

LANAI DIVISION

RIDER SSP

SOLARSAVER PILOT PROGRAM

AVAILABILITY:

This Rider is available to Participants served under rate Schedule "R" or "E", who install a Residential Efficient Water Heating ("REWH") DSM Program approved retrofit solar water heating ("SWH") system, using a Maui Electric Company, Ltd. ("MECO") hereafter referred to as "Company") REWH DSM Program approved solar water heating contractor, on an existing single-family home or town home. Participants must agree to pay for the solar water heating system under the conditions specified below. This Rider is also available to Participants served under Schedule "R" or "E" at service locations where a solar water heating system has already been installed under this program.

The number of solar water heating systems installed under this Tariff is limited to a total of 150 (for all MECO) for the entire term of the Pilot Program.

At its sole discretion, the Company shall also determine eligibility for service under this Rider subject to (1) the availability of funds budgeted for this program; (2) the suitability of approved solar water heating systems for the Participant's location and the likelihood that the systems will be used and useful throughout their estimated life; (3) a Participant bill payment history check; (4) existence of electric-resistance water heating equipment; (5) execution and filing of the appropriate SolarSaver Participant Agreement and Short Form SolarSaver Agreement; and (6) the Company's determination that the solar water heating system is estimated to produce sufficient energy savings to offset the total cost of the system; i.e., that the installed price of the solar water heating system (including any applicable taxes, net of the Company's REWH Program DSM rebate) is equal to or below the SWH system price cap.

This Rider is available to solar water heating installations through July 1, 2010, but may be suspended or terminated at any time by order of the Commission. Should the SolarSaver Pilot Program be closed to future participants, this Rider shall continue until terminated by the Commission or the repayment obligation of all Pilot Program Participants has been fulfilled, whichever occurs first.

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RATES:

Each SolarSaver Pilot Program Participant shall pay a monthly SolarSaver Fee ("Fee"). The SolarSaver Fee shall be equal to 80% of the estimated monthly energy bill savings for a family of four at the time that the SolarSaver Fee is set by the utility. The energy bill savings will be estimated by the utility using the most recent REWH Program Impact Evaluation filed with the Hawaii Public Utilities Commission. The SolarSaver Fee shall be constant for the term of the payment period for each Participant unless an accelerated repayment term is requested by the Participant. The payment period in months shall be equal to the solar water heating system price (net of the REWH Program DSM rebate) divided by the SolarSaver Fee.

For the period: April 9, 2010 - June 30, 2010

The SolarSaver Fee for new Participants shall be: \$57.44/month

The after Utility rebate SWH system price cap  
(equal to 144 months times the SolarSaver Fee) shall be: \$8,272.00

The Fee and SWH system price cap shall be recalculated on a quarterly (calendar year) basis to incorporate the current Schedule R energy charge, including the base energy charge plus the current energy cost adjustment factor. The recalculated SolarSaver Fee and SWH system price cap shall only be in effect for new Participants enrolled after the Fee recalculation takes place.

The solar water heating system will be owned by the property owner, but installed at the Company's expense and the Participant shall reimburse the Company through a SolarSaver Fee added to the Participant's regular monthly bill. The Fee is an element of the Participant's electric service, and the Participant is liable for payment of the Fee under this Rider under the same conditions as charges under the Participant's regular rate schedule, including, but not limited to, the Participant's service being subject to disconnection for nonpayment in accordance with the Company's rules. Bill payments made by the Participant will first be applied to the electricity use portion of the bill. There is no guarantee that all Participants participating in the SolarSaver Pilot Program will receive lower monthly electric bills.

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MINIMUM FEE AND TERM OF CONTRACT:

The SolarSaver Participant Agreements (attached) between the utility and Participants will specify the minimum monthly Fee and the term of the payment period. A Participant can choose to accelerate the payment period term by paying a higher Fee or a Participant can choose to pay the remaining balance owed to the Company at any time. A Participant selecting an accelerated payment period term can revert at any time to the minimum monthly Fee available to the Participant. Unless the Participant chooses to accelerate the payment period term, the minimum monthly Fee for the SolarSaver location will not change. However, the SolarSaver Fee for the last month of the payment period shall be equal to the remaining balance.

COMPANY RESPONSIBILITIES

The Company shall arrange to certify that the solar water heating system(s) are properly installed and operating as designed. The Company shall also arrange recordation of the SolarSaver Short Form Customer Agreement with the State Bureau of Conveyances. Upon notification that work is complete, the Company will verify that the solar water heating system(s) have been installed and arrange for payment to the contractor.

