

AVA SMARTHOME BATTERY MANAGEMENT PROGRAM
Participation Payments Customer Participation Agreement

This Ava SmartHome Battery Management Program Participation Agreement (“Agreement”) is entered into between Ava Community Energy Authority (“Ava”) and an eligible residential customer (“Participant”). The undersigned Participant acknowledges that they have thoroughly and carefully read, understand, and agree to the following:

1. **Program.** This program (“Program”) will provide participation payments (“Payments”) for managing the Participant’s battery energy storage system (“Battery System”). The Program and incentive payment structure is further described in Exhibit A (“Program Description”), attached hereto and incorporated herein. Participants are not entitled to receive any additional compensation for their participation in the Program, and are responsible for all their costs associated with participating in the Program. The Program is being administered on behalf of Ava by Lunar Energy Limited (“Lunar”).
2. **Lunar Terms of Use and Privacy Policy.** In order to participate in the Program, Participant must complete and submit the program application developed and hosted by Lunar (“Application”). The Application is owned and operated by Lunar. Ava is not a party to your agreement with Lunar and Ava makes no representations or warranties regarding the Application and disclaims all liability resulting from Participants use of Application.
3. **Term.** Ava anticipates that this Program will continue through March 2036, with a 60-month participation term and an enrollment period ending no later than March 2031. Participants may choose to leave the Program for any reason at any time by emailing avasmarthomebattery@lunarenergy.com. Ava reserves the right to remove Participants from the program or disallow new Participants to join the Program for any reason. Ava may remove Participants from the Program if a Participant no longer meets the eligibility requirements set forth in this Agreement and in the Application, or if Ava determines that a Participant is no longer actively participating in the Program. Ava reserves the right to modify or terminate this Program, in whole or in part at any time and for any reason, without prior notice.
4. **Participant and Battery System Requirements.** In order to enroll in the Program and remain enrolled in the Program:
 - a. Participant must be an existing Ava customer with an account that is paid and current as of the date of Application.
 - b. Participant must be at least 18 years of age.
 - c. Participant must be the owner of the property where the Battery System is be installed (“Property”) OR Participant has the written permission of the Property owner to install the Battery System.

d. Participant has completed an application ("Application") and represents and warrants that all information contained in the Application is true and correct and that Participant will update Ava with any changes to the information provided in the Application immediately. The Application is attached hereto and incorporated herein.

e. Participant is solely responsible for purchasing, maintaining and using at their own expense all utility, Wi-Fi, access to the internet, communications and other equipment and devices necessary to participate in the Program.

f. Battery System must be on Ava's qualified equipment list (<http://www.avaenergy.org/go-electric/residential-solar-storage/smarthome-battery/residents/#approved-batteries>).

g. Battery System must have Permission to Operate from the interconnecting utility.

h. Battery System must be configured to export to the grid.

i. Battery System must be configured to charge only from the paired solar generating system.

j. Battery System must be sized such that it can be fully charged by the paired solar generating system.

k. Date that the Battery System's manufacturer first established communications with the Battery System ("Installation Date") must be within five years of Application submission date.

l. Participant attests they are not enrolled in another demand response or load modifying program, including but not limited to CAISO Proxy Demand Response or Reliability Demand Response Resource, Emergency Load Reduction Program (ELRP), Demand Side Grid Support (DSGS), PG&E's Hourly Flex Pricing, Ava's Resilient Home Program. Participant shall allow Ava to enroll Participant's battery system and/or electric meter into other demand response or load modifying programs, including, but not limited to, CAISO Proxy Demand Response and DSGS.

m. Participant attests they own the grid services rights to their Battery System.

n. If the Battery System is being used by the Program for grid events, then the Participant must not opt out of or perform at lower than 80% of their nominated capacity for five or more Battery System grid events for any given calendar year during their enrollment term, unless there are any of the following conditions affecting the Property during the time of the grid event.

a. A Power Safety Power Shutoff ("PSPS") event issued by PG&E;

b. An extreme weather notice issued by the National Weather Service; or

c. A grid outage.

o. If the Battery System is being used by the Program for daily dispatch, then the Participant must not perform at lower than 80% of nominated

capacity on average per month for three months for any given calendar year during their enrollment term. Battery System performance will be excused for any days where there are any of the following conditions affecting the Property during the time of the daily dispatch.

- a. A Power Safety Power Shutoff ("PSPS") event issued by PG&E;
- b. An extreme weather notice issued by the National Weather Service;
- or
- c. A grid outage.

5. Incentive Payments. Incentive payments will be made by a redemption email made payable to the Participant and will be issued by the tenth business day after the end of each quarter following confirmation of Battery System Permission to Operate and one successful test Battery System dispatch ("Enrollment Date"). Participant understands that the Incentive amount is \$3 per kWh of nominated capacity of Battery System per month. The nominated capacity of the Battery System is designated by the Participant in the Application or set in a separate agreement between Lunar and the Battery System manufacturer as 40%, 60%, or 80% of the Battery System's nameplate capacity. Participant will receive Incentive as described here for up to five years, provided they continue to adhere to the Program participation requirements, do not leave the Program, and are not removed from the program by Ava. If Participant re-enrolls in the Program having previously left the Program, they may resume receiving Payments until five years after their original Enrollment Date. Ava reserves the right to amend or extend these incentive terms after the five-year participation period has ended.

6. Indemnification. Participant agrees to defend, indemnify, and hold harmless Ava, Lunar, their respective members, officers, officials, agents, employees, and volunteers from and against any and all loss, liability, expense, claims, suits, and damages, including attorneys' fees, arising out of or resulting from Participant's use of the Battery System, Application and/or participation in the Program.

7. Limitation of Liability and Release. NEITHER AVA, LUNAR NOR ANY OF THEIR RESPECTIVE MEMBERS, AGENTS OR EMPLOYEES ("AVA RELEASEES") ARE OR WILL BE RESPONSIBLE OR LIABLE TO PARTICIPANT OR TO ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE OR OTHER DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS, LOSS OF DATA OR LOST PROFITS), UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER THEORY ARISING OUT OF OR RELATING IN ANY WAY TO THE PROGRAM. WITHOUT LIMITING THE FOREGOING, THE MAXIMUM LIABILITY OF AVA RELEASEES FOR ANY DIRECT DAMAGES IN THE

AGGREGATE WILL NOT EXCEED \$100. Participant agrees to waive and release Ava Releasees from any claims that would otherwise be preserved by operation of section 1542 of the California Civil Code, which provides: "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor or released party."

8. Collection and Use of Participant Data. Participant consents to Ava, Lunar and their respective agents, accessing and using Participant's utility data, billing data, and CAISO data ("Participant Data") for purposes of conducting and evaluating the Program. Participant Data may be used for other purposes so long as the Participant Data does not contain personally identifiable information (including where Participant Data has been deidentified).

9. Participant Feedback and Data Collection. Participant will cooperate in good faith with Ava or its authorized representatives in performing evaluation, measurement, and verification of the Program. Ava will use data collected from Participants to evaluate the Program and for future planning purposes, including, but not limited to, assessing user experience, measuring potential retail bill savings to customers, and avoiding energy supply costs to Ava. Additionally, Ava may request that Participants complete surveys during and up to one (1) year after the conclusion of the Program. Ava may use and publicize quotes from Participant surveys in promotional materials. These quotes would remain anonymous unless explicitly approved by the Participant.

10. Participant agrees to allow Ava and Lunar to issue instructions to the Battery System to share energy to the grid, either during grid events or on a daily basis, in their sole discretion. Ava will not call grid events for more than eighty (80) hours per calendar year.

11. Tax Liability or Credits. Payments may be considered income and may be taxable. Ava is not responsible for any tax liability or determining whether a tax liability exists. Participant is responsible for determining and applying for any tax credits for which they may be eligible.

11. Assignment. This Agreement is personal to Participant. Participant may not assign or transfer rights or delegate obligations under this Agreement.

12. Compliance with Law. Participant shall comply with all applicable federal, state and local laws and regulations.

13. Third Party Beneficiary. Lunar is a third party beneficiary of this Agreement.

14. Notice to California Residents. Under California Civil Code Section 1789.3, Participant may contact the Complaint Assistance Unit of the Division of Consumer

Services of the California Department of Consumer Affairs in writing at 1625 N. Market Blvd., Suite S-202, Sacramento, California 95834, or by telephone at +1-800-952-5210 in order to resolve a complaint regarding this Agreement or to receive further information regarding use of this Agreement.

15. Relationship of Parties. This Agreement does not, and shall not be construed to, create any partnership, joint venture, employer-employee, agency or franchisor-franchisee relationship between Participant, Ava and/or Lunar.

16. Law and Venue. This Agreement shall be interpreted and enforced in accordance with the laws of the State of California, with venue in Alameda County, without reference to its principles on conflicts of laws.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year written below.

[PARTICIPANT]

Participant Signature:

Date:

EXHIBIT A
PROGRAM DESCRIPTION

How It Works

There are two incentive offers: an installation rebate and ongoing participation payments. The amount of money you earn for each is based on how much of your battery you choose to share with Ava's virtual power plant.

Installation Rebate

The installation rebate helps you lower the initial cost of installing a new home solar and battery system or adding a battery to an existing solar system. The rebate amount depends on the size of the battery and the capacity customers choose to share with Ava's virtual power plant: 40%, 60%, or 80% ("Nominated Capacity").

- Market rate customers: \$90/kWh for the portion of your battery you choose to share.
- Income Qualified customers: \$500/kWh for the portion of your battery you choose to share.

Ongoing Participation Payments

Once your battery is enrolled, the SmartHome Battery program will use the energy stored in your battery during grid events which occur when the grid is strained. Your Nominated Capacity determines your Participation Payment. You earn \$3 per month for every kilowatt-hour (kWh) based on that percentage. Payments are made every three months over the course of five years. You can choose to receive the payment via a prepaid Virtual Visa card or gift cards.

As an example, when enrolling in the SmartHome Battery program, you choose to share 80% of your 10 kWh battery. Each month, you will earn \$24 in participation payments. When the grid is strained, Ava will use 8 kWh of energy stored in the battery to our virtual power plant, which will be used as 4 kW over two hours, while the remaining 2 kWh of energy will stay in the battery. By the tenth business day of the following quarter, you will receive an email to redeem \$72 (\$24/month over 3 months).

Non-Performance

Consistent underperformance will result in being un-enrolled from the Program and losing future Participation Payments. For all participants, Ava reserves the right to

claw back any installation rebate received if the Participant unenrolls from the program within 60 months of enrollment.

Sample