

Rockland Electric Company
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New Jersey Community Solar
Energy Program (CSEP)
Consolidated Billing Manual

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Consolidated Billing Manual for CSEP Projects

1. Introduction

New Jersey Community Solar Energy Program

The New Jersey Community Solar Energy Program (“CSEP”) was established to promote the development of solar energy projects that benefit communities, especially those of low- and moderate-income (“LMI”) customers that might not have direct access to solar energy. The CSEP allows utility customers to participate in a solar energy project that is not located on their property and receive credits on their utility bills for their share of the solar energy produced.

The CSEP was established following the Clean Energy Act of 2018 and the Solar Act of 2021, which aimed to increase New Jersey’s (“NJ” or the “State”) solar energy capacity and allow LMI communities to benefit from clean energy. The CSEP initially started as a pilot program and has since transitioned into a permanent program. It provides incentives to eligible community solar facilities to support the orderly development of solar electric generating sources throughout the State. The Community Solar regulations are codified at *N.J.A.C. 14:8-9 et seq.*

NJ Community Solar Consolidated Billing Program

The NJ Community Solar Consolidated Billing Program (“Consolidated Billing Program”) is designed to streamline the billing process for customers participating in community solar projects. The Consolidated Billing Program allows utility companies to issue a single, consolidated bill that includes both the utility’s distribution charges and the charges and credits from the community solar provider. This simplifies the payment process for customers and enhances the overall customer experience by making it easier to manage their energy costs.

2. Definitions

The capitalized terms included in this CSEP Consolidated Billing Manual (“Consolidated Billing Manual”) shall have the meanings set forth below.

Allocated Credit: The credit allocated from a CSEP Project to a Subscriber.

Applied Credit: That portion of the Total Available Credit, that offsets the Subscriber’s electric service bill from the Company during an individual billing period. A Subscriber’s Applied Credit cannot exceed the amount of a Subscriber’s electric service bill, less non-bypassable charges, from the Company during an individual billing period.

Anchor Subscriber: For purposes of this Manual, a Subscriber that is demand billed by the Company and is designated by the CSEP Sponsor to be excluded from Consolidated Billing

CSEP Allocation Request: The CSEP Sponsor’s instruction to the Company as to the disposition of Allocated Credit or Sponsor Bank Allocated Credit.

CSEP Sponsor Payment: The payment from the Company to the CSEP Sponsor representing the sum of the CSEP Subscription Fees from the CSEP Project, less the sum of the Utility Administrative Fees retained by the Company.

Subscriber: A Company electric distribution customer who is allocated credits from its CSEP Sponsor.

CSEP Savings Rate: The rate used to calculate the value of the CSEP Project's monthly Allocated Credits that will be provided by the Utility to Subscribers' electric utility accounts, where such rate shall not be less than fifteen percent.

CSEP Subscription Fee: The amount of the Applied Credit withheld from the Subscriber's electric monthly bill, representing the amount owed to the CSEP Sponsor by the Subscriber.

Enrollment Period: A 60-day period that begins once the Company receives the completed Enrollment documentation.

Sponsor Bank Allocated Credit: The credit allocated by the CSEP Sponsor from the CSEP Sponsor's Banked Monetary Credit.

Total Available Credit: The credit available to offset a Subscriber's bill from the Company. The Total Available Credit is the sum of the Allocated Credit, Sponsor Bank Allocated Credit (if any), and any remaining credit from the preceding billing month that was carried forward to the current billing period.

Administrative Fee: The amount paid by the CSEP Sponsor to the Company for participation in the Consolidated Billing Program. The rate used to calculate the Administrative Fee is currently set at one percent.

