

# Green Bank Solar Power Purchase Agreement (PPA) Customer FAQ

## What is a Power Purchase Agreement (“PPA”)?

A PPA is a contract between the Seller (generates electricity) and Buyer (purchases electricity). The Seller – the Green Bank – owns the solar system and oversees the development, construction, and asset management of the solar system. The Buyer – Customer – purchases electricity from solar installed on the property at an agreed upon rate for an agreed upon term (usually 20 years).

## How does net metering work?

Net metering allows building owners that have installed solar equipment on their property to receive full retail credit for electricity they export to the grid. The electricity credits are “banked” and used throughout the year when on-site consumption exceeds the production of the solar system. Typically, credits are generated in the summer months and used in the winter months when solar generation is lower.

## My PV system will eliminate my electric bill, right?

In short, no. While the PV system will produce electricity to offset your electric bill, you will still be responsible for the regular basic service charges from the utility for being hooked up to the grid. In addition, solar production is weather dependent, and the Green Bank cannot guarantee that your system will produce all the electricity you may use in a billing period.

## Who will actually install my system?

As the developer of the project, the Green Bank will work with on-the-ground, approved, third-party solar installation companies to ensure the safe and reliable construction of your solar PV system.

## How long will it take to get my system installed and energized?

The Green Bank will work with the approved contractor, as well as, local, state, and utility authorities to ensure the system is constructed and energized as soon as possible. As there are often several stakeholders in this process, projects often take a longer time than traditional renovation or construction projects.

## Are there any incentives that I can take advantage of?

Incentives are factored into the PPA rate, therefore, you will be receiving the benefit of the incentive in the form of a lower PPA rate while the Green Bank receives the physical value of the incentive.

## Is the Green Bank Solar PPA secured financing? If so, how?

The Green Bank will seek financial security via Property-Assessed Clean Energy (PACE) mechanisms, where available. In instances where PACE is not available, all equipment will be secured via a UCC-1 filing.

## How will PPA billing work?

The Green Bank has two mechanisms for the billing of PPA's:

1. *For PACE-secured PPA's:* Billing will occur through your regular property tax bill. At the beginning of the PPA term, expected production values will be used to estimate how much will be paid with your property tax bill. On an annual basis, the Green Bank will true-up that amount based on the actual production of the system.
2. *For PPA's billed monthly:* You will receive a monthly bill from the Green Bank based on the actual production of the system for the previous month. The total amount will be equal to the kWh production of the system times the agreed upon PPA rate.

## What happens to the PV system at the end of the PPA term?

At the end of the PPA term, you may purchase the system at fair market value (determined at that time by a third-party appraiser) or have the system removed at the Green Bank's or its assignee's expense. Roof penetrations will be filled, and the roof repaired to as reasonably complete a condition as possible.

## Since I don't own the PV system, I don't need to insure it, right?

The Green Bank will purchase and maintain insurance for the solar equipment, but due to that fact that it will be affixed to your property, the Green Bank does require that your property insurance includes coverage for the cost of the solar equipment. This concept is similar to, for example, a factory that has expensive leased equipment on the premises carrying insurance of the equipment that does not belong to the property owner itself.

## Will the PV system require maintenance? Who is responsible for that?

The Green Bank or its assignee assumes all responsibility for the asset management and operations and maintenance of the system. The Green Bank has contracted a third-party to provide monitoring and both proactive and reactive maintenance of the system to minimize downtime. As a PPA customer with the Green Bank, you can enjoy a worry-free experience in going solar while the Green Bank handles all system maintenance and upkeep.

## Does the solar system work if there is a grid outage?

No, grid-tied solar systems are installed with an automatic shutoff switch which turns off the solar system in a power outage unless you include battery storage as a component of your system.

## Who do I contact if I have questions about my system or billing?

If you have any questions about your system, PPA agreement, or billing, please contact the Green Bank Solar PPA team by email at [commercialsolar@ctgreenbank.com](mailto:commercialsolar@ctgreenbank.com).