Memo of Understanding - Evergreen Options Grant Award

Issue Date: ________________

Grant Recipient’s Legal Name: ________________________ Taxpayer ID No. __________

Mailing Address: _________________________________

Facility Address: ____________________________________________

Contact Name: ______________________________________________

Renewable Energy Project (“Project”): __________

This Evergreen Options Grant Agreement (“Agreement”) is entered into between Tacoma Power and the Grant Recipient (“Recipient”) identified above (collectively, the “Parties”). Tacoma Power has established a Renewable Energy Grant Program (“Program”) for renewable energy projects installed at non-residential building sites in order to promote its Evergreen Options program. Recipient intends to install the renewable energy equipment (“Equipment”) identified in the Project Summary below at the facility identified above (the “Facility”) to qualify for payment of the Renewable Energy Grant (“Grant”) approved by Tacoma Power in accordance with Recipient’s attached Grant Application incorporated into this Agreement as “Exhibit A”.

On behalf of participating Evergreen Options customers, Tacoma Power will provide up to $50,000 to Insert grant recipient name here to help support the installation of a renewable energy project at Insert Project Name here, upon completion of the project installation and award recipient requirements having been met. Recipient shall agree to meet all program requirements and deadlines which include, but may not be limited to the following:

I. PROJECT SUMMARY

This Evergreen Options funding award amount is based on the information provided in the application and during the interview process. Any unapproved material change to project design/plans/scope may result in forfeiture of funding or an adjustment to the Evergreen Options funding award amount. All modifications to the project design/scope including those features listed below must be submitted for approval.

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<th>Technology</th>
<th>Evergreen Options recognition</th>
<th>Education plan</th>
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*The Evergreen Options funding award represents an “up to” amount. Changes in project costs, design, and funding sources may result in adjustments to the final Evergreen Options funding amount.

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II. RENEWABLE ENERGY PROJECT INSTALLATION

- Install a renewable energy project that will be served by Tacoma Power (located in Tacoma Power’s service area) over the life of the project.

- Utilize a contractor licensed in Washington state and conform to all county and state building and electrical codes and utility interconnection requirements, which includes both general interconnection requirements and inverter based interconnection requirements which may require one or more interconnection studies be performed by Tacoma Power to determine feasibility, system impact and cost of safely connecting the generation equipment to the utility system. Recipient understands that it may be responsible for purchasing and installing any necessary protection equipment - that is any system upgrades due to impacts from the proposed interconnect project are the Recipient’s financial responsibility.

- Provide a Net Metering Electrical Generation agreement and a Net Metering Interconnection Agreement signed by both the Recipient and a Tacoma Power representative upon completion of the project and understands that the renewable energy project may not go on-line until Tacoma Power sets the net meter. Note Tacoma Power’s net metering offering will only be provided as long as Tacoma Power offers such incentives and may be subject to change.

- Install only new equipment, which must be evident in the documentation (invoice or signed contractor proposal).

- Install an inverter monitoring software system that consists of a production history electronic database, webpage component and provide Tacoma Power with public access to inverter data and to the inverter monitoring webpage. The Recipient understands that Tacoma Power may place a link to the monitoring site on its Evergreen Options program webpage. Information collected may be used for educational purposes, performance analysis, or any other reason Tacoma Power deems necessary.

Ownership

- Install a locally-owned project that will be served by Tacoma Power (located in Tacoma Power’s service area) over the life of the project.

- Grant Tacoma Power’s Evergreen Options program title to a share of the project’s renewable energy certificates (a.k.a. green tags, tradable renewable energy certificates, renewable energy credits) proportional to the amount of the funding award and the total renewable energy project costs over the life of the project. The Recipient will not make claims involving the environmental attributes of the RECs retained by Tacoma Power’s Evergreen Options program. Tacoma Power will also be given the opportunity to purchase additional renewable energy certificates from the project, up to 100 percent of the project’s output. A renewable energy certificate represents one thousand kilowatt-hours of renewable energy that is physically metered and verified.
III. USE OF EVERGREEN OPTIONS FUNDS

Apply *Evergreen Options* funds **only to capital costs associated with the installation of equipment.** Funds cannot be used to cover expenses such as fees incurred for project estimates or bids, administrative or project management costs, structural or other site improvements, including landscaping. The sum of *Evergreen Options* funds and other outside funding sources cannot exceed project costs and final payment may be adjusted for changes in project costs or funding sources.

