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## NOTICE

### IN THE MATTER OF A SOLAR SUCCESSOR INCENTIVE PROGRAM PURSUANT TO P.L. 2018, C.17

**Docket No. QO20020184**

Staff of the New Jersey Board of Public Utilities ("NJBPU" or "Board") invites all interested parties and members of the public to attend an informational session regarding updates to the Transition Incentive ("TI") Program and the Administratively Determined Incentive ("ADI") Program. Additionally, Staff invites stakeholders to provide verbal and written comments in response to proposed changes to the ADI Program Disclosure Forms (provided in Appendix 1).

#### INFORMATIONAL SESSION

**DATE:** Wednesday April 20, 2022

**TIME:** 10:00 a.m.

**REGISTER:** [https://us06web.zoom.us/webinar/register/WN\\_xEOwoO4ESCSuc65cB1XAZw](https://us06web.zoom.us/webinar/register/WN_xEOwoO4ESCSuc65cB1XAZw)

The meeting will be co-hosted by NJBPU Staff and staff from the TI and ADI Program registration manager, TRC. The meeting will be conducted in two parts:

- 1) Staff will provide updates and information on TI and ADI Program requirements, followed by an opportunity for Q&A.
- 2) Staff will present proposed changes to the ADI Program Disclosure Forms, followed by an opportunity for public comment.

**Written comments will be accepted through 5:00 p.m. ET on Wednesday May 4, 2022.**

Please submit comments directly to the specific docket listed above (Docket No. QO20020184) using the "Post Comments" button on the Board's [Public Document Search](#) tool. Members of the public may file comments regardless of whether they participated in the public meeting. Comments are considered "public documents" for purposes of the State's Open Public Records Act, and any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Written comments may also be submitted to:

**Secretary of the Board**

44 South Clinton Ave., 1<sup>st</sup> Floor

PO Box 350

Trenton, NJ 08625-0350

Phone: 609-292-1599

Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

Please direct all questions about this matter to [njreinfo@njcleanenergy.com](mailto:njreinfo@njcleanenergy.com).

Name: 

Title: Acting Secretary

Dated: April 7, 2022

## **Request for Comments**

### **Proposed Changes to Administratively Determined Incentive (ADI) Program Disclosure Forms**

#### **BACKGROUND**

Consumer Disclosure forms are designed to provide consumers with readily understandable, basic information regarding the contractual rights and obligations specified in their solar contracts. NJBPU initially developed disclosure forms for use regarding solar contracts in its TI Program. NJBPU updated these forms for use in the ADI Program component of its Successor Solar Incentive (“SuSI”) Program. Currently, all net metered projects participating in the ADI Program must include a disclosure form (“Disclosure Form”) with their respective initial ADI Program registration package (“ADI Registration Package”). As there are different financial arrangements for different solar customers, NJBPU has provided three different standard Disclosure Forms for the most common solar contracts, specifically purchase agreements, lease agreements, and power purchase agreements (“PPAs”).

A recent review of the Disclosure Forms revealed that numerous installers, developers, and other contractors (collectively, “Installers”) are making changes to and/or completing the Disclosure Forms in a manner that NJBPU Staff believes to be inconsistent with the intent and objectives of the Disclosure Forms. This Request for Comments summarizes Staff’s observations and recommendations for changes to the content and administration of the Disclosure Forms going forward and attaches the proposed revised Disclosures Forms.

#### **ISSUES**

Board Staff has identified a number of issues related to Installers’ use of Disclosure Forms.

Staff’s concerns generally fall into three categories:

1. ADI Registration Packages submitted with modified Disclosure Forms (see Attachment 1 for visual examples of modifications made to the Disclosure Forms). In some instances, the changes target areas where the Disclosure Forms fail to accommodate appropriately certain legitimate business practices. In other instances, Staff believes the changes undermine the intent and benefits the Disclosure Forms offer.
2. Installers who embed the Disclosure Form into their respective solar contracts did so in a way that could make it easy for a consumer to overlook the Disclosure Form.
3. Submitting TI Disclosure Forms for ADI projects, instead of using the appropriate ADI Disclosure Forms.

The following provides examples of the types of changes certain Installers have made to the Disclosure Forms:

1. The Disclosure Forms provide a box for the Installer to complete with a fixed number, such as a specific dollar amount or number of days. However, the requirement to insert a fixed number may

be inconsistent with current business practices of some solar Installers. For example, the PPA Disclosure Form includes a box where the Installer is to provide the per kWh rate. The PPA Disclosure Form also contains a note that the consumer's monthly payments will be the product of the amount of power the solar panels produce, multiplied by the kWh rate. While a fixed rate per kWh would be consistent with the current business practices of most current PPA Installers, at least one Installer provides systems in exchange for a fixed monthly rate, regardless of the amount of power provided, e.g., \$100/month instead of \$0.08/kWh.

2. The Disclosure Forms provide a box to be completed with the fixed dollar amount for any late payment fees, no matter when or how often payment delinquencies occur. However, many Installers charge late fees for delinquent payments as a percentage of the amount of the outstanding bill, with the percentage being capped at the maximum interest rate allowable by law.
3. The Disclosure Forms provide a box for Installers to complete with a fixed dollar amount of costs for the removal and re-installation of the solar system. For example, if the customer needs to repair his or her roof, the cost of removal and re-installation of the solar system would be noted in that box. However, only some Installers offer a fixed fee to remove and re-install a solar system. Some Installers have indicated that this is because the removal and re-installation could occur 15 or 20 years after the solar contract's effective date, which makes it difficult and risky to set a fixed fee for the task. Some Installers have modified the Disclosure Forms to avoid setting a fixed cost for this task and to instead include language describing a range of costs, in some cases a very broad and generic range, e.g., "costs will vary with the passage of time."
4. Further, at least one Installer electronically embedded the Disclosure Forms within its contracts, as opposed to having the customer receive a clearly distinct, separate Disclosure Form for each contract. Staff believes that embedding the short, user-friendly Disclosure Form in a long, legal contract is inconsistent with the objective of using the Disclosure Form to make key contractual provisions readily visible to a consumer.

Finally, several ADI registrants submitted the old TI Disclosure Forms with their ADI Registration Packets. Staff finds this practice objectionable because it can confuse customers as to the program (TI versus ADI) in which their project is being registered.

