



Solar Lease Disclosure Form for the Successor Solar Incentive (SuSI)

Administratively Determined Incentive (ADI) Program

(The NJBPU's program that provides solar incentives to small net metered solar installations)

You are entering into a Solar Lease Agreement ("Lease") to lease a solar system that will be installed on your property. This means that you will not initially own the solar system.

The intent of this Solar Lease Disclosure Form ("Form") is to provide you with a clear understanding about the terms of your Lease. The Lessor named in your Lease is required to provide you with this Form so that you have information about the solar system, including solar system size, costs associated with the Lease, operations, and warranties. As part of the ADI Program registration requirements, this Form must be completed and signed by the parties to the Lease. This Form is not a substitute for your Lease. There are many variations on the terms and conditions of solar leases, and you should compare each solar lease offer you receive, so that you enter the lease best suited for you. We encourage you to read your Lease and this Form closely before you sign both documents.

Solar facilities registered in the ADI Program are eligible to receive incentives through the sale of the Solar Renewable Energy Credits ("SREC-IIs") that the participant's solar system produces. The recipient of the SREC-IIs is identified further in this Form. One SREC-II is created when a solar system generates 1,000 kilowatt hours (kWh) of electricity. The value of the SREC-II is administratively set in the ADI Program; projects participating in the ADI Program are eligible to receive SREC-IIs for a period of 15 years (known as the project's "Qualification Life"). For more details regarding SREC-IIs, see Box O below.

Please note: your project's registration in the ADI Program may be handled by yourself or by a third-party on your behalf. If you are directly handling the registration of your solar installation into the ADI Program, your registration package must include a copy of this Form, executed by your Lessor and you/the customer.

Under a solar lease, a customer enters into a contract to make scheduled monthly payments to a solar leasing company/developer in exchange for receiving the electricity that the solar system produces. Please note that a typical solar lease term is approximately 15 - 25 years. The solar leasing company/developer typically pays for and/or performs the procurement and installation of the solar system, repairs and maintains the solar system, and owns the solar system located on the property. Depending on the solar lease agreement, there may or may not be a requirement for the property owner to make an initial down payment at or before the time the solar system is installed. Please ensure that you read your contract and this Form carefully to ensure that you understand the provisions specific to your installation.

Generally, the initial monthly lease payment amount is less than the amount you would pay your electric utility for the same amount of electricity. However, monthly lease payment amounts may escalate at a fixed annual percentage or on some other basis. This could result in the monthly lease payment amount becoming higher, or lower, than the monthly electric utility payment amount in the future, depending on the percentage escalation and on changes in future electric utility rates.

If you have any questions regarding the ADI Program requirements, please contact njreinfo@njcleanenergy.com.

You can find additional information on Lease Agreements and other solar finance options on the NJ Clean Energy Website at [Solar Finance Options](#).



**Solar Lease Disclosure Form
for the
Successor Solar Incentive (SuSI)
Administratively Determined Incentive (ADI) Program**

SOLAR LEASE DISCLOSURE STATEMENT

This Disclosure Form is designed to help you understand the terms and cost of your solar lease.

YOU ARE ENTERING INTO AN AGREEMENT TO LEASE A SOLAR SYSTEM. YOU WILL NOT OWN THE SOLAR SYSTEM INSTALLED ON YOUR PROPERTY. DEPENDING ON THE TERMS OF THE LEASE, YOU MAY OR MAY NOT BE ABLE TO CLAIM THE FEDERAL TAX CREDIT OR ANY OTHER SIMILAR GOVERNMENT INCENTIVE, INCLUDING, BUT NOT LIMITED TO SOLAR RENEWABLE ENERGY CERTIFICATES (SREC-IIs).