At the time of electric service request, the Company will inform all new customers at a location where a SolarSaver solar water heating system has been installed as to the existence of any unbilled Fees remaining under this Rider for that location. If the former Participant received service under an accelerated payment period term, the Company will inform the new Participant that the Participant may revert at any time to the minimum monthly Fee that was available to the former Participant. The Company will also inform these Participants of the general benefits associated with solar water heating systems and their responsibility for the payment of the remaining charges under this Rider and other obligations.

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PARTICIPANT RESPONSIBILITIES AS PROPERTY OWNER

In situations where the Participant is the home or property owner and resides at the location where the solar water heating system is installed, or prior to the installation of any solar water heating system, the Participant will be responsible for:

1. Payment of the monthly Fees under this Rider in addition to all other charges on the monthly bill;
2. Taking reasonable steps to prevent damage to such systems;
3. Becoming fully informed concerning the routine operation and maintenance of the solar water heating system installed at the service location; and
4. Allowing access by the Company, at reasonable times, for any inspection of the solar water heating system for the purposes of evaluating the SolarSaver Pilot Program.
5. Execution by the property owner of the SolarSaver Short Form Agreement (and having it notarized) to ensure that a record of the SolarSaver installation has been properly recorded with the State of Hawaii Bureau of Conveyances.

If the Participant is the owner of the premises, the Participant shall inform all prospective purchasers or renters of the location in writing that there is an unexpired obligation under this Rider. Whenever a customer applies for electric service at a location which was the subject of a previous SolarSaver Participant Agreement and SolarSaver Short Form Customer Agreement, payment for which has not been completed, such customer shall become responsible for the remaining balance. If the location was the subject of an accelerated payment term, the new Participant has the option to revert at any time to the minimum monthly Fee that was available to the former Participant. Acceptance of electric service constitutes acceptance of the obligations under this Rider by the new Participant.

PARTICIPANT RESPONSIBILITIES AS RENTER

In situations where the Participant is renting the SolarSaver location, as defined as any tenant who is currently a customer of the Company or any future tenant who shall apply for service from the Company at a SolarSaver location, the renter is responsible for:

1. Receiving written landlord approval to install a SolarSaver SWH system on the rental property;

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2. Paying the monthly SolarSaver Fee for as long as they occupy the property;
3. Allowing access by the Company, at reasonable times, for any inspection of the solar water heating system for the purposes of evaluating the SolarSaver Pilot Program;

SUBJECT TO RULES AND REGULATIONS:

Service supplied under this Rider shall be subject to the Rules and Regulations of the Company.

MAUI ELECTRIC COMPANY, LTD.

Docket No. 2006-0425; Decision and Order No. 23531, dated June 29, 2007.  
Transmittal Letter Dated July 9, 2007.

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**SolarSaver Pilot Program  
Customer Agreement  
(Property Owner)**

This agreement is between the Maui Electric Company, Ltd.  
hereafter referred to as "Company" and (Name of utility customer)  
hereafter referred to as "Customer".

1. The Customer hereby certifies:
  - That I/we are the legal owner(s) of residential property located at  
  
\_\_\_\_\_
  - That I/we are customer(s) of the Company for our residential electric service,
  - That we are replacing an electric resistance water heater with a solar water heating system as part of the SolarSaver Pilot Program.
2. The Company agrees to provide full payment to the customer's selected solar contractor<sup>1</sup> for installing one pre-qualified SolarSaver SWH system at the property address above.
3. The Company agrees to provide full payment of the Residential Efficient Water Heating (REWH) Program Solar Rebate to the customer's selected solar contractor upon successful inspection of the SolarSaver SWH system installed.<sup>2</sup>
4. Customer and Company agree that Customer may select any solar contractor who is approved by the Company for the SolarSaver Pilot Program to install the solar water heating system.

<sup>1</sup> The Solar Contractor is required to be a Company-approved participant in the Company's Residential Efficient Water Heating Program.

<sup>2</sup> Per REWH Program requirements, a solar rebate will be instantly applied to the Customer's invoice at the time of sale.

