemnify, defend, and hold HEA, its employees, agents, successors, assigns, subsidiaries, members, and affiliates harmless against any and all claims, demands, 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 or WG System or any equipment of the system.
- k. The REC Applicant shall maintain the PV System, WG System, and/or the individual components of the system in good working order at all times during the Term of this Contract. If during the Term of this Contract the PV System, WG System, or any of the individual components of the system should be damaged or destroyed, the REC Applicant shall promptly repair or replace the equipment to its original specifications, tilt and orientation, if applicable, as set forth in the renewable energy application, at the REC Applicant's sole expense.
- l. This contract and the terms contained in the Contract shall be binding and enforceable against the parties, their successors and assigns, for as long as the Contract remains in effect.
- m. If any disputes arise concerning this Contract, including but not limited to enforcement of any term or condition of the contract, the prevailing party in any action brought for the purpose of enforcing such provisions shall be entitled to recover its reasonable attorney fees, expenses and costs of such action from the non-prevailing party.
- n. Failure of either party to enforce any term or condition of this Contract shall not constitute a waiver of that term or condition or of any other term or condition of this Contract.
- o. The parties agree that a cause of action for breach of any provision of this Contract shall not accrue until the non-breaching party actually discovers the breach.
- p. If any of the representations of the REC Applicant are false or incorrect, such false or incorrect representation shall, at the Company's discretion, constitute a material breach of this Contract.
- q. This Agreement may be executed in two or more counterparts, each of which is deemed original but all constitute one and the same instrument. The parties agree that a facsimile copy of a signature will be deemed original and binding.
- r. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. In order for an assignment to be effective, REC Applicant is required to provide to assignee the following documents: Assignment Agreement approved by HEA in its sole discretion, a copy of this Contract, a copy of the Net-Metering/Interconnection Application and any remaining warranty information. In order for the assignment to be effective, Assignee must execute the Assignment Agreement and deliver it to HEA. REC Applicant is released from any and all future liability under this Contract upon its valid assignment.
- s. By executing this Contract, REC Applicant grants to HEA permission to disclose the location of the REC Applicant's Renewable Generation System and other information concerning the RECs sold to HEA by REC Applicant under this Contract with others.
- t. REC Applicant agrees to cooperate with HEA during the term of this Agreement in reporting the transfer of RECs under this Agreement as part of HEA's Renewable Portfolio Standard requirements, including executing any necessary documents.

As a qualified HEA REC Applicant, I have read, understand, and agree to the terms of the Contract set forth above and accept the REC payment.

REC Applicant Name (printed) \_\_\_\_\_

REC Applicant Signature \_\_\_\_\_

Date: \_\_\_\_\_