LESSOR:

SOLAR INSTALLER:

WARRANTY/MAINTENANCE, (IF APPLICABLE):

Company:		Company:		Company:	
Contact:		Contact:		Contact:	
Address:		Address:		Address:	
Telephone:		Telephone:		Telephone:	
Email:		Email:		Email:	

CUSTOMER (Premise Contact):

Customer Name:	
System Installation Address:	
Mailing Address:	
Phone Number:	
Email:	

Amount & Term (A)

Amount Due Up-Front (B)

Other Possible Charges (C)

Your monthly payment during the first year of lease, excluding any fees or discounts related to automatic withdrawals (ACH):

\$ _____

The length of your solar lease:
 _____ Year(s)
 _____ Month

1. Amount you owe Lessor at lease signing:

\$ _____

2. Amount you owe Lessor at completion of installation:

\$ _____

3. Amount of any incentives Lessor owes you at completion of installation:

\$ _____

The total net up-front payments:

You owe Lessor (1+2-3)

\$ _____

Lessor Owes You (3-(2+1))

\$ _____

Other charges you may have to pay under the lease:

Late Charges:

If a payment is more than _____ days late, you will be charged a delinquent fee of:

\$ _____ per _____ (day/month).

OR

% _____ of the payment that is late.

Additional clarification, including which amount sets any cap or floor for the late charge:

Automatic Withdrawals (ACH):

Per month fee for not paying your Lease payment due, using automatic bank withdrawals.
\$ _____

Per month discount if you pay your Lease payment using automatic bank withdrawals.
\$ _____

NOTE: See box E: "Lease Payment Escalator" for factors that may affect the amount of future monthly payments beyond the first year.