## **RECOMMENDATIONS**

Staff recommends the following regarding potential changes to the Disclosure Forms:

1. The Disclosure Forms would be modified to address the above issues and otherwise clarify and improve them, as set forth in the revised draft Disclosure Forms at [Attachment 1](#) to this Request for Comments and in the examples set forth below:
  - a. Accommodate the ability to include/insert language describing certain legitimate business practices, as opposed to filling in a box, but also requiring that language be clear and consumer-friendly. An example of this is the revised sections of the applicable Disclosure Forms addressing system removal costs.
  - b. Incorporate a number of other proposed minor, generally clarifying, changes to the Disclosure Forms, such as adding a definition of "Provider," a term that has been a source of confusion for some Installers.
2. Once NJBPU approves the revised Disclosure Forms, applicants to the ADI Program would no longer be able to modify the Disclosure Forms for participation in that program. Rather, they would be required to complete the Disclosure Forms as indicated on the Disclosure Forms themselves and any instructions regarding how to complete such Disclosure Forms.

The ADI registration processing team will continue to accept ADI Disclosure Forms with the types of changes discussed above (i.e., continue to allow applicants to insert language related to monthly payments, late fees, removal costs, etc.) until 15 business days after the date NJBPU approves the revised Disclosure Form. Thereafter, any non-compliant Disclosure Forms will be rejected.

3. The ADI registration processing team has started to, and will continue to, reject ADI registrations, including currently pending registrations, that:
  - a. Include a TI Disclosure Form, rather than an ADI Disclosure Form.
  - b. Include a Disclosure Form that does not include a reference to the ADI Program in its heading.
  - c. Include only a Disclosure Form embedded in the solar contract. Disclosure Forms instead must be presented to and signed by the customer as a stand-alone document, submitted separately from and in addition to the solar contract.
4. Going forward, Staff recommends the ADI processing team periodically conduct a sample audit of Disclosure Forms to verify they are being filled out properly and without change. The discovery of any non-compliant Disclosure Forms will result in the rejection of the associated registrations and possibly the commencement of the Board approved process for remediating and/or sanctioning misbehavior (e.g., [Contractor Remediation Procedures](#)) and/or other enforcement and/or disciplinary actions.

Comment 1.), in response to 3.c.

Sunnova has found that generating the Disclosure Forms simultaneously and with the same input data as the contracts ensures consistency of information, less vulnerability to manual transcription, and the customer's receipt of an accurate disclosure.

To address the Board's concern that the disclosure be certain to make "key contractual provisions readily visible to a customer" (Notice, at 4), however, Sunnova proposes requiring that the Disclosure be attached to the front of every solar contract package.

**ATTACHMENT 1:**  
New Proposed Disclosure Forms



## Solar Lease Disclosure Form for the Successor Solar Incentive (SuSI) Administratively Determined Incentive (ADI) Program

You are entering into a Solar Lease Agreement (“Lease”) to lease a solar system that will be installed on your property. This means that you will **not** own the solar system.

The intent of this Solar Lease Disclosure Form (“Form”) is to provide you with a clear understanding about the terms of your Lease. The Lessor named in your Lease is required to provide you with this Form so that you have information about the solar system, including solar system size, costs associated with the Lease, operations, and warranties. As part of the ADI Program<sup>1</sup> registration requirements, **this Form must be completed and signed by the parties to the Lease**. This Form is not a substitute for your Lease. There are many variations on the terms and conditions of solar leases, and you should compare each solar lease offer you receive, so that you enter the lease best suited for you. We encourage you to read your Lease and this Form closely before you sign both documents.

Each participant in the ADI Program is eligible to receive incentives through the sale of the Solar Renewable Energy Credits-II (“SREC-IIs”) that the participant’s solar system produces. The recipient of the SREC-IIs is identified further in this Form. One SREC-II is created when a solar system generates 1,000 kilowatt hours (kWh) of electricity. The value of the SREC-II is administratively set in the ADI Program; projects participating in the ADI Program are eligible to receive SREC-IIs for a period of 15 years (known as the project’s “Qualification Life”). For more details regarding SREC-IIs, see Box O below.

Please note: your project’s registration in the ADI Program may be handled by yourself or by a third-party on your behalf. If you are directly handling the registration of your solar installation into the ADI Program, your registration package must include a copy of this Form, executed by your Lessor and you/the customer.

Under a solar lease, a customer enters into a **service contract** to make scheduled monthly payments to a solar leasing company/developer in exchange for receiving the electricity that the solar system produces. Please note that a typical solar lease term is approximately 15 - 25 years. The solar leasing company/developer typically pays for and/or performs the procurement and installation of the solar system, repairs and maintains the solar system, and owns the solar system located on the property. Depending on the solar lease agreement, there may or may not be a requirement for the property owner to make an initial down payment at or before the time the solar system is installed. Please ensure that you read your contract and this Form carefully to ensure that you understand the provisions specific to your installation.

Generally, the initial monthly lease payment amount is less than the amount you would pay your electric utility for the same amount of electricity. However, monthly lease payment amounts may escalate at a fixed annual percentage or on some other basis. This could result in the monthly lease payment amount becoming higher, or lower, than the monthly electric utility payment amount in the future, depending on the percentage escalation and on changes in future electric utility rates.

If you have any questions regarding the ADI Program requirements, please contact [njreinfo@njcleanenergy.com](mailto:njreinfo@njcleanenergy.com).

You can find additional information on Lease Agreements and other solar finance options on the NJ Clean Energy Website at [Solar Finance Options](#).

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<sup>1</sup> The ADI Program is an NJBPU program that provides solar incentives to small (under 5,000 kilowatt) net metered solar installations.

Comment 2). Sunnova is concerned that the above statement could result in confusion on the part of the customer as it implies that the Lessee will receive SREC-IIs incentives. Ownership of the SREC-IIs is addressed in Section O of the Lease Disclosure Form.

In order to avoid inconsistency, Sunnova recommends clarifying language that the Lessor, as the owner of the system, may be entitled to the SREC-IIs instead of the Lessee. Alternatively, Sunnova recommends simply directing the customer to Section O for information about SREC-IIs ownership.

Comment 3). "equipment lease"



## Solar Lease Disclosure Form for the Successor Solar Incentive (SuSI) Administratively Determined Incentive (ADI) Program

### SOLAR LEASE DISCLOSURE FORM

This Disclosure Form is designed to help you understand the terms and cost of your solar lease.

**YOU ARE ENTERING INTO AN AGREEMENT TO LEASE A SOLAR SYSTEM. YOU WILL NOT OWN THE SOLAR SYSTEM INSTALLED ON YOUR PROPERTY. DEPENDING ON THE TERMS OF THE LEASE, YOU MAY OR MAY NOT BE ABLE TO CLAIM THE FEDERAL TAX CREDIT OR ANY SIMILAR GOVERNMENT INCENTIVE, INCLUDING, BUT NOT LIMITED TO THE SOLAR RENEWABLE ENERGY CERTIFICATES-II (SREC-II)s.**

LESSOR:	SOLAR INSTALLER:	WARRANTY/MAINTENANCE PROVIDER (IF, APPLICABLE):
Company: _____	Company: _____	Company: _____
Contact: _____	Contact: _____	Contact: _____
Address: _____	Address: _____	Address: _____
Telephone: _____	Telephone: _____	Telephone: _____
Email: _____	Email: _____	Email: _____

**CUSTOMER (Premise Contact):**

Customer Name: \_\_\_\_\_

Solar System Installation Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email: \_\_\_\_\_

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

Solar System Size (kW dc)\*: \_\_\_\_\_

\*" kW dc" means kilowatts calculated on the basis of direct current.

4). Recommend removing "Lease Date" and "Solar System Size" terms from the Customer information Section. In some cases, the date of execution of the lease may not be known because the customer has some time to review the terms of the lease following receipt of the contract and Disclosure Form and prior to execution. Additionally, time may elapse between execution of the Lease Agreement and interconnection or the beginning of monthly lease payments, which under the terms of the Lease Agreement may be the start of the term.

The solar system size is already provided in Box F.

Amount & Term (A)	Amount Due Upfront (B)	Other Possible Charges (C)
<p><b>Your monthly payment during the first year of your Lease:</b></p> <p>\$ _____ per month</p> <p><i>Comment 5). We suggest moving the references to ACH withdrawals from Box C to Box A, because the election directly affects the amount of the monthly payment. Alternatively, clarify that the amount of the monthly payment in Box A includes or excludes any discount for ACH withdrawal.</i></p> <p><b>The length of your Lease:</b></p> <p>_____ Years _____ Months,</p> <p><b>Beginning on (date) _____</b></p> <p><b>and Ending on (date) _____</b></p> <p><i>6.) Suggest removing dates of the Lease Term for the reasons stated in #4 above, or allow for a date range, as construction or permitting delays may result in the Lease term beginning later.</i></p> <p><b>See Box E "Lease Payment Escalator" for factors that may affect the amount of your future monthly payments beyond the first year.</b></p>	<p><b>1. Amount you owe Lessor at lease signing:</b></p> <p>\$ _____ <i>7). revise so the text reads "Amount you owe Lessor at the time of lease signing"</i></p> <p><b>2. Amount you owe Lessor at completion of solar system installation:</b></p> <p>\$ _____</p> <p><b>3. Amount of any incentives Lessor owes you at completion of solar system installation:</b></p> <p>\$ _____</p> <p><b>4. The Total Net Up-front Payment:</b></p> <p><input type="checkbox"/> You owe Lessor (1.+ 2.- 3.)</p> <p>\$ _____</p> <p><input type="checkbox"/> Lessor owes you (3.-(2.+1.))</p> <p>\$ _____</p>	<p><b>Other charges you may have to pay under the lease:</b></p> <p><b>Late Charges:</b></p> <p>If a payment is more than _____ days late, you will be charged a delinquency fee of:</p> <p>\$ _____ per _____ (day/month).</p> <p>OR</p> <p>% _____ of the payment that is late.</p> <p><b>Additional Clarification, including which amount sets any cap or floor for the late charge:</b></p> <p>_____</p> <p>_____</p> <p>_____</p> <p><b>Automatic Withdrawals (ACH):</b></p> <p><input type="checkbox"/> Per month fee for not paying your Lease payment due, using automatic bank withdrawals \$ _____</p> <p><input type="checkbox"/> Per month discount if you pay your Lease payment using automatic back withdrawals \$ _____</p> <p><i>See comment in Box A</i></p>
Number of Lease Payments and When are Payments Due ( D )		Lease Payment Escalator (E)
<p><b>The number of Lease payments you will make:</b> _____</p> <p><b>The first payment on your solar lease is due on the _____ day of the _____ calendar month after the solar system is connected.</b></p> <p><i>Comment 8). Recommend revising the format of the first payment due date, to accommodate Lessors that allow flexibility to the customer in choosing the payment date after lease execution.</i></p> <p><b>Additional Comments:</b></p> <p>_____</p> <p>_____</p> <p>_____</p> <p><b>Lessor will provide you with:</b></p> <p><input type="checkbox"/> <b>Electronic invoices (sent to your email address referenced above)</b></p> <p><input type="checkbox"/> <b>Paper invoices (sent to your US mailing address referenced above)</b></p> <p><i>Comment 9). We require customers to consent to electronic invoices in our agreements, and do not offer the option of receiving paper invoices. We'd like some additional language so that this doesn't appear to be an option for the customer, and avoids any confusion.</i></p>		<p><b>The amount of your Lease payments will increase:</b></p> <p><input type="checkbox"/> Never</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Other (if other, the payment increase frequency will be: _____)</p> <p><b>Your Lease payment amount will increase by the following amount each time it increases:</b></p> <p>% _____</p> <p><b>The first increase will occur on:</b></p> <p>_____ Month _____ Year</p> <p><i>Comment 10). Recommend adding "or _____" after the year to allow an entry like "one year from the date of your first monthly payment"</i></p> <p><b>Subsequent Lease payment increases will occur every</b></p> <p>_____ (quarter/year, etc.) thereafter.</p> <p><b>Additional Comments:</b></p> <p>_____</p>



The maximum monthly Lease payment (excluding late charges) during the initial term of the lease is:

\$ \_\_\_\_\_

**Site & Design Assumptions for you Leased Solar System (F)**

Estimated leased solar system size, in kilowatts (kW): \_\_\_\_\_ kW

Estimated gross annual electricity production in kilowatt-hours (kWh) from your leased solar system: \_\_\_\_\_ kWh

11). clarify gross annual production is for year one of the term

Estimated annual solar system production decreases due to natural aging of system: \_\_\_\_\_ % per year

**Security Filing (G)**

Lessor  WILL  WILL NOT Take a security interest in your real property by terms of the Lease (i.e., a lien on your home).

Lessor  WILL  WILL NOT File a fixture filing or a UCC-1 on the solar system (a public filing informing others that the Lessor owns the solar system but not placing a lien on your home). If the answer to this question is "WILL," is the Lessor obligated under the Lease to provide you with a copy of the fixture filing or UCC-1, once such filing has occurred?  Yes  No

**System Repair & Maintenance (H)**

Solar system maintenance  IS  IS NOT included for the term of the Lease from the Lessor or Third Party (such as an installer or equipment manufacturer)

Solar system repairs  ARE  ARE NOT included for the term of the lease from the Lessor or a Third Party (such as an installer or equipment manufacturer)

If system maintenance and/or repairs are included, you at your own cost are nonetheless required to perform the following maintenance and/or repairs on the solar system:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Roof Warranties and Removal (I)**

Your roof  IS  IS NOT warranted against leaks from the solar system.