3. Enrollment Process:

- 3.1. The CSEP Sponsor shall submit the following required enrollment documentation to the Company:
 - 3.1.1 Enrollment Checklist;
 - 3.1.2 Consolidated Billing Agreement;
 - 3.1.3 CSEP Sponsor Certification Form;
 - 3.1.4 Payment documentation, including Automated Clearinghouse (“ACH”) form, IRS Form W-9, and Bank Letter; and
 - 3.1.5 CSEP Allocation Request Form (“Allocation Form”).
- 3.2. The enrollment documentation is attached hereto as Appendices A, B, C and D.
- 3.3. The enrollment documentation shall be submitted to the Company via upload to the Company’s interconnection online portal, PowerClerk. A 60-day Enrollment Period will begin once the Company receives all completed documentation.
- 3.4. Existing projects that apply for Consolidated Billing shall submit to the Company all the enrollment documentation listed above.
- 3.5. During the Enrollment Period the Company will review the submitted enrollment documentation.
- 3.6. The CSEP Sponsor shall execute the Consolidated Billing Agreement and submit it to the Company for execution.
- 3.7. By submitting a CSEP Allocation Request, the CSEP Sponsor shall certify that the CSEP Sponsor has entered into written contracts with each of its Subscribers acknowledging that each Subscriber will receive net credits pursuant to the Consolidated Billing Program.

4. Initial CSEP Allocation Request:

- 4.1. The CSEP Sponsor shall complete and submit to the Company an initial allocation request using the Allocation Form included in Appendix C.
- 4.2. Initial CSEP Allocation Requests must be received by the Company via PowerClerk as part of the enrollment documentation, a minimum of 60 days before commencing service as a CSEP Project. The CSEP Sponsor shall designate in its initial application for CSEP service, the CSEP Sponsor account, the Subscriber accounts that will receive credits under the CSEP Program, the allocation percentages, and the initial Savings Rate. The Company will notify the CSEP Sponsor when submission of a complete and accurate initial CSEP Allocation Request has been accepted by the Company.
- 4.3. The Company shall use the initial CSEP Allocation Request for disposition of a CSEP Sponsor's Allocation Credit until such time that a subsequent CSEP Allocation Request is effective.

5. Subsequent CSEP Allocation Request:

- 5.1. To modify a CSEP Allocation Request, the CSEP Sponsor shall complete and submit an updated Allocation Form included in Appendix C, in accordance with the requirements set forth below.
- 5.2. In an updated Allocation Form, the CSEP Sponsor may modify: (1) the Subscriber accounts; and/or (2) the percentage allocated to one or more of its Subscriber accounts. The CSEP Sponsor may submit updates once per CSEP Sponsor billing cycle by the CSEP Sponsor's giving notice to the Company no less than 45 days before the CSEP Sponsor's account's cycle billing date to which the modifications apply.
- 5.3. CSEP Allocation Requests will be effective with the first full CSEP Sponsor billing period that commences at least 30 days after the Company's receipt of an accepted Allocation Form.

6. CSEP Savings Rate

- 6.1. The CSEP Sponsor shall complete and sign the Allocation Form and indicate the amount of the CSEP Savings Rate.
- 6.2. The CSEP Savings Rate shall not be less than fifteen percent,¹ not to exceed two decimal points (*e.g.*, 15% will be shown as 0.15).
- 6.3. The sum of the CSEP Savings Rate and the rate of the Administrative Fee may not exceed 100 percent.
- 6.4. The CSEP Sponsor may elect a project level CSEP Savings Rate, or set the Saving Rate at the Subscriber level.

7. Anchor Subscriber

- 7.1. The CSEP Sponsor shall complete and sign the Allocation Form and indicate the Anchor Subscriber(s), if applicable.
- 7.2. The CSEP Sponsor may modify the Anchor Subscriber(s) once per CSEP Sponsor billing cycle by submitting an updated Allocation Form to the Company no less than 45 days before the CSEP Sponsor account's cycle billing date to which the modifications apply.

8. Calculation of Credit, Subscriber Payment, and Administrative Fee

- 8.1. The CSEP Savings Rate applied to a Subscriber's bill will be the rate in effect on the Subscriber's bill period end date, regardless of the savings rate in effect during the billing period for which the underlying credit was allocated by the CSEP Sponsor.
- 8.2. A Subscriber's Allocated Credit will be calculated each CSEP Sponsor billing period.

¹ Note that the BPU refers to the "CSEP Savings Rate" as the "bill credit discount." Pursuant to the BPU Order dated August 16, 2023, the current guaranteed minimum bill credit discount rate is fifteen (15) percent. See *In the Matter of the Community Solar Energy Program*, BPU Docket No. QO22030153, Order dated August 16, 2023. Therefore, the current minimum CSEP Savings Rate is fifteen (15) percent).

- 8.3. A Subscriber's Applied Credit will be calculated based on the portion of the Total Available Credit that offsets the Subscriber's electric bill from the Company each billing period.
- 8.4. A CSEP Subscription Fee will be calculated based on a Subscriber's Applied Credit each billing period. The CSEP Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CSEP Savings Rate.
- 8.5. When a Subscriber is billed, the Company shall apply a net credit to the Subscriber's electric charges equal to the Applied Credit less the CSEP Subscription Fee.

For example, a Subscriber has a Total Available Credit of \$100. The Subscriber's electric bill charges from the Company are \$90. The Applied Credit is \$90 and \$10 is converted back to kWh and carried forward to the Subscriber's subsequent billing period. Using a Savings Rate of fifteen percent, the Subscriber Net Credit is \$13.50, CSEP Subscriber Fee is \$76.50 (*i.e.*, $\$90 \times (1 - .15) = \76.50).

- 8.6. The Administrative Fee is equal to the CSEP Subscription Fee multiplied by one percent.

Using the above example, the Administrative Fee is \$0.77 (*i.e.*, \$76.50 CSEP Subscription Fee multiplied by the one percent Administrative Fee).

- 8.7. If the CSEP Sponsor identifies an Anchor Subscriber(s), the Company will not apply any CSEP Subscription Fee to the Anchor Subscriber's portion of the Applied Credit.
- 8.8. For the first billing cycle to which Consolidated Billing is applicable and all subsequent billing cycles, the CSEP Savings Rate will be applied to any credit carryover and Sponsor Bank Allocation applied to the Subscriber's bill that month. This includes any credit carryover and Sponsor Bank allocation that existed on the Subscriber's account prior to the CSEP Project's participation in the Consolidated Billing Program.
- 8.9. The Company shall provide to the CSEP Sponsor each month the CSEP Detail Report which contains Subscriber's level account details for the credits applied and the Consolidated Billing Program.

9. Payment to CSEP Sponsor

- 9.1. The CSEP Sponsor shall pay the Company the Administrative Fee on a monthly basis.
- 9.2. The Company's payment to the CSEP Sponsor will include all CSEP Subscription Fees net of the Administrative Fees that were withheld from Subscribers billed during the CSEP Sponsor's billing cycle.
- 9.3. The Company shall remit payment to the CSEP Sponsor on a monthly basis. Payment shall be via ACH and within 45 days from the CSEP Sponsor's account's cycle billing end date. This will allow approximately 30 days to transfer credits, apply credits, and collect the CSEP Subscription Fee with up to an additional 14 days to process the ACH.
- 9.4. The Company must receive changes to banking information at least 60 days prior to the CSEP Sponsor's account's cycle billing date on which the banking information will become effective.
- 9.5. The Company shall provide payment details to the CSEP Sponsor related to each Subscriber on the monthly CSEP Detail Report.

10. Subscriber Drops from CSEP Project

- 10.1. After the Company renders a final bill for any customer receiving credits, any remaining credit will be cashed out at the wholesale rate.
- 10.2. Any cashouts performed for dropped or finalized Subscribers will also be subject to the collection of the CSEP Sponsor and Administrative Fee.

11. CSEP Sponsor/Project Change of Ownership

- 11.1. The CSEP Sponsor shall notify the Company of any change of ownership of the CSEP Project or the CSEP Sponsor at least 60 days prior to the effective date of the change.
- 11.2. The new owner will execute and submit all required payment documents listed in the enrollment documentation pursuant to Section 3 above, at least 60 days prior to their effective date. The CSEP Sponsor will also provide the Company with the required documentation for the changes as set forth in the Consolidated Billing Agreement.

12. Subscriber Inquiries

- 14.1 The Company shall be responsible for resolving utility billing-related Subscriber inquiries and complaints. In the case of Subscriber inquiries to the Company related to the CSEP Sponsor, the Company will promptly provide Subscribers with the CSEP Sponsor's contact information.

Appendix A

Consolidated Billing Enrollment Form/Application Checklist

Project ID (assigned by RECO): _____

Project Name: _____

Address: _____

Project RECO Account Number (if available): _____

Contact Name, Phone Number and Email Address for questions: _____

The Host shall submit the following documents along with this checklist to the Company in the manner indicated. Once the Company receives all completed forms, the 60 day Enrollment Period will begin. The Company will notify the Host via email upon receipt of all completed enrollment documents.

1. Checklist – upload to PowerClerk
2. Consolidated Billing Agreement – sign and date; then upload to PowerClerk
3. Sponsor Certification Form – upload to PowerClerk
4. Subscriber Allocation Request – complete, sign and date; then upload to PowerClerk
5. Payment information – complete and upload to PowerClerk
 - a. Automated Clearinghouse form
 - b. IRS Form W-9
 - c. Bank Letter

Sponsor Certification Form

Please check all applicable boxes:

	Enrollment in Consolidated Billing Program
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Subscriber Account Information

The CSEP Sponsor shall designate at least ten Subscriber Accounts with this initial application, all located in the Company's service territory. Subscribers shall not have on-site generation or receive credits from another NJ Community Solar Energy Project. The CSEP Sponsor shall provide the "initial" list of Subscriber Accounts to the Company at least 60 days before the Company issues the first CSEP Sponsor bill.

Sponsor Certification

CSEP Sponsor must complete all sections.

Section A. Enrollment in the Consolidated Billing Program

I certify that this application meets all terms and conditions of the NJ Community Solar Regulations, which are codified at *N.J.A.C. 14:8-9 et seq.*

I certify that I have notified all Subscribers of the Savings Rate submitted to the Company for use in the Consolidated Billing program, and that the Savings Rate will not be reduced without the affirmative consent of all affected subscribers.

I certify that the Anchor Satellite has agreed to receive the full value stack credit without reduction for any CDG Subscription Fee.

Section B: Signature of Authorized Representative of the Host

To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

Name of Sponsor (Please print) _____

SponsorUtility Account Number _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation to person responsible for account (Check one)

Owner Partner Agent [Attach documentation of authorization by Principal]

Corporate Officer Other (specify)_____

Completed form should be uploaded to PowerClerk

Community Distributed Generation (CSEP) Allocation Request Form

Rockland Electric Company

Community Solar Energy Program (CSEP) Allocation Request Form

SECTION I - Host Information						
CSEP Host Account:	11111-11111	Account Name:	Customer One			
Service Address:	Name	Mailing Address:	Name			
	Company		Company			
	Address		Address			
	City, State ZIP Code		City, State ZIP Code			
Customer Contact:	First Name Last Name	Phone:	333-333-3333			
e-mail address	emailaddress@unknow	Project Number:				
SECTION II - Subscriber Allocation Information						
Check One:	Initial Allocation Request: must be submitted at least 60 days prior to the CSEP Host Account commencing service under the CSEP Program.					
	Subsequent Allocation Request: must be submitted no less than 30 days before the CSEP Host Account's cycle billing date to which the modifications apply.					
	Request for Allocation of CSEP Host Banked Credits: is effective for a one-time allocation only and will be executed on the CSEP Host's next bill, no earlier than 15 days after receipt of this form. The most recent Initial Allocation Request or Subsequent Allocation Request , as applicable, will continue to apply to all on-going allocations.					
	Rockland Electric Co. Account Number (10 digits)	Rockland Electric Co. Account Name	LMI Subscriber (Y/N)	Savings Rate	Anchor Satellite (Place X if selecting as an anchor customer)	Distribution Percentage (not to exceed 100.000%)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
						0.000%

Additional lines can be added, as needed, to extend the above list to capture additional CSEP subscriber accounts. Each attached sheet must be signed and dated by the undersigned.

SECTION III - CSEP Savings Rate

The CSEP Savings Rate will be applicable to all Satellites, except for the Anchor Satellite denoted above, if any. The CSEP Savings Rate terms, conditions, and procedures are set forth in the Tariff, and the Company's CSEP Consolidated Billing Manual as may be amended from time to time.