Number of Lease Payments and When are Payments Due (D)	Lease Payment Escalator (E)												
<p>The number of Lease Payments you will make: <input style="width: 50px;" type="text"/></p> <p>The first payment on your solar lease is due on the <input style="width: 30px;" type="text"/> day of the <input style="width: 30px;" type="text"/> calendar month after the solar system is connected</p> <p>Additional Comments: <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/></p> <p>Lessor will provide you with: Electronic invoices (sent to your email above) Paper Invoices (sent to your US mailing address above)</p>	<p>The amount of your Lease payment will increase: Never Annually Other, if other, the payment increase frequency will be: <input style="width: 100%; height: 20px;" type="text"/></p> <p>Your Lease payment amount will increase by the following amount each time it increases: <input style="width: 50px;" type="text"/> %</p> <p>The first increase will occur on: Month <input style="width: 30px;" type="text"/> Year <input style="width: 30px;" type="text"/></p> <p>Subsequent Lease payment increases will occur every <input style="width: 30px;" type="text"/> (quarter/year, etc.) thereafter.</p> <p>Additional comments: <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/></p> <p>The maximum monthly Lease payment (excluding late charges) during the initial term of the Lease is: \$ <input style="width: 80px;" type="text"/></p>												
Site & Design Assumptions for your Leased System (F)													
<ul style="list-style-type: none"> • Estimated leased system size, in kilowatts (kW) for first year: <input style="width: 80px;" type="text"/> kW • Estimated gross annual electricity production in kilowatt-hours (kWh) from your leased system for first year: <input style="width: 80px;" type="text"/> kWh • Estimated annual system production decrease due to natural aging of system: <input style="width: 80px;" type="text"/> % per year. 													
Security Filing (G)													
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; text-align: center;">Lessor</td> <td style="width: 15%; text-align: center;">WILL</td> <td style="width: 15%; text-align: center;">WILL NOT</td> <td style="width: 55%; padding-left: 10px;">Take a security interest in your real property by terms of the lease (i.e., a lien or mortgage on your home).</td> </tr> <tr> <td style="text-align: center;">Lessor</td> <td style="text-align: center;">WILL</td> <td style="text-align: center;">WILL NOT</td> <td style="padding-left: 10px;">File a fixture filing or a UCC-1 on the system (a public filing informing others that Lessor owns the system but <u>not</u> placing a lien or mortgage on your home) if the answer to this question is "WILL" is the Lessor obligated under the Lease to provide you with a copy of the fixture filing or UCC-1, once such filing has occurred?</td> </tr> <tr> <td colspan="3"></td> <td style="text-align: center;">Yes No</td> </tr> </table>		Lessor	WILL	WILL NOT	Take a security interest in your real property by terms of the lease (i.e., a lien or mortgage on your home).	Lessor	WILL	WILL NOT	File a fixture filing or a UCC-1 on the system (a public filing informing others that Lessor owns the system but <u>not</u> placing a lien or mortgage on your home) if the answer to this question is "WILL" is the Lessor obligated under the Lease to provide you with a copy of the fixture filing or UCC-1, once such filing has occurred?				Yes No
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			Yes No										
System Repair & Maintenance (H)													
<p>System maintenance <input type="checkbox"/> IS <input type="checkbox"/> IS NOT included for the term of the Lease from Lessor or a Third Party (such as an installer or equipment manufacturer).</p> <p>System repairs <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT included for the term of the Lease from Lessor or a Third Party (such as an installer or equipment manufacturer).</p> <p>If system maintenance and/or repairs are included, you at your own cost are nonetheless required to perform the following maintenance and/or repairs on the solar system: <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/></p>													
Roof Warranty & Removal (I)													
<p>Your roof <input type="checkbox"/> IS <input type="checkbox"/> IS NOT warranted against leaks from the solar system installation for <input style="width: 50px;" type="text"/> year(s)</p> <p>Your roof IS warranted against leaks from the solar system, the warranty will be provided by <input style="width: 100%; height: 20px;" type="text"/> and is applicable for <input style="width: 50px;" type="text"/> year(s).</p> <p>Many roofs may need to be repaired or replaced during the term of a solar Lease in a manner that requires the solar system be removed. Further, many homeowners may choose to conduct remodeling during the term of the solar Lease that requires the solar system to be removed.</p> <p>If the solar system must be removed, then there <input type="checkbox"/> WILL <input type="checkbox"/> WILL NOT be a fee associated with such removal.</p> <p>Flat fee for solar system removal: \$ <input style="width: 80px;" type="text"/> Other (Complete with a clear consumer-friendly calculation using terms that are clearly defined in this Form and completing any necessary mathematics (e.g., "0.6/W" is unacceptable, whereas "\$600/kW x Your System Size of 10 kW=\$6,000" is acceptable). (Also, provide a citation below to the relevant section(s) of the Lease where such fee for solar system removal is discussed.) <input style="width: 100%; height: 20px;" type="text"/></p> <p>If your solar system must be removed for any reason, your roof <input type="checkbox"/> IS <input type="checkbox"/> IS NOT warranted against leaks caused by Lessor's removal of the solar system.</p> <p>If your roof IS warranted against leaks caused by the Lessor's removal of the solar system, the warranty will be provided by <input style="width: 100%; height: 20px;" type="text"/> and is applicable for a period of <input style="width: 50px;" type="text"/> (months/years) following system removal.</p> <p>Following the removal to the solar systems, the Lessor <input type="checkbox"/> WILL <input type="checkbox"/> WILL NOT be responsible for returning any impacted portion of the roof to substantially its condition prior to removal.</p>													
Transferring or Assigning Your Lease, Selling Your Home, Moving Your System (J)													
<p>If you sell your home, you <input type="checkbox"/> MAY <input type="checkbox"/> MAY NOT transfer or assign this solar Lease to the purchaser(s) of your home.</p> <p>If your Lease permits you to transfer or assign it, the transfer or assignment will be subject to the following conditions:</p> <p>Credit check from the purchaser(s) of your home Minimum FICO score requirement (provide score): <input style="width: 80px;" type="text"/></p> <p>Transfer, audit, or similar fee in the amount of \$ <input style="width: 80px;" type="text"/></p> <p>Assumption of Lease by purchaser(s) of your home Other <input style="width: 100%; height: 20px;" type="text"/></p> <p>If this box is checked <input type="checkbox"/> you also have the right to purchase the solar system or to terminate the Lease by paying some or all of the remaining payment due on the Lease, as as described in more detail in Section(s) <input style="width: 50px;" type="text"/> of the Lease.</p> <p>You <input type="checkbox"/> MAY <input type="checkbox"/> MAY NOT move the solar system covered by the Lease to a new home.</p> <p>If you MAY move your system, the conditions under which you may do so are described in detail in Section(s) <input style="width: 50px;" type="text"/> of the Lease.</p> <p>IMPORTANT NOTE: If you are prevented from transferring the Lease (because, for example your Lease prohibits its transfer, or the buyer of your home cannot satisfy the conditions of Lease transfer), and you nonetheless sell your house, you would be required to do the following [describe in detail, including total amount and when due, all payments due, and citations to relevant sections of the Lease that contain these provisions.] <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/></p>													
Taxes (K)													
<p>Solar systems currently are not subject to property tax in New Jersey. Consult a tax professional if you have any questions or concerns about the effect of this Lease on your taxes.</p>													

Utility and Electricity Usage/Savings Assumptions (L)

The Lessor HAS HAS NOT provided you with a savings estimate based on your Lease.