IV. PROJECT SPONSOR DELIVERABLES

**Project Completion Date Requirement**

Complete the project within 18 months of grant award. (*Extensions to this timeline may be considered for projects associated with the construction of a new building or structure on a case-by-case basis.*) Extensions may be granted if a change order request is submitted and approved by a Tacoma Power *Evergreen Options* program representative. **Note:** Recipient understands that if the project is not completed by T+18 months, *Evergreen Options* funding may be rescinded unless a Tacoma Power change order form is submitted and approved by a Tacoma Power *Evergreen Options* program representative.

**Financing plan**

Demonstrate to Tacoma Power’s satisfaction **within 30 days** of award via a written communication directed to evergreen@cityoftacoma.org that all funds necessary to complete the project have been secured to ensure the development and construction of the project. If the project has not secured financing for the additional amounts required **within 60 days**, the project may forfeit its right to the funds reserved for the project.

**Reporting/Communication Requirements – Project Development/Construction**

- Provide Tacoma Power’s *Evergreen Options* team a quarterly project progress report on the 15th of the month following the calendar quarter by completing and submitting the progress report and emailing it to evergreen@cityoftacoma.org and continue to do so until the project is completed and online.
- Complete and submit a “change order” request if anything changes on the project from what was originally planned and communicated in the Project Summary above, via project application, or during the interview process. At that time the original level of funding awarded will be re-evaluated against the new project scope.
- Keep the *Evergreen Options* funding award administrator and local utility contact appraised of project updates and opportunities to participate in on-line celebrations and news/press announcements.
- Attend the *Evergreen Options* award recipient meeting, along with contractor and project initials
manager. The meeting will cover funding award requirements and expectations, along with guidance to expedite the documentation and reimbursement process. Meeting details will be provided upon receipt of the signed memo of understanding.

**Reporting Requirement – Upon Completion of Project**

Submit a final report using the Tacoma Power *Evergreen Options* final report form and direct it to evergreen@cityoftacoma.org. The Recipient understands that final reports should be submitted no more than 60 days following the project going online.

*Note: Evergreen Options funding award will be paid directly to the applicant or to their designated assignee as directed by the applicant (host facility). Payment will be made contingent upon receiving the required documentation.*

**IMPORTANT**—Funding will be distributed in two payments, based on two milestones.

**First milestone:** the first milestone payment will be **30 percent** of the total awarded grant funds and will be released at time of award and execution of this MOU.

**Second and final milestone:** the second and final milestone payment will be the remaining of the total awarded grant funds and will be released once the project is complete and verified through the following steps:

- City/county electrical inspection is performed
- Tacoma Power has approved interconnection agreement application
- Tacoma Power has approved installation for operation (utility installed net meter is operational and system is grid tied; for projects that are not to be net metered, the final report must include a copy of the power purchase agreement signed by the project sponsor and an authorized Tacoma Power representative)
- Final report is submitted and approved by the *Evergreen Options* team, along with:
  - Itemized financial report showing allocation of *Evergreen Options* funding including the percent of the total project cost covered by *Evergreen Options* funding award.
  - Copies of detailed, itemized invoices documenting total and eligible system costs – i.e. labor, permits, renewable energy generation equipment – i.e. PV modules, Wind turbine, inverters, interconnection equipment, mounting or tracking structures, disconnect box, electrical conduit. *Costs incurred for re-roofing, roofing repairs, financing fees, administration or are not eligible.*
  - Photos of project and project area
  - Web link to installed and operating inverter data monitoring equipment that consists of a production history electronic database and a public (not requiring login) Web page component is complete

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Payments will be made within thirty (30) days after the all reporting and documentation requirements have been met for each milestone. Tacoma Power will not be responsible for any lost documentation related to these award requirements.

