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RESIDENTIAL DISTRIBUTED ENERGY RESOURCE PROGRAM REQUIREMENTS

This document sets forth the requirements for participation in SRP's Residential Distributed Energy Resource Program (the "Program"). SRP reserves the right to discontinue or suspend the Program or to modify these Program Requirements (including, without limitation, any equipment qualifications) at any time by posting a notice on SRP's website.

If you have any questions about the Program or these Program Requirements, please contact Program representatives by phone at (602) 236-4661 or by email at DER@srpnet.com.

SECTION I: GENERAL REQUIREMENTS

1. Customer Information: Application

- a. The applicant on the Distributed Energy Resources Application ("Program Application") must be the SRP primary account holder on an active SRP account ("Customer of Record") or own the property ("Property Owner") at the proposed site of the Distributed Energy Resource Facility (the "DER Facility"). The DER Facility may be a generating facility (e.g., photovoltaic), a storage system (e.g., battery) or both (e.g., photovoltaic with battery). The Customer of Record or Property Owner ("Customer") must sign the Program Application.
- b. If there is any material change to any information provided in the Program Application or other materials submitted by the Customer before the DER Facility is commissioned, the Applicant, on the Customer's behalf, must submit a "Change Request for Submitted Applications" form in [PowerClerk](#).

2. General Participation Requirements

- a. The DER Facility must be installed in SRP's electric service territory.
- b. Customer's participation in the Program is subject to these Program Requirements, as well as the SRP Rules and Regulations, Electric Service Specifications, and Distributed Generation Interconnection Handbook (collectively, the "SRP Rules and Requirements"), all of which are available on SRP's website. SRP may reject any Program Application that does not comply with the SRP Rules and Requirements.
- c. Property Owner must sign SRP's Distribution Interconnection Agreement (the "Interconnection Agreement") and must meet all SRP interconnection requirements (as set forth in the SRP Rules and Requirements) before interconnecting the DER Facility.
- d. Program participation is available for leased and customer-owned DER Facilities. Requirements particular to leased DER Facilities are set forth in Section V below.
- e. Customer has six months from the receipt of the Program Application for the DER Facility to be installed and interconnected to the SRP electrical grid.

SECTION II: DEMAND MANAGEMENT SYSTEM REBATE (IF APPLICABLE)

1. SRP is offering to SRP customers a \$250 rebate with the purchase of an approved Demand Management System (DMS). Details, including a list of eligible DMS products, are available at the [Demand Management System Rebate webpage](#) or by contacting SRP at **(602) 236-4448**.
2. To be eligible for the rebate, DMS must be installed as part of a DER Facility installed by one of SRP's Preferred Solar Installers. Request for DMS rebate must occur at the time of, and within, the Program Application.
3. The DMS must be listed on the Program Application, the three-line diagram and the price quote.
4. DMS rebate is limited to one per household.

SECTION III: INSTALLATION AND EQUIPMENT

1. Licensing

- a. The DER Facility sales contractor (the "Dealer") must be licensed in Arizona under one of the following license classifications: B-, R-11, KB-1, KB-2 or CR-11.
- b. The DER Facility installation contractor (the "Installer") must be licensed in Arizona under one of the following license classifications: R-11, CR-11 or R-39 (for HVAC with solar only).
- c. Customers who "self-install" must comply with the Arizona Revised Statutes (A.R.S.) § 32-1121.A.14 ("Persons not required to be licensed; penalties").

2. Compliance with law; Inspection

- a. The DER Facility shall be installed, maintained and modified in accordance with the requirements of the local AHJ, NEC and SRP. In those areas where the AHJ does not provide a city clearance, design drawings must be stamped by a Professional Engineer registered in the state of Arizona, and the Customer must provide a signed *Certificate-in-Lieu of Electrical Clearance for Distributed Energy Resource Interconnection Projects* following completion of all work. See SRP's ESS for a sample of the certificate.
- b. The DER Facility must comply with all applicable construction laws, codes and safety standards. SRP is not responsible for any interruptions, maintenance, operation, inspection or removal of DER Facility.

3. Warranties & Sales Agreements

- a. The DER Facility must be covered by a two-year warranty from the installer against defects in the overall installation of the DER Facility or that result in degradation in electrical output.
- b. All Warranties and Sales Agreements must meet A.R.S. § 44-1761 through § 44-1764.



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4. Equipment

- a. All self-generating equipment must be tested by a nationally recognized testing laboratory and installed per the manufacturer's instructions.
- b. Inverter(s) must comply with UL 1741, IEEE 1547 and UL 1741 SA requirements and be installed per the manufacturer's instructions.
- c. All batteries must be certified to UL 1973 and battery systems must be certified to UL 9540, installed per the manufacturer's instructions, and listed on the application. Include battery power (kW) and energy (kWh) on the Program Application.
- d. The manufacturer and model number for the demand system, if installed at residence, must be listed on the Program Application.

SECTION IV: PRICING AND METERING

Program participants with generating facilities (e.g., photovoltaic) must take service under one of SRP's four qualifying customer generation price plans (E-13, E-14, E-15 and E-27), as they may be modified, supplemented or superseded (the "Customer Generation Price Plans"), subject to certain exemptions set forth in the Customer Generation Price Plan. Advanced meter technology is required for all customers with DER Facilities. All SRP price plans and service riders, available on SRP's website, are subject to change in accordance with the SRP Rules and Regulations. Due to current meter technology associated with M-Power, SRP's prepay program, a customer who wants to install a DER Facility must switch to any of the Customer Generation Price Plans at the time of commissioning.

SECTION V: DOCUMENTATION AND LEASE REQUIREMENTS

1. Required Documents - In addition to any other documents required under these Program Requirements or the Distributed Energy Resources Application Checklist (the "Application Checklist"), the Customer (or Installer working on Customer's behalf) must deliver to SRP the following: (i) a copy of the fully executed price quote, on the Dealer's letterhead, with any/all costs itemized (if Customer owns the DER Facility) or executed lease agreement (if Customer leases the DER Facility) for the DER Facility, and (ii) such other documentation that SRP may reasonably request to demonstrate Customer's compliance with these Program Requirements.
2. Lease Requirements - If Customer leases the DER Facility, the lease must meet all of the following requirements:
 - a. The lease must specify a fixed term, with no automatic renewal at the end of the initial term.
 - b. The lease must have a fixed monthly payment or prepay amount. While payment may increase over time (e.g., an annual percentage increase), the amount cannot be tied to the amount of energy produced by the DER Facility (e.g., no "overproduction" adders). The lessor may guarantee system performance.
 - c. The lessor may not charge a fee to review or approve the assignment of the lease if the Customer transfers ownership or possession of the building where the DER Facility is installed.
 - d. Initial title to the energy produced by the DER Facility must vest with the Customer.



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- e. Initial title to the environmental attributes and environmental attribute reporting rights must vest with the lessor.
- f. The lease must specify the installation address and size (kW-DC) of the DER Facility. If AC-coupled batteries are included, then battery inverter information must be included.
- g. The lease may be signed by either the Customer, the Customer's spouse (if listed on the SRP account) or the Property Owner (if other than the Customer of Record).
- h. The lease must be governed by Arizona law, without regard to principles of conflicts of laws. Jurisdiction and venue of any dispute arising out of or relating to the lease must be located in the county where the DER Facility is installed.



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