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5. Customer agrees to pay the Company a monthly SolarSaver Fee. The monthly Fee is to be collected through the utility bill for the residential electric service attached to the meter for this location to recover the cost of equipment and installation of a solar water heating system installed by a Company-approved contractor of Customer's choice.
6. Customer agrees to sign and notarize the SolarSaver Short Form Customer Agreement (and have it notarized) to be filed by Company with the State of Hawaii Bureau of Conveyances within sixty (60) days of solar water heating system installation.

7. Customer agrees to the following terms of payment to the Company:

_____	Total Cost of System
_____	Less: Instant Utility Rebate from Residential Efficient Water Heating Program
_____	Balance owed by Customer
_____	Customer Monthly SolarSaver Fee
_____	Term (total number of months to pay SolarSaver Fee)

8. Customer agrees to pay the monthly SolarSaver Fee for the period of months listed in this agreement or until:
  - a) I/we vacate the residential property address listed in this agreement; or,
  - b) The system is paid off earlier in full (upon Customer request);
9. Customer agrees that if I/we sell this residential property prior to full payment of the solar water heating system that I/we will disclose the contents of this SolarSaver Agreement to the buyer, which includes the transfer of payment obligation to the new property owner.

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10. Customer understands and agrees that, with the agreement of the Company, the balance owed on the solar water heating system may be paid in full by the Customer or the Customer may agree to pay a higher monthly fee in order to pay the total balance earlier than the term listed in this agreement.
11. Customer agrees that non-payment of SolarSaver fees will result in the Company collections process and possible disconnection of electrical service. Any fees collected will first be applied to the outstanding balance for electric service before additional funds are applied to the monthly SolarSaver Fee.
12. Customer agrees to notify the SolarSaver Pilot Program Administrator immediately if the installed solar water heating system fails to operate properly. I/we understand that maintenance of the SWH system will be provided through either product warranty, extended warranty insurance or by the utility company during the period that the SolarSaver Fee is being assessed.
13. Customer agrees to payment of the monthly Fees under this Agreement in addition to all other charges on the monthly bill.
14. Customer agrees to take reasonable steps to prevent damage to the SWH system by becoming fully informed concerning the routine operation and maintenance of the solar water heating system installed at the service location.
15. Customer agrees to allow access by the Company, at reasonable times, for any inspection of the solar water heating system for the purposes of evaluating the SolarSaver Pilot Program.
16. The Customer shall inform all prospective purchasers or renters of the location in writing that there is an unexpired obligation under this Agreement. Whenever a customer applies for electric service at a location which was the subject of a previous SolarSaver Agreement, payment for which has not been completed, such customer shall become responsible for the remaining balance. If the location was the subject of an accelerated payment term, the new Participant has the option to revert at any time to the minimum monthly Fee that was available to the former Participant.

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17. Acceptance of electric service constitutes acceptance of the obligations under this Agreement by the new property owner/Participant.
18. The Company agrees that the Customer will no longer be responsible for the monthly SolarSaver Fee if the solar water heating system cannot be repaired, as determined by the utility, other than damage caused by the Customer.
19. Customer agrees that that the solar water heating system being installed is the sole property of the legal owner of the real property.

Executed at \_\_\_\_\_, Hawaii, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Customer

\_\_\_\_\_  
Customer

\_\_\_\_\_  
Company Representative

MAUI ELECTRIC COMPANY, LTD.

Docket No. 2006-0425; Decision and Order No. 23531, dated June 29, 2007.  
Transmittal Letter Dated July 9, 2007.

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RIDER SSP - Continued

**SolarSaver Pilot Program  
Customer Agreement  
(Renter)**

This agreement is between the \_\_\_\_\_Maui Electric Company, Ltd.  
\_\_\_\_\_hereafter referred to as Company and \_\_\_\_\_(Name of utility  
customer)\_\_\_\_\_ hereafter referred to as Customer.

1. Customer hereby certifies:

- That I/we are the legal tenant(s) of residential property located at \_\_\_\_\_,
- That I/we are customer(s) of the Company for our residential electric service,
- That I/we are replacing an electric resistance water heater with a solar water heating system as part of the SolarSaver Pilot Program; and,
- That we have obtained permission for such installation from the legal owner of the property as evidenced by the signed agreement attached as Exhibit 1.

2. The Company agrees to provide full payment to the Customer's selected solar contractor<sup>3</sup> for installing one pre-qualified SolarSaver SWH system at the property address above.
3. The Company agrees to provide full payment of the Residential Efficient Water Heating (REWH) Program Solar Rebate to the customer's selected solar contractor upon successful inspection of the SolarSaver SWH system installed.<sup>4</sup>
4. Customer and Company agree that Customer may select any solar contractor who is approved by the Company for the SolarSaver Pilot Program to install the solar water heating system.