Select One (place X to select)	<input type="checkbox"/>	Not Applicable: to be selected if CSEP Project is not enrolled in the CSEP Consolidated Billing Program.
	<input type="checkbox"/>	Initial CDG Savings Rate: must be submitted at least 60 days prior to the CSEP Host Account commencing service under the CSEP Consolidated Billing Program.
	<input type="checkbox"/>	Updated CSEP Savings Rate: must be submitted no less than 30 days before the CSEP Host Account's cycle billing date to which the modifications No Change: to be selected if there is no change to the CDG Savings Rate when submitting a Subsequent Allocation Request.
CDG Savings Rate:	<input type="text" value="1.00"/>	
Name:		Title:
Signature:		Date:

SECTION IV- Submission

Completed allocation request forms should be uploaded to PowerClerk under your project. The data will be returned to you via PowerClerk once the data request has been processed

Community Solar Energy Program Consolidated Billing Agreement for [Project Name and PowerClerk Identification Number]

THIS AGREEMENT (“Agreement”) is made this _____ day of _____, 20____, (“Effective Date”), by and between **ROCKLAND ELECTRIC COMPANY** (“RECO”), a New Jersey corporation with an office at One Lethbridge Plaza, Suite 32 – Second Floor, Route 17 North, Mahwah, New Jersey 07430 and _____, (“ CSEP Sponsor”), a [state] [type of legal entity], the sponsor of a Community Solar Energy Project (“CSEP”) with a principal place of business at _____. RECO and the CSEP Sponsor are also individually referred to herein as a “Party” or collectively as “Parties.”

WHEREAS, the Board has issued regulations, 14:8-9.1, *et seq*, (“Regulations”), setting forth the rules for the establishment of a Community Solar Program; and

WHEREAS, the CSEP Sponsor is a Distributed Energy Resource (“DER”) provider registered with the Board with a CSEP located at _____, and identified by RECO as _____;

WHEREAS, the CSEP Sponsor has enrolled customers of RECO to participate in the CSEP (“Subscribers”); and

WHEREAS, the Regulations require that the CSEP Sponsor provide bill credits from the CSEP to Subscribers; and

WHEREAS, the CSEP Sponsor periodically shall designate the rate used to calculate the value of the CSEP’s monthly bill credits (“CSEP Savings Rate”) that will be provided by RECO to Subscribers; and

WHEREAS, the Regulations require that Subscribers pay subscription fees to the Sponsor; and

WHEREAS, the Regulations require that RECO provide consolidated billing to Subscribers by means of a consolidated billing program (“Consolidated Billing Program”); and

WHEREAS, RECO’s Board-approved Electric Tariff, B.P.U.NO.3-ELECTRICITY (“Electric Tariff”), setting forth the terms of the Consolidated Billing Program; and

WHEREAS, RECO has filed with the Board its consolidated billing manual that sets forth the manner in which RECO will implement its Consolidated Billing Program (“Consolidated Billing Manual”); and

WHEREAS, under the Consolidated Billing Program, RECO will provide any bill credit from the CSEP to the Subscriber, and pay the Subscriber’s subscription fee to the CSEP Sponsor; and

WHEREAS, the Regulations allow RECO to charge the CSEP Sponsor an administrative fee

for the CSEP Sponsor's participation in the Consolidated Billing Program; and

WHEREAS, under the Consolidated Billing Program, RECO has established a billing process to calculate the total value of a Subscriber's bill credits, remit a percentage of the value of such credits to the CSEP Sponsor (less RECO's administrative fee) ("CSEP Sponsor Payment"), and provide the net credit value of such credits on the Subscriber's electric utility bills, allocated as directed by the CSEP Sponsor; and

WHEREAS, RECO is willing to implement the Consolidated Billing Program for the CSEP, subject to the terms and conditions of this Agreement, the Regulations, and any subsequent Board Orders and regulations; and

NOW THEREFORE, in consideration of the promises, premises and covenants contained herein, and the receipt of other good and valuable consideration, the receipt, adequacy and sufficiency of which are agreed upon and acknowledged by each Party, the Parties, through their duly authorized representatives and intending to be bound, hereby agree as follows:

1. Term/Termination

- 1.1.** This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Board, whichever shall occur first.