If your roof IS warranted against leaks from the solar system, the warranty will be provided by \_\_\_\_\_ and is applicable for \_\_\_\_\_ years.

Many roofs may need to be repaired or replaced during the term of a solar lease in a manner that requires the solar system to be removed. Further, many homeowners may choose to conduct remodeling during the term of the solar lease that requires the solar system to be removed.

If the solar system must be removed, then there  WILL  WILL NOT be a fee associated with such removal.

12). Allow flexibility for the system removal fee to account for system complexities and the increase of cost over time. Suggest directing the customer to the appropriate clause in their lease.

Flat fee for solar system removal: \$ \_\_\_\_\_

Other (Complete with a clear consumer-friendly calculation using terms that are clearly defined in this Form and completing any necessary mathematics (e.g., "0.6/W" is unacceptable, whereas "\$600/kW x Your System Size of 10 kW = \$6,000" is acceptable). Also, provide a citation below to the relevant section(s) of the Lease where such fee for solar system removal is discussed.

13). Add a qualifier to end of warranty for leaks from removal: *Provided your system is removed in accordance with the terms of your Lease Agreement.*

If your solar system must be removed for any reason, your roof  IS  IS NOT warranted against leaks caused by Lessor's removal of the solar system.

If your roof IS warranted against leaks caused by the Lessor's removal of the solar system, the warranty will be provided by \_\_\_\_\_ and is applicable for a period of \_\_\_\_\_ (months/years) following system removal.

Following the removal to the solar system, the Lessor  WILL  WILL NOT be responsible for returning any impacted portions of the roof to substantially its condition prior to the removal..

14). Need to qualify that the removal must be done according to the terms of the Lease in order to qualify.

**Transferring or Assigning Your Lease, Selling Your Home, Moving Your System (J)**

If you sell your home, you  MAY  MAY NOT transfer or assign this Lease to the purchaser(s) of your home.

If your Lease permits you to transfer or assign it, the transfer or assignment will be subject to the following conditions:

- Credit card from the purchaser(s) of your home
- Minimum FICO score requirement (provide score) \_\_\_\_\_
- Transfer, audit, or similar fee in the amount of \$ \_\_\_\_\_
- Assumption of Lease by purchaser(s) of your home
- Other: \_\_\_\_\_

If this box is checked  you also have the right to purchase the solar system or to terminate the Lease by paying some or all of the remaining payments due on the Lease, all as described in more details in Section(s) \_\_\_\_\_ of the Lease, which will take into account all related interest charges as well as financing charges.

You  MAY or  MAY NOT move the system covered by this Lease to a new home.

If you MAY move your solar system, the conditions under which you may do so are described in detail in Section(s) \_\_\_\_\_ of the Lease.

**IMPORTANT NOTE:** If you are prevented from transferring the Lease (because, for example your Lease prohibits its transfer, or the buyer of your home cannot satisfy the conditions of Lease transfer), and you nonetheless sell your house, you would be required to do the following [describe in detail, including total amount and when due, all payments due, and citations to relevant sections of the Lease that contain these provisions.]

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**Property Taxes (K)**

Solar systems currently are not subject to property tax in New Jersey. Consult a tax professional if you have any questions or concerns about the effect of this Lease on your property taxes.

**Utility and Electricity Usage/Savings Assumptions (L)**

The Lessor  HAS  HAS NOT provided you with a savings estimate based on your Lease.

If provided, the savings estimate was calculated based on:

- Your estimated prior electricity use
- Your actual prior electricity use
- Your estimated future electricity use

The savings estimate ASSUMES the following:

- Years of electricity production from you leased system: \_\_\_\_\_
- A current estimated UTILITY ELECTRICITY RATE of (cost per kilowatt hour) \$ \_\_\_\_\_/kWh during the first Lease year with estimated increases of \_\_\_\_\_ percent annually. Lessor based this estimate on the following source(s): \_\_\_\_\_

You may find it useful to know that for the 15-year period ending in 2020 average electricity prices in New Jersey increased by an average of 2.19% per year and that for the 10-year period also ending in 2020 they decreased by an average of 0.29% per year. It is important to understand that projected or estimated electricity rates are estimates only and that your actual current future utility rates and utility rate increases/decreases may vary from the above or any other estimates.

Lessor  IS  IS NOT guaranteeing these savings. If Lessor is guaranteeing savings, underperformance will be compensated as follows:

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15). Recommend providing the citation(s) to the source of the data quoted here for customer reference

**Transfer of Obligations by Lessor (M)**

Without consent, the Lease may be assigned, sold, or transferred by Lessor to a third party that will be bound to all the terms of the Lease.

**Performance or Production Guarantee (N)**

Provider is providing you with a:

- Performance Guarantee
- Solar System Production Guarantee
- No guarantee of performance or solar system production

Underproduction or underperformance on the guarantee will be remedied as follows:

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**New Jersey Solar Renewable Energy Certificates (SREC-II) (O)**

Any NJ Solar Renewable Energy Certificates II (SREC-IIs) created based on the production of solar electricity from the solar system  WILL  WILL NOT be owned by the Lessor. If the Lessor owns the SREC-IIs, the Lessor may sell the SREC-IIs to the SREC-II Administrator.\*

\* "SREC-II Administrator" means the entity responsible for administering the procurement and allocation, and coordinating the retirement, of NJ SREC IIs. Website: <https://solarincentivesnj.com/>

**Lease Expirations (P)**

The effects of the expiration of the Lease are described in detail in Section(s) \_\_\_\_\_ of the Lease.

**Additional Disclosure (Q)**

[Insert any additional terms of importance here.]

20). Recommend providing larger space for additional disclosures.

**Cooling Off Period (R)**

In addition to any rights, you have under state and local law, you WILL HAVE the right to terminate the Lease without penalty within \_\_\_\_ (3-business day minimum) business days of your execution of it by notifying the Lessor, in accordance with the procedure set forth in Section(s) \_\_\_\_\_ of the Lease.

**Signatures (S)**

*If using electronic signatures, please upload the Certificate of Completion or the Signature Verification Sheet along with this Disclosure Form as part of this solar installation's ADI Program registration.*

I certify that on behalf of Lessor I provided this Solar Lease Disclosure Form to the Lessee/Customer on the date set forth below my signature.

\_\_\_\_\_  
NAME OF LESSOR (PRINT)

By: \_\_\_\_\_  
NAME (SIGNATURE)

\_\_\_\_\_  
NAME (PRINT)

\_\_\_\_\_  
DATE

17). We recommend the wording be standardized for each format (Lease, Loan, and PPA, to clarify who is signing; the provider, or the party certifying on the provider's behalf.

I the Lessee/Customer hereby acknowledge that I have received, read, and understood this Lease Disclosure Form on the date set forth below my signature.