If provided, the savings estimate was calculated based on:

- Your estimated prior electricity use
- Your actual prior electricity use
- Your estimated future electricity use

The savings estimate ASSUMES the following:

Years of electricity production from your leased system:

A current estimated UTILITY ELECTRICITY RATE of [cost per kilowatt-hour kWh] during the first Lease year with estimated increases of percent annually. Lessor based this estimate on the following source(s):

Lessor IS IS NOT guaranteeing these savings. If Lessor is guaranteeing savings, underperformance will be compensated as follows:

Transfer of Obligations by Lessor (M)

Without your consent, the Lease may be assigned, sold or transferred by Lessor to a Third-Party that will be bound to all the terms of the Lease.

Performance or Production Guarantee (N)

Lessor is providing you with a:

- Performance guarantee
- Solar System Production guarantee
- No guarantee of performance or system production

Underproduction or underperformance on the guarantee will be remedied as follows:

New Jersey Solar Renewable Energy Certificates II (SREC-II) (O)

Any NJ Solar Renewable Energy Certificates II (SREC-IIs) created based on the production of solar electricity from the solar system WILL WILL NOT be owned by the Lessor. If the Lessor owns the SREC-IIs, the Lessor may sell the SREC-IIs to the SREC-II Administrator.

If under the terms of your Lease Agreement , you will own SREC-IIs produced by the solar system then you can sell or assign to a Third Party.

HAVE NOT been sold or assigned to any Third Party

HAVE been sold or assigned to

*If you have assigned the SREC-IIs to a Third Party, you will not own the SREC-IIs and the Third Party may be able to sell the SREC-IIs to the **SREC-II Administrator.*

If you will own the SREC-IIs, additional registration activities must be accomplished with both the PJM-EIS Generation Attribute Tracking System ("GATS") and the SREC-II Administrator:

My solar installer will have the responsibility for establishing my account with PJM-EIS GATS and the SREC-II Administrator

I (customer) will have the responsibility for establishing my account with PJM-EIS GATS and the SREC-II Administrator

I wish to make my contact information available to SREC-II brokers registered with the PJM-EIS GATS system to help me with the GATS and SREC-II payment registration systems.

** SREC-II Administrator" means the entity responsible for administering the procurement and allocation, and coordinating the retirement, of NJ SREC IIs. Website: <https://solarincentivesnj.com/>

Lease Expirations (P)

The effects of the expiration of the Lease are described in detail in Section(s) [] of the Lease.

Additional Disclosures (Q)

(Insert any additional items of importance here)

Cooling Off Period/Right to Cancel (R)

In addition to any rights you have under state or local law, you WILL HAVE the right to terminate the Lease without penalty within [] business days of your execution of it by notifying Lessor, in accordance with the procedures set forth in Section(s) [] of the Lease. (3-business day minimum)

Signatures (S)

If using electronic signatures, please upload the Certificate of Completion or the Signature Verification Sheet along with this Disclosure Form as part of this solar installation's ADI Program registration.

I certify that the Lessor provided this Solar Lease Disclosure Form to the Lessee/Customer on the date set forth below my signature.

[]
NAME OF LESSOR (PRINT)

[]
NAME (SIGNATURE)

[]
DATE

I the Lessee/Customer hereby acknowledge that I have received, read, and understood this Lease Disclosure Form on the date set forth below my signature.

[]
PREMISE SITE HOST /CUSTOMER (PRINT)

[]
PREMISE SITE HOST/CUSTOMER (SIGNATURE)

[]
DATE