V. Customer Education/Outreach – Communications Support

A project’s visibility and potential educational value are important considerations when determining what projects receive Evergreen Options funding. These projects provide an educational opportunity for communities – raising awareness and understanding regarding renewable energy technologies and the Evergreen Options program. As a result, we expect project sponsors to commit to the following:

Evergreen Options Recognition statement: Include the following statement on all signage;

- All materials and communications, both print and non-print, produced as part of the Evergreen Options-funded project, "This project was made possible with funding support from Tacoma Power’s Evergreen Options program customers."

Contact evergreen@cityoftacoma.org with questions about use and modification of this language.

- Approvals: Seek prior approval from Tacoma Power for all materials that recognize Evergreen Options customers and/or use the Tacoma Power logo.

- Celebrations and publicity: Celebrate the project completion through one or all of the following per the Project Summary Education Plan section above: media event, tour, media advisory, press announcement, stakeholder communications. An Evergreen Options representatives must be provided an opportunity to participate in celebrations.

- Permanent recognition: Develop visible, permanent signage that publicly recognizes the contributions of Tacoma Power’s Evergreen Options customers. Tacoma Power can provide samples and support the development of content and messaging. Tacoma Power reserves the right to remove signage if the Recipient moves from the building where the renewable energy system is located.

- Project host website: Publish the Tacoma Power Evergreen Options logo and the online project monitoring tool on the project host’s website at the time of project completion. Note: monitors cannot be used for advertising purposes.

- Tacoma Power website: Allow Tacoma Power to include information regarding your project in customer communication material used by Tacoma Power. This includes Tacoma Power’s right to use photographs of the facility in brochures and internet pages for purposes of supporting the Evergreen Options renewable energy program.

- Site tours: Allow Tacoma Power and its customers and guests at least two tours each year, subject to 30 day advance notice by Tacoma Power.

Contact the Evergreen Options funding award administrator for approvals and guidance related to outreach and education.

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VI. OVERALL ACKNOWLEDGEMENT OF TERMS

The Recipient understands that this funding award, as specified in Section II above, is to, among other things, "Install a renewable energy project that will be served by Tacoma Power (located in Tacoma Power’s service area) over the life of the project." Accordingly, the Recipient agrees to refund the award in full should the project cease to be served by Tacoma Power.

The Recipient has reviewed and understands the terms and conditions of receiving Evergreen Options funding and represent and warrant to Tacoma Power that the Recipient is authorized to sign this memo of understanding.

Waiver of Jury Trial. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. IN NO EVENT SHALL TACOMA POWER BE REQUIRED TO PAY OR BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR PUNITIVE DAMAGES.

As an Evergreen Options award recipient I understand I must be enrolled in Tacoma Power’s Evergreen Options program.

I________________________ (project sponsor name/ host name) hereby understand and accept all obligations and limitations associated with receiving an Evergreen Options funding award. I also understand that failure to strictly adhere to all conditions in this MOU may decrease or eliminate eligibility for any funding award.

I also acknowledge that Tacoma Power has not made any representations and has specifically disclaimed any and all warranties, expressed or implied, with respect to the renewable energy system installed or the electrical contractor, including but not limited to those concerning the electrical contractor’s experience qualifications or background, the amount of energy generated or saved, if any, to be realized by the host customer, the quality of specific materials, components, or workmanship utilized in the installation or the nature of or whether building permit(s) or governmental approvals may be required. I also understand that Tacoma Power’s only role is to determine the funding award and under no circumstances will Tacoma Power be liable to the customer or electrical contractor for any further amounts.

___ initials
Project Sponsor

Signature: _______________________________ Date: _______________________________

Printed Name: _______________________________
Title: _______________________________
Organization: _______________________________
Email address: _______________________________
Contact number: _______________________________

Tacoma Power Acceptance

Tacoma Power Evergreen Options Program Representatives (Bruce Carter)

Signature _______________________________ Date _______________________________

Please return signed form in one of two ways:
Email: evergreen@cityoftacoma.org
Tacoma Power
Attn: Evergreen Options Grant Fund Award
Mail: 3628 South 35th Street, Tacoma, WA 98409

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