\_\_\_\_\_  
NAME (PRINT)

\_\_\_\_\_  
NAME (SIGNATURE)

\_\_\_\_\_  
DATE



## Purchase of Solar System Disclosure Form for the Successor Solar Incentive (SuSI) Administratively Determined Incentive (ADI) Program

You are entering into an agreement to purchase a solar system that will be installed on your property. You will own the solar system and may also own the Solar Renewable Energy Credits produced by the solar system.

The intent of this Purchase of Solar System Disclosure Form (“Form”) is to provide you with a clear understanding about the terms of your Purchase of Solar System Agreement or similarly-named agreement/contract relating to the purchase of a solar system (“Purchase Agreement”). Your solar installer is required to provide you with this Form so that you have information about the solar system you are purchasing, including system size, costs associated with the Purchase Agreement, operations, and warranties. **This Form must be completed and signed by the parties to the Purchase Agreement.** This Form is not a substitute for your Purchase Agreement. There are many variations on the terms and conditions of solar purchase agreements. You should carefully compare the proposed solar purchase agreements different sellers offer, so that you enter the Purchase Agreement best suited for you. We encourage you to read this Form and your Purchase Agreement closely before you sign both documents.

Each participant in the [ADI Program](#)<sup>1</sup> is eligible to receive incentives through the sale of the Solar Renewable Energy Credits-II (“SREC-IIs”) that the participant’s solar system produces. The recipient of the SREC-IIs is identified further in this Form. One SREC-II is created when a solar system generates 1,000 kilowatt hours (kWh) of electricity. The value of the SREC-II is administratively set in the ADI Program; projects participating in the ADI Program are eligible to receive SREC-IIs for a period of 15 years (known as the project’s “Qualification Life”). See Box L below for details regarding ownership of the SREC-IIs your solar system produces.

Please note: your project’s registration in the ADI Program may be handled by yourself or by a third-party on your behalf. If you are directly handling the registration of your solar installation into the ADI Program, your registration package must include a copy of this Form, executed by your solar installer and you/the customer.

If you have any questions regarding the ADI Program requirements, please contact [njreinfo@njcleanenergy.com](mailto:njreinfo@njcleanenergy.com).

You can find additional information on other solar finance options on the NJ Clean Energy Website at [Solar Finance Options](#).

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<sup>1</sup> The ADI Program is an NJBPU program that provides solar incentives to small (under 5,000 kilowatt) net metered solar installations.



**Purchase of Solar System Disclosure Form**  
for the  
**Successor Solar Incentive (SuSI)**  
**Administratively Determined Incentive (ADI) Program**

**SOLAR PURCHASE DISCLOSURE FORM**

This Purchase of Solar System Disclosure Form is designed to help you understand the terms and costs associated with your purchase of your solar system.

YOU MAY OR MAY NOT BE ABLE TO TAKE ADVANTAGE OF THE TAX AND OTHER INCENTIVES, INCLUDING, BUT NOT LIMITED TO, NEW JERSEY SOLAR RENEWABLE ENERGY CERTIFICATES-II (SREC-IIIs), THAT MAY BE AVAILABLE. YOU SHOULD CONSULT WITH YOUR TAX, LEGAL, AND/OR FINANCIAL ADVISORS IF APPLICABLE.

PROVIDER (SELLER OF SOLAR SYSTEM):	SOLAR INSTALLER: (IF DIFFERENT THAN PROVIDER)	WARRANTY/MAINTENANCE PROVIDER, IF APPLICABLE:
Company: _____	Company: _____	Company: _____
Contact: _____	Contact: _____	Contact: _____
Address: _____	Address: _____	Address: _____
Telephone: _____	Telephone: _____	Telephone: _____
Email: _____	Email: _____	Email: _____

**CUSTOMER (Premise Contact):**

Customer Name: \_\_\_\_\_

Solar System Installation Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email: \_\_\_\_\_

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

System Size (kW dc) \*: \_\_\_\_\_

Comment 18). We have the same comments with respect to the contract date and system size in the Loan Disclosure as in the Lease disclosure (See Lease Comment #4)

\*"kW dc" means kilowatts calculated on the basis of direct current.

Purchase Price (A)	Payment Schedule (B)	Financing (C)
<p>Your solar system purchase price is \$ _____</p> <p>The above purchase price includes deductions for each of the credits, incentives, or rebates in the amounts below:</p> <p>[Name of credit, incentive, or rebate/ \$ amount of credit, incentive, or rebate]</p> <p>1. _____ \$ _____</p> <p>2. _____ \$ _____</p> <p>3. _____ \$ _____</p>	<p>1. Amount you owe Provider at Contract signing (Purchase Agreement): <span style="color: red;">19). add "...at the time the contract is signed"</span> \$ _____</p> <p>2. Amount you owe Provider at commencement of installation: \$ _____</p> <p>3. Amount you owe Provider at completion of installation: \$ _____</p> <p>4. Amount you owe Provider upon successful interconnection to the grid: \$ _____</p> <p>5. TOTAL AMOUNT YOU OWE PROVIDER (Lines 1. + 2. + 3. + 4.): \$ _____</p>	<p>Your Solar System:</p> <p><input type="checkbox"/> WILL be financed</p> <p><input type="checkbox"/> WILL NOT be financed</p> <p><input type="checkbox"/> Financing of System is UNKNOWN to Provider</p> <p><b>NOTE:</b> If your Solar System is financed, please carefully read any agreements and/or disclosure forms provided by your lender. THIS DISCLOSURE FORM DOES NOT CONTAIN THE TERMS OR COSTS OF ANY FINANCING. If you have any questions about your financing arrangement, contact your finance provider before signing a Purchase Agreement.</p>

Installation Timing (D)	Interconnection Approval (E)
<p>Approximate Start Date:</p> <p>The later of _____ days from the date the agreement is signed</p> <p>OR _____, 20_____</p> <p>Estimated Completion Date:</p> <p>The later of _____ days from the date the Agreement is signed OR _____, 20_____</p> <p style="color: red; font-size: small;">20). We recommend the form be revised here to accommodate different methods of timing the start date; remove the "20____" to allow a blank line to add an auto-generated date without confusing the customer.</p>	<p>Your solar system will require a System Interconnection Application to be connected to the electric grid.</p> <p><input type="checkbox"/> YOU are or <input type="checkbox"/> PROVIDER is responsible for submitting a System Interconnection Application to the Electric Utility Company.</p>

Site & Design Assumptions for your System (F)	
Estimated system size in kilowatts (kW dc):	_____ kW dc
Estimated gross annual electricity production in kilowatt-hours (kWh) from your solar system for its first year of operation:	_____ kWh
Estimated annual system production decreases due to natural aging of system:	_____ % per year

### System Repair & Maintenance (G)

System Maintenance  IS  IS NOT included.