- 1.2.** Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electric Tariff, RECO, by written notice to the CSEP Sponsor, may terminate this Agreement in whole or in part with respect to the CSEP or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the CSEP Sponsor or CSEP terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CSEP Sponsor or CSEP becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 12.7) makes an assignment for the benefit of creditors; (c) the CSEP Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Consolidated Billing Program and has not cured such breach within thirty (30) days after receipt of a written notice from RECO specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as the CSEP Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CSEP is in material violation of RECO's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from RECO specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty

(30) days, the cure period will be extended as long as the CSEP Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, RECO may take immediate actions with respect to the CSEP interconnection if deemed necessary by RECO, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.

2. Representations.

- 2.1.** The CSEP Sponsor represents that it is and shall remain in compliance with the Regulations, all applicable laws, tariffs, regulations, and RECO's electric standards, safety, and cybersecurity standards with respect to the CSEP during the term of this Agreement including the Electric Tariff.
- 2.2.** Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 2.3.** Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 2.4.** RECO and the CSEP Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.

3. CSEP Sponsor's Rights and Responsibilities

- 3.1.** The CSEP Sponsor will enroll the CSEP and Subscribers in the Consolidated Billing Program pursuant to the Consolidated Billing Manual. When enrolling the CSEP in the Consolidated Billing Program, the CSEP Sponsor shall designate one CSEP Savings Rate which will be applicable to all Subscribers for the CSEP, or select individual savings applicable to individual Subscribers.
- 3.2.** The CSEP Sponsor shall provide RECO with all information required in the Consolidated Billing Manual. The CSEP Sponsor shall respond promptly (within no more than two (2) business days) to RECO's requests for Consolidated Billing Program related data to the extent such data is required for RECO to perform its obligations under this Agreement.

- 3.3.** The CSEP Sponsor shall handle customer inquiries and complaints from Subscribers related to the CSEP and such calls will not be handled by RECO. RECO will remain responsible for resolving RECO billing-related customer inquiries and complaints.
- 3.4.** The CSEP Sponsor shall cooperate with and provide RECO with necessary documentation relating to any transactions related to this Agreement.
- 3.5.** The CSEP Sponsor shall provide timely and accurate information to RECO regarding participating Subscribers and any other information necessary for RECO to perform its obligations under this Agreement.
- 3.6.** The CSEP Sponsor agrees that services rendered by RECO shall not relieve the CSEP Sponsor from any obligation to maintain records or otherwise comply with applicable laws and regulations. The CSEP Sponsor agrees that it will maintain backup data and files for all information provided to RECO as protection against loss of such information.
- 3.7.** In the event that the CSEP Sponsor receives a subscription payment directly from a Subscriber in error, the CSEP Sponsor shall return such payment to the Subscriber.
- 3.8.** The CSEP Sponsor is responsible for notifying RECO of any changes to Subscriber allocations in accordance with the rules and guidelines of the Consolidated Billing Manual.

4. RECO's Rights and Responsibilities

- 4.1.** RECO shall remit the CSEP Sponsor Payment to the CSEP Sponsor in accordance with the procedures established in the Consolidated Billing Manual. The CSEP Sponsor Payment shall be remitted to CSEP Sponsor via Automated Clearing House ("ACH"). Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after RECO has applied the subscription fee to a Subscriber's electric utility bill.
- 4.2.** RECO shall provide credits on Subscriber's electric utility bills, allocated pursuant to the CSEP Sponsor's directive.
- 4.3.** In the event RECO is required to cancel and rebill from the CSEP Sponsor or Subscriber(s), the CSEP Sponsor Payment will reflect the effect of those adjustments.
- 4.4.** RECO will provide information to the CSEP Sponsor utilizing the format, methods, and timeframes defined in the Consolidated Billing Manual.

