



Renewable Energy Credit (REC) Contract
Customer-Sited Renewable Energy Generation System
(25 kW nameplate capacity & below)

This Contract is made and entered into this ____ day of _____, 20____,
by and between Socorro Electric Cooperative (SEC) and _____ ("Customer")
whose address is _____ ("Customer's Address").
SEC and the Customer may be referred to herein individually as a "party" or the "parties" to this Contract.

- 1. Purchase and Sale.** On the terms and subject to the conditions set forth in this Contract, the Customer agrees to sell and SEC agrees to purchase all of the Renewable Energy Credits ("RECs") generated by the Customer's renewable energy generation system (the "renewable system") at the Customer's Address for a term of December 31, 2020 beginning on the date listed above. The Customer's renewable system shall conform to New Mexico Administrative Code (NMAC) 17.9.568 and 17.9.570.
- 2. Purchase Price.** The price paid by SEC for the RECs shall be based on SEC's receipt of all RECs generated by the renewable system. The total price for the RECs shall be in accordance with the "REC Payment Schedule" attached to this contract as Exhibit A, which Exhibit is hereby incorporated by this reference into this Contract. SEC will apply a Resource Multiplier to payments when eligible. Payments will be made biannually, typically in February for the RECs produced in the second half of the previous calendar year, and in August for the RECs produced in the first half of the current calendar year.
- 3. Representations. The parties hereto individually and collectively make the following representations:**
 - a) They are individually authorized and competent to sign this Contract and they have read the Contract and agree to be bound by its terms.
 - b) Customer owns the renewable system in SEC's service territory at the Customer's Address set forth above, and Customer's primary business is not the generation of electricity for retail or wholesale sale from the Customer's Address.
 - c) The Customer has installed a renewable system at the Customer's Address, which renewable system conforms to the specifications of SEC's net metering program.
- 4. Terms and Conditions.**
 - a) Customer shall be solely responsible for ensuring that the renewable system equipment installed for this program meets all applicable codes, standards, and regulatory requirements.
 - b) The renewable system shall be located at the Customer's Address at all times during the term of this Contract.
 - c) The renewable system shall be a maximum capacity not to exceed 25 kilowatts, nameplate DC output capacity.
 - d) The Term of this Contract shall be December 31, 2020 beginning on the date listed above, however, this Contract is assignable by Customer to any subsequent purchaser of Customer's premises, pursuant to section 4 (s) below. SEC shall purchase and own all RECs produced by the renewable system during the Term of this Contract, and Customer shall be prohibited from selling, conveying, assigning or otherwise transferring such RECs to any other person during the term of the Contract.
 - e) This Contract may be terminated by either party by giving the other party sixty (60) days advance written notice of its election to terminate the Contract at the date specified in the notice, being no less than sixty (60) days following the giving of such notice. SEC shall purchase and the Customer shall provide the RECs through the date specified in the notice in accordance with Section 2 above.

- f) REC Purchase will issue REC payments as set forth in Section 2 above.
- g) Qualification for the REC payment does not imply any representation or warranty by SEC of the design, installation or operation of the renewable system equipment, and SEC expressly disclaims any and all warranties of the equipment as to workmanship, quality, or performance, including the fitness of the equipment for the purpose intended.
- h) SEC shall not be responsible or liable for any personal injury or property damage caused by the renewable system or any individual component of the system.
- i) Customer shall indemnify, defend, and hold SEC, its employees, agents, successors, assigns, subsidiaries and affiliates harmless against any and all claims, demands, liens, lawsuits, judgments or actions of whatsoever nature that may be brought on account of the installation, maintenance, operation, repair, interconnection, or replacement of the renewable system or any equipment of the system.
- j) Customer shall maintain the renewable system and the individual components of the system in good working order at all times during the Term of this Contract. If during the Term of this Contract the renewable system or any of the individual components of the system should be damaged or destroyed, Customer shall promptly; notify SEC of when the system is down and back on-line, repair or replace the equipment to its original specifications, at Customer's sole expense. Damages for breach of this provision of the Contract are limited to the repayment by Customer of the pro-rata share of the REC payment made to Customer under this Contract, if any, or to forego future REC payments.
- k) This Contract and the terms contained in the Contract shall be binding and enforceable against the parties, their successors and assigns, for as long as the Contract remains in effect. SEC may record this contract with the clerk and recorder's office of the county in which the renewable system is located.
- l) If any disputes arise concerning this Contract, including but not limited to enforcement of any term or condition of the contract, the prevailing party in any action brought for the purpose of enforcing such provisions shall be entitled to recover its reasonable attorney fees, expenses and costs of such action from the non-prevailing party.
- m) Failure of either party to enforce any term or condition of this Contract shall not constitute a waiver of that term or condition or of any other term or condition of this Contract.
- n) The parties agree that a cause of action for breach of any provision of this Contract shall not accrue until the non-breaching party actually discovers the breach.
- o) If any of the representations of the Customer are false or incorrect, such false or incorrect representation shall, at the SEC's discretion, constitute a material breach of this Contract.
- p) This Contract shall be governed by and interpreted in accordance with the laws of the State of New Mexico.
- q) SEC may use the National Renewable Energy Lab's pvWatts model to calculate the expected energy production from the proposed renewable installation based on tilt angle and orientation of the solar panels in the event of a dispute.
- r) This Agreement may be executed in two or more counterparts, each of which is deemed original but all constitute one and the same instrument. The parties agree that a facsimile copy of a signature will be deemed original and binding.
- s) This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. In order for an assignment to be effective, Customer is required to provide to assignee the following documents: Assignment Agreement, a copy of this Contract, a copy of the Net-Metering/Interconnection Application and any remaining warranty information. Customer is released from any and all future liability under this Contract upon its assignment.
- t) This serves as a bill of sale, transferring from Customer to SEC all of the Customer's right, title and interest in and to the RECs associated with the project. Customer warrants that it is transferring good title to all RECs transferred to SEC. Customer warrants that all RECs transferred by Customer to SEC are free and clear from all liens, claims, security interests, encumbrances and other defects of title.
- u) By executing this Contract, Customer grants to SEC permission to share the location of the Customer's renewable system and other information concerning the RECs sold to

SEC by Customer under this Contract to others or to otherwise take steps to ensure that the Customer's renewable system is still functioning and in operation at all times relevant under this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

SEC:

By: _____

Title: _____

Date: _____

Customer:

By: _____

Title: _____

Date: _____

Exhibit A

REC Payment Schedule (Before Applicable Resource Multipliers when eligible)	
Year	\$ per MWh (1,000 kWh)
2009	\$44.24
2010	\$44.24
2011	\$44.24
2012	\$14.97
2013	\$14.97
2014	\$14.97
2015	\$14.97
2016	\$8.50
2017	\$8.50
2018	\$8.50
2019	\$8.50
2020	\$8.50
2021 and beyond	\$5.70