If included, it is for \_\_\_\_\_ years, to be performed by \_\_\_\_\_

System Repairs:  IS  IS NOT included.

If included, it is for \_\_\_\_\_ years, to be performed by \_\_\_\_\_

If system maintenance and/or repairs are included, the following items are excluded:

\_\_\_\_\_  
\_\_\_\_\_

**NOTE:** Review your contract for additional information about any warranties on the system installation and equipment.

### Roof and Warranty Repair (H)

Your roof  IS  IS NOT warranted against leaks from the solar system.

If your roof is warranted against leaks from the solar system, the warranty will be provided by \_\_\_\_\_ and is applicable for \_\_\_\_\_ years.

### Performance and Production Guarantee (I)

In terms of your full system, PROVIDER is providing you with:

Solar system performance or electricity production guarantee

Other type of solar system guarantee. Please specify: \_\_\_\_\_

No solar system guarantees

Under performance or under production will be corrected as follows:

\_\_\_\_\_  
\_\_\_\_\_

You may also have other guarantees or warranties that cover only specific components of the solar system.

### Property Taxes (J)

Net metered solar systems currently are not subject to property taxes in New Jersey. A solar system may be eligible for federal tax credits. Consult a tax professional if you have any questions or concerns about the effect of the Purchase Agreement and the solar system on your property taxes or other taxes.

### Utility and Electricity Usage/Savings Assumptions (K)

You  HAVE  HAVE NOT been provided with a cost savings estimate based on the Purchase Agreement.

If provided, the savings estimate was calculated based on:

- Your estimated prior electricity use
- Your actual prior electricity use
- Your estimated future electricity use

The savings estimate ASSUMES the following:

- Number of years of electricity production from your solar system: \_\_\_\_\_ years
- A current estimated UTILITY ELECTRICITY RATE (cost per kilowatt hour) of \_\_\_\_\_ \$/kWh during the first year of operation with estimated increases of \_\_\_\_\_ percent annually. This estimate is based on the following source(s):  
\_\_\_\_\_  
\_\_\_\_\_

Provider  IS  IS NOT guaranteeing these savings. If Provider is guaranteeing savings, underperformance will be compensated as follows:  
\_\_\_\_\_  
\_\_\_\_\_

You may find it useful to know that for the 15-year period ending in 2020, average electricity prices in New Jersey increased by an average of 2.19% per year and that for the 10-year period also ending in 2020, they decreased by an average of 0.29% per year. It is important to understand that projected or estimated electricity rates are estimates only and that your actual current future utility rates and utility rate increases/decreases may vary from the above or any other estimates.

### New Jersey Solar Renewable Energy Certificates II (SREC-II) (L)

You can sell or assign to a third party any solar renewable energy certificates or credits (e.g., SREC-IIs) you own from producing solar electricity. Under the terms of the Purchase Agreement, any SREC-IIs produced by the solar system  HAVE NOT been sold or assigned to any third party  HAVE been sold or assigned to \_\_\_\_\_. If you have assigned the SREC-IIs to a third party, you will not own the SREC-IIs, and the third party may be able to sell the SREC-IIs to the SREC-II Administrator.

*\* "SREC-II Administrator" means the entity responsible for administering the procurement and allocation, and coordinating the retirement, of NJ SREC IIs. Website: <https://solarincentivesnj.com/>*

### Additional Disclosure (M)

[Insert any additional terms of importance here.]

### Cooling Off Period/Right to Cancel (N)

In addition to any rights, you have under state and local law, you WILL HAVE the right to terminate the Purchase Agreement without penalty within \_\_\_\_\_ business days (3-business day minimum) of your execution of it. Your Purchase Agreement must contain such a provision. You can exercise this termination right by notifying the Provider as set forth in Section(s) \_\_\_\_\_ of your Purchase Agreement.

### Signatures (O)

*If using electronic signatures, please upload the Certificate of Completion or the Signature Verification Sheet along with this Disclosure Form as part of this solar installation's ADI Program registration.*

21). Restate Comment #17 from Lease

I certify that on behalf of Provider, I provided this Purchase of Solar System Disclosure Form to the Customer on the date set forth below my signature.

\_\_\_\_\_  
PROVIDER NAME (PRINT)

\_\_\_\_\_  
PROVIDER SIGNATURE

I, the Purchaser/Customer, hereby acknowledge that I have received, read, and understood this Purchase of Solar System Disclosure Form on the date set forth below my signature.

\_\_\_\_\_  
NAME (PRINT)

\_\_\_\_\_  
NAME SIGNATURE



DATE _____	DATE _____
------------	------------

DRAFT



## Solar Power Purchase Agreement (PPA) Disclosure Form for the Successor Solar Incentive (SuSI) Administratively Determined Incentive (ADI) Program

You are entering into a Power Purchase Agreement (“PPA”) to buy electricity generated by a solar system that will be installed on your property. This means that you will **not** own the solar system.

The intent of this PPA Disclosure Form (“Form”) is to provide you with a clear understanding about the terms of your PPA. Your PPA Provider, is required to provide you with this PPA Disclosure Form, so that you have information about the solar system. The Form includes solar system size, costs associated with the PPA, a description of the solar system’s operations, and warranties. As part of the ADI Program<sup>1</sup> registration requirements, **this form must be completed and signed by the parties to the PPA**. This form is not a substitute for your actual PPA. There are many variations regarding the terms and conditions of solar PPAs. You should carefully compare each PPA proposal you receive. We encourage you to read your PPA and the Form closely before you sign both documents.

Each participant in the ADI Program is eligible to receive incentives through the sale of the Solar Renewable Energy Credits-II (“SREC-IIs”) that the participant’s solar system produces. The recipient of the SREC-IIs is identified further in this Form. One SREC-II is created when a solar system generates 1,000 kilowatt hours (kWh) of electricity. The value of the SREC-II is administratively set in the ADI Program; projects participating in the ADI Program are eligible to receive SREC-IIs for a period of 15 years (known as the project’s “Qualification Life”). In a PPA, the Power Provider, not the customer, owns any SREC-IIs the solar system generates. For more details regarding SREC-IIs, see Box N below.

Under a PPA, while the customer does not own the solar system itself, the customer agrees to host the solar system on his or her property and to purchase the energy the solar system generates through a long-term contract with the developer or other third party. Please note that a typical solar PPA term is approximately 15 – 25 years. Also, most PPAs price the power based on the amount of electricity used (e.g., \$0.05/kWh). However, some PPAs price the power based on a flat monthly amount (e.g., \$85/month). Generally, the initial monthly PPA payment amount is less than the amount you would pay your electric utility for the same amount of electricity. However, monthly PPA payment amounts typically escalate at a fixed annual percentage, which could result in the monthly PPA payment amount becoming higher, or lower, than the monthly electricity utility payment amount in the future, depending on the percentage escalation and on changes in future utility rates.

If you have any questions regarding the ADI Program requirements, please contact [njreinfo@njcleanenergy.com](mailto:njreinfo@njcleanenergy.com).

You can find additional information on Power Purchase Agreements and other solar finance options on the NJ Clean Energy Website at [Solar Finance Options](#).

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<sup>1</sup> The ADI Program is an NJBPU program that provides solar incentives to small (under 5,000 kilowatt) net metered solar installations.

Comment #22:  
We have the  
same concern  
here regarding  
customer  
ownership as  
in the Lease  
Document and  
are Restating  
Comment #2  
in the Lease  
document  
here. SREC  
ownership is  
already  
addressed in  
Box N of the  
PPA Form.



# Solar Power Purchase Agreement Disclosure Form for the Successor Solar Incentive (SuSI) Administratively Determined Incentive (ADI) Program

## SOLAR POWER PURCHASE DISCLOSURE FORM

This disclosure form is designed to help you understand the terms and cost of your solar Power Purchase Agreement (PPA).

**YOU ARE ENTERING INTO AN AGREEMENT TO PURCHASE POWER FROM A SOLAR SYSTEM. YOU WILL NOT OWN THE SOLAR SYSTEM INSTALLED ON YOUR PROPERTY. YOU CANNOT CLAIM THE FEDERAL TAX CREDIT OR ANY SIMILAR GOVERNMENT INCENTIVE, INCLUDING, BUT NOT LIMITED TO THE SOLAR RENEWABLE ENERGY CERTIFICATES-II (SREC-II)s.**

### POWER PROVIDER (PROVIDER)

### SOLAR INSTALLER (IF DIFFERENT FROM PROVIDER)

### WARRANTY/MAINTENANCE PROVIDER (IF APPLICABLE)

Company: \_\_\_\_\_

Company: \_\_\_\_\_

Company: \_\_\_\_\_

Contact: \_\_\_\_\_

Contact: \_\_\_\_\_

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Telephone: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

### CUSTOMER (Premise Contact):

Customer Name: \_\_\_\_\_

Solar System Installation Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email: \_\_\_\_\_

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

Solar System Size (kW dc)\*: \_\_\_\_\_

23). Restate Comment #4 from Lease

\*"kW dc" means kilowatts calculated on the basis of direct current.

Amount & Term (A)	Amount Due Upfront (B)	Other Charges (C)
<input type="checkbox"/> <b>Usage-Based Payment</b>  Your monthly payments will be the amount of power produced by the solar system multiplied by the rate per kWh below.  Your estimated first year production: _____ kWh  Your initial rate per kWh for the power produced: _____  OR  <input type="checkbox"/> <b>Flat Monthly Rate:</b>  Your monthly payment for the first year is \$ _____  Applicable to both Types of Payments:  The length of your PPA: _____ Years _____ Months  See Box E "Payment Escalator" for factors that may affect the amount of your future monthly payments	1. Amount you owe Provider at PPA signing: \$ _____  2. Amount you owe Provider at completion of installation: \$ _____  The total net up-front payments you owe Provider: \$ _____  <div style="color: red; font-size: small;"> <p>24). Under the "Flat Monthly Rate" section, we suggest the inclusion of a box titled "Other" to allow flexibility for a description of other product types and payment options.</p> <p>PPAs already in, or soon coming to, the New Jersey market include terms that cannot be accommodated by the current draft of the Disclosure Form. By creating a form that can accommodate new products and address legitimate business and consumer interests, the NJBPU can avoid creating circumstances where a solar provider may need, or feel a need, to change or deviate from the Form to accommodate these legitimate business and consumer interests.</p> </div>	<b>Other charges you may have to pay under the PPA:</b>  <b>Late Charges:</b> If a payment is more than _____ days late, you will be charged a delinquency fee of:  \$ _____ for _____ (days/months)  OR  % _____ of the payment that is late.  <b>Additional Clarification, including which amount sets any cap or floor for the late charge:</b>  _____  _____  _____  <b>Automatic Withdrawals (ACH) (if applicable):</b>  <input type="checkbox"/> Per month fee for not paying your PPA payment due, using automatic bank withdrawals \$ _____  <input type="checkbox"/> Per month discount if you pay your PPA payment due using automatic bank withdrawals \$ _____  <div style="color: red; font-size: small; text-align: right;">             25.) Restate comment #5 from Lease           </div>

Number of PPA Payments and When are Payments Due (D)	PPA Rate Escalator (E)
The number of PPA Payments you will make: _____  The first payment on your solar PPA is due on the _____ day of the _____ calendar month after the solar system is connected. <div style="color: red; font-size: small;">             26). Restate comment #8 from Lease           </div> Additional Comments:  _____  _____  _____  Provider will provide you with:  <input type="checkbox"/> Electronic invoices (sent to you email referenced above)  <input type="checkbox"/> Paper invoices (sent to US mailing address referenced above)	<b>Your solar PPA payment/rate(see Section A above) will increase:</b>  <input type="checkbox"/> Never  <input type="checkbox"/> Annually  <input type="checkbox"/> Other  <b>Your solar PPA payment/rate will increase by the following percentage each time it increases:</b>  % _____  <b>The first increase will occur:</b>  _____ Month  _____ Year  <b>Additional Comments:</b>  _____  _____  _____

27). Because PPA monthly payments depend upon the variability of production and payment options, the projection of a maximum monthly PPA payment is inexact. We recommend allowing this to be an "estimated maximum monthly payment" for the first year of the PPA only.

The maximum monthly PPA Payment, excluding late charges, during the initial term of the PPA is:

\$ \_\_\_\_\_

**Site & Design Assumptions for your PPA Based on Your Solar System (F)**

Estimated gross annual electricity production in kilowatt-hours (kWh) from the solar system you are hosting: \_\_\_\_\_ kWh

28). We recommend limiting the estimated gross annual production projection to Year 1; annual production decreases are already provided in the following line

Estimated annual solar system production decreases due to natural aging of the solar system: \_\_\_\_\_%

**Security Filing (G)**

Provider  WILL  WILL NOT Take a security interest in your real property by terms of the PPA (i.e., a lien on your home).