<sup>3</sup> The Solar Contractor is required to be a Company-approved participant in the Company's Residential Efficient Water Heating Program.

<sup>4</sup> Per REWH Program requirements, a solar rebate will be instantly applied to the Customer's invoice at the time of sale.

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RIDER SSP - Continued

5. Customer agrees to pay the Company a monthly SolarSaver Fee. The monthly Fee is to be collected through the utility bill for the residential electric service attached to the meter for this location, to recover the cost of equipment and installation of a solar water heating system installed by a Company-approved contractor of Customer's choice.

6. Customer agrees to the following terms of payment to the Company:

_____	Total Cost of System
_____	Less: Instant Utility Rebate from Residential Efficient Water Heating Program
_____	Balance owed by Customer
_____	Customer Monthly SolarSaver Fee
_____	Term (total number of months to pay SolarSaver Fee)

7. Customer agrees to pay to the monthly SolarSaver Fee for the period of months listed in this agreement or until:

- a) I/we vacate the residential property address listed in this agreement; or,
- b) The system is paid off earlier in full (upon Customer request);

8. Customer agrees that, with the agreement of the Company, the balance owed on the solar water heating system may be paid in full by the Customer or the Customer may agree to pay a higher monthly fee in order to pay the total balance earlier than the term above.

9. Customer agrees that non-payment of SolarSaver Fees will result in the Company collections process and possible disconnection of electrical service. Any delinquent fees collected will first be applied to the outstanding balance for electric service before additional funds are applied to the monthly SolarSaver Fee.

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10. Customer agrees that that the solar water heating system being installed is the sole property of the legal owner of the real property and is not owned by the tenant.
11. Customer agrees to notify the SolarSaver Pilot Program Administrator immediately if the installed solar water heating system fails to operate properly and coordinate the scheduling of the repair with the landlord. I/we understand that maintenance of the SWH system will be provided through either product warranty, extended warranty, or by the utility company during the period that the SolarSaver Fee is being assessed.
12. Customer agrees to receive written landlord approval to install a SolarSaver SWH system on the rental property.
13. Customer agrees to pay the monthly SolarSaver Fee for as long as they occupy the property.
14. Customer agrees to allow access by the Company, at reasonable times, for any inspection of the solar water heating system for the purposes of evaluating the SolarSaver Pilot Program.
15. The Company agrees that the Customer will no longer be responsible for the monthly SolarSaver Fee if the solar water heating system cannot be repaired, as determined by the utility, other than damage caused by the Customer.

Executed at \_\_\_\_\_, Hawaii, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Customer

\_\_\_\_\_  
Customer

\_\_\_\_\_  
Company Representative

MAUI ELECTRIC COMPANY, LTD.

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RIDER SSP - Continued

Exhibit 1

**SolarSaver Pilot Program  
Customer Agreement  
(Renter)**

LANDLORD APPROVAL FOR RENTAL PROPERTY  
SOLARSAVER INSTALLATION

I/We certify that I/we are the legal owner(s) of the residential property located at:

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and that the Tenant in this property has my permission to allow a Company approved Participating Contractor to install the Solar Water Heating (SWH) system described in the attached agreement. As the owner of this property, I/We understand that the system cost will be repaid by the Tenant to Company through a SolarSaver Fee to be assessed on the Tenant's monthly electric bill and any subsequent tenant in this property until the SolarSaver SWH system is paid for in full or until Rider SSP is terminated, whichever occurs first.

As legal owners of the property I/We agree to the installation of the pre-approved SolarSaver Solar Water Heating system, to be the owner of said system, and to notify any subsequent tenants at the same property that the tenant will be required to pay the monthly SolarSaver fee as part of their electric bill or be subject to the Company collections process which may lead to electric service disconnection. Additionally, I/We agree to sign and notarize the SolarSaver Short Form Customer Agreement (and have it notarized) to be filed by Company with the State of Hawaii Bureau of Conveyances within sixty (60) days of solar water heating system installation.

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Furthermore, I/We understand that any maintenance or repair of the SWH system during the period that the SolarSaver Fee is being assessed is the responsibility of the utility.

Executed at \_\_\_\_\_, Hawaii, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Property Owner

\_\_\_\_\_  
Property Owner

MAUI ELECTRIC COMPANY, LTD.