- 4.5. RECO shall be responsible for resolving RECO billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CSEP Sponsor, the Utility will promptly provide customers the CSEP Sponsor's contact information.
 - 4.6. For Subscribers enrolled in budget billing plans, RECO is responsible for subtracting their credits from the current amount due rather than the underlying budget billing deferred balance.
 - 4.7. RECO is responsible for updating and implementing Subscriber allocation lists as directed by the CSEP Sponsor, in accordance with relevant rules and guidelines of the CSEP.
 - 4.8. RECO shall provide credits to Subscribers within two (2) months after the CSEP Sponsor's billing cycle.
5. **RECO Compensation.** To compensate RECO for the provision of the Consolidated Billing Program, RECO will retain an administrative fee, deducted from the CSEP Sponsor Payment, as described in the Electric Tariff.
 6. **Taxes.** RECO is not responsible for assessing or collecting any taxes on payments made to the CSEP Sponsor. Nothing in this Agreement shall be construed as imposing upon RECO the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CSEP Sponsor.
 7. **Confidential Information**
 - 7.1. Except as otherwise provided herein, the Parties agree not to disclose to any third party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 7.1 and described in paragraph 7.2 is collectively referred to as "Confidential Information." Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.

- 7.2.** In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.
- 7.3.** Information and data provided to RECO by the CSEP Sponsor under this Agreement shall be used by RECO for the purposes of billing, receiving, depositing, posting, processing and remittance of credits to Subscribers or for determining the amounts due the CSEP Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants, contractors, subcontractor, and representatives on a need-to-know basis only.
- 7.4.** The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Consolidated Billing Program, whichever occurs last, and thereafter, to destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.
- 7.5.** The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the

requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.

7.6. Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions, in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

7.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

8. Resolution of Disputes between RECO and CSEP Sponsor

8.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

8.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New Jersey, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Board. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their disputes through mediation, the Parties may then refer the dispute for resolution to the Board, which shall maintain continuing jurisdiction over this Agreement.

9. Resolution of Disputes between CSEP Sponsor and Subscribers. The CSEP Sponsor will be responsible for resolution of all inquiries and complaints related to the CSEP. RECO will refer to the CSEP Sponsor all inquiries and complaints initiated by Subscribers arising from or relating to the CSEP.

10. Indemnification

10.1. The CSEP Sponsor shall indemnify, defend, and hold RECO and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury

or damages arising out of the performance of this Agreement or breach thereof by CSEP Sponsor, including any claims, demands, causes of action, litigation, suits, proceedings, hearings or investigations (collectively "Claims") by a third party for payments based upon any agreement or understanding alleged to have been made by the third party, directly or indirectly, with CSEP Sponsor in connection with any of the transactions contemplated by this Agreement, except to the extent caused by RECO's gross negligence or willful misconduct.

10.2. The obligations of this Article 10 will survive the expiration, suspension or termination of this Agreement or the Consolidated Billing Program.

11. Force Majeure

11.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

11.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

12. Miscellaneous

12.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

12.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Consolidated Billing Program is suspended by statute or Board order, this Agreement will be modified in accordance with such statute or Board order.

12.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

12.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

12.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial, mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanical and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 8 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

12.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character. No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

12.7. Assignment.

12.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CSEP Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by RECO hereunder. The CSEP Sponsor shall provide RECO with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the

terms of the assignment. The CSEP Sponsor hereby waives any claim against RECO for making payments pursuant to the assignment.

12.7.2. An assignment, transfer or other disposition of RECO's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of RECO or (ii) any acquisition, consolidation, merger or other form of combination of RECO by, into, or with any person or entity shall not be subject to the prior notice and consent requirements of this sub-article.

12.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

12.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

12.9. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

12.10. Relationship of the Parties. This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.

12.11. Governing Law. This Agreement is governed by the laws of the State of New Jersey without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Board the state courts of the State of New Jersey, or a federal court located in the State of New Jersey.

12.12. Construction. In the event of any conflict between the provisions of this Agreement and the provisions of the Electric Tariff, the applicable provisions of the Electric Tariff shall apply.

12.13. Notices. Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.

12.14. Other Remedies. Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

CSEP SPONSOR: _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

ROCKLAND ELECTRIC COMPANY

Name (Print): _____

Signature: _____

Title: _____

Date: _____

EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

Rockland Electric Company
c/o Orange and Rockland Utilities, Inc.
390 West Route 59
Spring Valley, New York 10977
Attn:

All notices and information addressed to the CSEP Sponsor shall be addressed as follows:

_____.