



Renewable Energy Credit Sale and Assignment Contract

This Renewable Energy Credit Sale and Assignment Contract (hereafter “Contract”) is made and entered into this 30 of November, 2022, by and between Holy Cross Electric Association, Inc., dba Holy Cross Energy (“Holy Cross”), a Colorado cooperative electric association, whose address is 3799 Highway 82, Glenwood Springs, CO 81601, and John Doe (“Consumer”), whose electric service address is 123 Main Street, Anytown, CO 12345 (the “Service Address”). The parties to this Contract may each hereinafter be referred to individually as “Party” or both referred collectively as the “Parties.” In consideration of the mutual covenants set forth herein, the Parties agree as follows:

- 1. Definitions.** Unless otherwise defined herein, all capitalized terms shall use the definitions in the Generator Interconnection Agreement executed in conjunction with this Agreement.
- 2. Sale and Assignment.** Consumer agrees to grant, sell, convey and assign, and Holy Cross agrees to purchase and accept from Consumer, in exchange for the consideration set forth in Section 2 below, all Renewable Energy Credits (“RECs”) generated by the Generating Facility at the Service Address for the longer of a term of **twenty years** from the Commissioning Date listed or while the Generating Facility is interconnected to Holy Cross’ distribution system. Holy Cross shall be entitled to all right, title and interest in and associated with such RECs including all REC reporting rights. Consumer warrants that it has not claimed ownership of the RECs or sold the RECs to or exchanged the RECs with any other person or entity, such sale and assignment being the first and only sale and assignment of the RECs by Consumer. Consumer shall not claim ownership of the RECs and Consumer shall not sell the RECs to or exchange the RECs with any other person or entity.
- 3. Compensation.** Holy Cross will pay an amount calculated in accordance with the rules of Holy Cross’ Renewable Incentive Program at the date all requirements of the Generator Interconnection Policy are met. Consumer acknowledges and agrees that such payment constitutes full and complete consideration for the sale and assignment of RECs described in this Contract. Consumer waives on behalf of itself, its successors and assigns, including any subsequent purchaser of the premises at the Service Address, any right to claim ownership of, or a right to additional compensation for, the RECs sold and transferred under Section 1 of this Contract.

¹ “Renewable Energy Credit” or “REC” means a contractual right to the full set of Green Attributes resulting from one megawatt-hour (MWh) of electric energy generated from an Eligible Energy Resource, as further provided in regulations adopted pursuant to C.R.S. § 40-2-124, currently set forth at 4 CCR 733-3, Rule 3652(n), as may be amended from time to time or as further defined or supplemented by Law.

“Green Attributes” mean the full set of environmental, power source and emissions characteristics, whether in the form of credits (including Renewable Energy Credits), benefits, emissions reductions, offsets, allowances or by any other designation, attributable to the generation of electric energy from the Facility. Green Attributes include but are not limited to (1) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluoro carbons, perfluoro carbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change as of the effective date of this agreement, or otherwise under Law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere, (2) any avoided emissions of sulfur oxides (Sox), nitrogen oxides (Nox) and carbon monoxide (CO), and of any other pollutant of the air, soil or water (other than GHGs) that is now regulated under Law, including as part of any renewable portfolio standard, or tradable under any registration or trading program; and (3) the right of HCE as the owner or prospective owner of Green Attributes to report the ownership of accumulated Green Attributes to any agency, authority or other party, including without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present domestic, international or foreign Law, renewable portfolio standard or registration or trading program. One MWh of energy output generated from the Facility is assumed to be the equivalent to one unit of Green Attributes, subject to applicable Law, standards or trading program requirements. Green Attributes do not include: (i) any energy, capacity, reliability or other power attributes from the Facility; (ii) production tax credits associated with the construction or operation of the energy projects and other financial incentives in the form of credits, reductions, or allowances associated with the project that are applicable to a state or federal income taxation obligation; or (iii) fuel- related subsidies or “tipping fees” that may be paid to Seller to accept or dispose of certain fuels, or local subsidies received by the generator for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits.

4. Representations. Consumer hereby makes the following representations and warranties to HCE:

- a. Consumer warrants that the person executing this Contract is the owner of the Generating Facility, and is duly authorized and legally competent to execute this Contract and to bind Consumer to the terms hereof.
- b. Consumer receives electric service from Holy Cross at the address set forth above, and is the person in whose name electric service is listed at the Service Address or is the legally authorized representative of such person.