Provider  WILL  WILL NOT File a fixture filing or a UCC-1 on the solar system (a public filing informing others that the Provider owns the solar system but does not place a lien on you home). If the answer to this question is "WILL," is the Lessor obligated under the Lease to provide you with a copy of the fixture filing of UCC-1, once such filing has occurred?  Yes  No

**Solar System Repair & Maintenance (H)**

Solar System Maintenance  IS  IS NOT included for the term of the PPA from the Provider or Third Party (such as an installer or equipment manufacturer)

Solar System Repairs  ARE  ARE NOT included for the term of the PPA from the Provider or a Third Party (such as an installer or equipment manufacturer)

If solar system maintenance and/or repairs are included, you at your own cost are nonetheless required to perform the following maintenance and/or repairs on the solar system:

\_\_\_\_\_  
\_\_\_\_\_

**Roof Warranties and Removal (I)**

Your roof  IS  IS NOT warranted against leaks from the solar system.

If your roof IS warranted against leaks from the solar system, the warranty will be provided by \_\_\_\_\_ and is applicable for \_\_\_\_\_ years.

Many roofs may need to be repaired or replaced during the term of a solar lease in a manner that requires the solar system to be removed. Further, many homeowners may choose to conduct remodeling during the term of the solar lease that requires the solar system to be removed.

If the solar system must be removed, then there  WILL  WILL NOT be a fee associated with such removal.

29). Restate comments 12, 13, and 14 (all concerning system removal) from Lease

Flat fee for solar system removal: \$ \_\_\_\_\_

Other (Complete with a clear consumer-friendly calculation using terms that are clearly defined in this Form and completing any necessary mathematics (e.g., "0.6/W" is unacceptable, whereas "\$600/kW x Your System Size of 10 kW=\$6,000" is acceptable). Also, provide a citation below to the relevant section(s) of the Lease where such fee for solar system removal is discussed.

If your solar system must be removed for any reason, your roof  IS  IS NOT warranted against leaks caused by Lessor's removal of the solar system.

If your roof IS warranted against leaks caused by the Lessor's removal of the solar system, the warranty will be provided by \_\_\_\_\_ and is applicable for a period of \_\_\_\_\_ (months/years) following system removal.

Following the removal to the solar system, the Lessor  WILL  WILL NOT be responsible for returning any impacted portions of the roof to substantially its condition prior to the removal.

**Transferring or Assigning Your PPA, Selling Your Home, Moving Your Solar System (J)**

If you sell your home, you  MAY  MAY NOT transfer or assign this solar PPA to the purchaser(s) of your home.

If your PPA permit you to transfer or assign it, the transfer or assignment will be subject to the following conditions:

- Credit check from the purchaser(s) of your home
- Minimum FICO score requirement (provide score) \_\_\_\_\_
- Transfer, audit, or similar fee in the amount of \$ \_\_\_\_\_
- Assumption of PPA by purchaser(s) of your home
- Other: \_\_\_\_\_

If this box is checked  you also have the right to purchase the solar system or to terminate the PPA by paying some or all of the remaining payments due on the PPA, all as described in more detail in Section(s) \_\_\_\_\_ of the PPA, which will take into account all related interest charges as well as financing charges.

You  MAY  MAY NOT move your solar system to a new home.

If you MAY move your solar system, the conditions under which you may do so are described in detail in Section(s) \_\_\_\_\_ of the PPA.

**IMPORTANT NOTE:** If you are prevented from transferring this PPA (because, for example your PPA prohibits its transfer, or the buyer of your home cannot satisfy the conditions of the PPA transfer), and you nonetheless sell your house, you would be required to do the following (describe in detail, including total amount and when due, all payments due, and include citations to relevant sections of the PPA that contain these provisions)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Property Taxes (K)**

Solar systems currently are not subject to property taxes in New Jersey. Consult a tax professional if you have any questions or concerns about the effect of this PPA on your property taxes.

**Utility and Electricity Usage/Savings Assumptions (L)**

The Provider  HAS  HAS NOT provided you with a cost savings estimate based on your solar PPA.

If provided, the savings estimate was calculated based on:

- Your estimated prior electricity use
- Your actual prior electricity use
- Your estimated future electricity use

The savings estimate ASSUMES the following

- Number of years of electricity production under your PPA: \_\_\_\_\_
- A current estimated UTILITY ELECTRICITY RATE of (cost per kilowatt hour) \$ \_\_\_\_\_ during the first PPA year with estimated rate increases of \_\_\_\_\_ % annually. Provider based this estimate on the following source(s):  
\_\_\_\_\_

You may find it useful to know that for the 15-year period ending in 2020, residential electricity prices in New Jersey increased by an annual average of 2.19% and that for the 10-year period also ending in 2020, residential electricity prices decreased by an annual average of 0.29%. It is important to understand that projected or estimated electricity rates are estimates only and that your actual current and future utility rates and utility rate increases may vary from the above or any other estimates.

30). Restate comment #15 from Lease

Provider  IS  IS NOT guaranteeing these savings. If Provider is guaranteeing savings, underperformance will be compensated as follows:

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**Transfer of Obligations by Lessor (M)**

Without consent, the Lease may be assigned, sold, or transferred by the Provider to a third party that will be bound to all the terms of the Lease.

**New Jersey Solar Renewable Energy Certificates (SREC-II) (N)**

Any NJ Solar Renewable Energy Certificates-II (SREC-IIs) created based on the production of solar electricity from the solar system will be owned by the Power Provider, not you. If the Power Provider owns the SREC-IIs, the Power Provider may sell the SREC-IIs to the SREC-II Administrator and receive the associated incentive payment.

**PPA Expirations (O)**

The effects of the expiration of the PPA are described in detail in Section(s) \_\_\_\_\_ of the PPA.

**Additional Disclosure (P)**

[Insert any additional terms of importance here.]

**Cooling Off Period (Q)**

In addition to any rights, you have under state and local law, you WILL HAVE the right to terminate the PPA without penalty within \_\_\_\_\_ (3-business day minimum) business days of your execution of it by notifying the Provider, in accordance with the procedure set forth in Section(s) \_\_\_\_\_ of the PPA.

**Signatures (R)**

*If using electronic signatures, please upload the Certificate of Completion or the Signature Verification Sheet along with this Disclosure Form as part of this solar installation's ADI Program registration.*

31). Restate comment #17 from Lease

I certify that on behalf of the Power Provider I provided this PPA Disclosure Form to the Customer on the date set forth below my signature.

\_\_\_\_\_  
NAME OF PROVIDER (PRINT)

\_\_\_\_\_  
NAME (SIGNATURE)

\_\_\_\_\_  
NAME (PRINT)

\_\_\_\_\_  
DATE

I, the Customer (Premise Contact), hereby acknowledge that I have received, read, and understood this PPA Disclosure Form on the date set forth below my signature.

\_\_\_\_\_  
NAME (PRINT)

\_\_\_\_\_  
NAME SIGNATURE

\_\_\_\_\_  
DATE