5. Additional Terms and Conditions.

- a. Consumer agrees that (i) it shall provide a copy of this Contract to any subsequent purchaser of or successor in interest to Consumer's premises at the Service Address, pursuant to subsection 4(e) below and (ii) it shall notify Holy Cross in the event of sale or removal of the Generating Facility equipment from Consumer's premises, including the name, address and telephone number of the purchaser of or successor in interest to the premises and/or the removed equipment.
- b. The Consumer shall maintain the Generating Facility and the individual components of the system in good working order at all times during the term of this Contract. Consumer shall operate the Generating Facility in accordance with (i) the Holy Cross Energy Generator Interconnect Agreement; and (ii) any original equipment manufacturer (OEM) manuals, copies of which shall be furnished to Holy Cross upon demand. If during the term of this Contract the Generating Facility or any of the individual components of the system should be damaged or destroyed, the Consumer shall promptly repair or replace the equipment to its original specification, tilt and orientation at the Consumer's sole expense.
- c. In the event that Consumer removes the Generating Facility, or the Generating Facility permanently ceases energy production prior to the end of the term of this Contract, or this Contract is terminated by Holy Cross due to breach by Consumer of Section 4(b) or any other provision of this Contract; then Holy Cross may at its sole discretion recover from the Consumer [and in the event of such demand to Consumer, Consumer shall pay to Holy Cross] all or a portion of the REC incentive payment pro-rated over the then remaining Contract term together with all costs of collection including attorney fees.
- d. This Contract and the terms contained in the Contract shall be binding upon, shall inure to the benefit of and shall be enforceable against the parties' successors and assigns. Any purchaser of or successor in interest to Consumer's premises on which the Generating Facility is located shall be deemed to be an assignee of this Contract and shall be bound by the terms hereof. This Contract shall be governed by and interpreted in accordance with the laws of the State of Colorado. 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 or electronic copy of a signature will be deemed original and binding. This Contract and the rights and obligations of the parties hereunder shall be subject to all state, local, and federal laws, rules, regulations, ordinances, orders, and decisions issued or promulgated for or by any court or regulatory agency having or asserting jurisdiction over this Contract, the services to be performed hereunder. or of the Parties hereto. Time is of the essence of this Contract.

e. In connection with any assignment of this Contract by Consumer, Consumer shall provide to assignee the following documents: Assignment and Acknowledgment, in the form provided by Holy Cross in response to Consumer request, a copy of this Contract, a copy of the Holy Cross Energy Generator Interconnect Policy Agreement and information pertaining to any warranty remaining on the Generating Facility.

As a requirement to electrically connect to the Holy Cross distribution grid system, the Generating Facility must pass an "On-Site" inspection conducted by authorized Holy Cross personnel. The date said Generating Facility is inspected and approved by Holy Cross shall herein be defined as the "Commissioning Date." In the event the Generating Facility does not pass the required inspection, any and all deficiencies with the Generating Facility shall be corrected by Consumer and then a re-inspection of the Generating Facility performed by Holy Cross.

Relying on the information concerning the Generating Facility provided by Consumer to Holy Cross and contingent on the actual equipment installed and confirmed by an "On-Site" inspection of the Generating Facility by Holy Cross authorized personnel, Holy Cross agrees to the following REC incentive payment to Consumer:

Generating Facility Size: 7.4000

The estimated incentive will be the lesser of \$ 1,640.00 or 40% of the actual installed cost (on a \$/kW basis) for the first 25 kW of generation associated with any location if installed before 03/25/2023.

The actual payment is subject to changes in the WE CARE program, or its successor programs, the continued eligibility of the consumer to receive incentives under the WE CARE program through the date of the Holy Cross witness test, and the availability of funds if the system is not completed within 120 days of the date on which the interconnection application was approved.

Estimated annual production: 8,437

Estimated RECs assigned to Holy Cross annually: 8 RECs

As a qualified Holy Cross Consumer, I have read, understood, and agreed to the terms of the Contract set forth above and accept the REC incentive payment to be disbursed by Holy Cross.

Authorized Signature of Consumer:

Date:
