ALASKA ENERGY AUTHORITY
Net Metering Incentive Payment Pilot Program
Program-Participant Agreement

Participant Entity Information	
Participant Agreement Number / Identifier (AEA use only)	Certificate of Public Convenience and Necessity (CPCN) Number
Business Legal Name of Participant	DBA or Tradename (if applicable)
Business Tax Identification Number (EIN or SSN)	Principal Business Address (address, city, state, zip)
Type of Tax Exempt Status (501(c)(3), 501(c)(6) or 501(c)(19))(if applicable)	DUNS # for non-profit entity
Contact Person Name and Title	Contact Person Phone
Contact Person Email	Business Mailing Address (address, city, state, zip)
Fax Number (if applicable)	Participant Fiscal Year End
Name of Participant's Net-Metering Program as required per 3 AAC 50.900 – 3 AAC 50.949	

AGREEMENT

The Alaska Energy Authority ('Authority' or 'AEA') and **Insert Business Legal Name** ('Participant') agree to the following terms and conditions of this Net Metering Incentive Payment Pilot Program ('Program') Program-Participant Agreement ('Agreement') as set forth herein.

Section I. The Authority, as the Program administrator, shall issue Program Incentive Payments ('Payments') to the Participant as per the terms and conditions stated in this Agreement.

Section II. For the purposes of this Agreement, Program funds shall be used explicitly for providing such Payments directly to the Participant, and for no other purpose. Program funds shall mean only those Payments issued by AEA to the Participant.

Section III. The Agreement consists of this page and the following:

ATTACHMENTS
- Attachment A: Scope of Program
- Attachment B: Program Terms and Conditions
- Attachment C: Standard Provisions
- Attachment D: Request for Payment Form
- Attachment E: Electronic Payment Agreement

AMENDMENTS
Any fully executed amendments to this Agreement

Participant	Authority
Authorized Signature of Participant	Signature
Printed Name and Title	Printed Name and Title **Curtis Thayer, Executive Director**
Date	Date

Attachment A
Scope of Program

1. Program Scope

This Program is established as a pilot program for the issuance of incentive payments ("Payments") directly to the Participant to provide initial capital expenditure offsets for installation of new net metered energy systems for members of the Participant's existing net-metering program.

Payments to Participants to provide such increased compensation are defined and further clarified in section 3: Use of Payments and section 4: Calculation of Payments of Attachment B: Program Terms and Conditions to this Agreement.

Under the Program, Participants will submit a request for payment to AEA, on a biannual basis, via a request for payment form, a template for which is provided in Attachment D of this Agreement. AEA will then, subject to Attachment B: Program Terms and Conditions to this Agreement, issue Payments directly to the Participant. Payments received under this Agreement are to be used exclusively, to provide initial capital expenditure offsets for installation of net metered energy systems for members of the Participant's existing net-metering program, and for no other purpose. Payments issued by AEA will be issued directly to the Participant. It is the responsibility of the Participant to process and forward such Payments received to their respective net-metering members. A Participant's costs to administer its enrollment in this Program shall not exceed 10% of each Participants allocation of programmatic funds as outlined in section 5.

Attachment B
Program Terms and Conditions

1. Program Participation

Participation in the Program is on an at-will / voluntary basis. Enrollment in the Program is effectuated via the execution of this Agreement between AEA and the Participant. Participant may opt-out of the Program at any time by written notification to AEA stating Participant's decision to withdraw from the Program. Please see Article 20 of Attachment C: Standard Provisions to this Agreement, concerning details regarding Program duration.

2. Participant Eligibility

The Participant is an electric utility operating under a Certificate of Public Convenience and Necessity ("CPCN") as issued by the Regulatory of Commission of Alaska ('RCA'), and which operates a net metering program as required under Alaska Administrative Code ('AAC') 3 AAC 50.900 – 3 AAC 50.949 and interconnected with the Railbelt transmission grid.

3. Use and Disbursement of Payments

Payments received under this Agreement are to be used solely to provide increased capital expenditure offset to members of the Participant's net metering program. Payments issued by AEA will be issued directly to the Participant. It is the responsibility of the Participant to process and forward such Payments received onto their respective residential net metering members. Under this Agreement, AEA reserves the right to request verification of installation of and payment for net metered projects by the Participant's members.

Payments received by the Participant under this Program shall be used for no other purpose. The use of Program proceeds in any manner contrary to the terms and conditions of this Agreement may result in the subsequent revocation of the Agreement. In such event, no further Payments will be issued to Participant, and Participant may also be required to return to the AEA all Payments paid to Participant.

The Participant understands and agrees that the submission of incomplete information with respect to this Agreement may result in non-payment of Payments to the Participant and/the re-payment to AEA of payments made based on such incomplete information, should the Participant not provide all missing information in a reasonably timely manner. Payments received by Participants, which are found to be based on the submission of false or misleading information with respect to this Agreement will be required to be repaid to AEA by the Participant. Such malicious action performed by a Participant will result in the suspension and debarment of the Participant from the Program. The Participant may also be subject to possible prosecution for fraud and misrepresentation, as well as other claims or causes of action as may be permitted under state and/or federal law.

AEA shall not held liable for any costs incurred by the Participant from the administration of, or performance of the terms of, the Program.

4. Calculation of Payments

Under the Program, Participants will submit a request for payment to AEA, on a biannual basis, via a request for payment form, a template for which is provided in the Participant's Agreement. Payments are to be issued by AEA directly to the Participant. Program funds shall be used exclusively for providing such Payments directly to the Participant, and for no other purpose. Payments to Participants under the Program shall be drawn from allocations of the total programmatic funding allotment as follows:

a) Each eligible Participant will have an allocated amount from the total programmatic funding allotment available to draw from as shown in the able below in paragraph d) of this section. These allocations will be based on the total amount of customers that the Participant serves, as reported by the Participants in their respective annual reports to the RCA.
   a. Each Participant will also be able to draw an additional 10% for administrative costs set aside from the AEA admin budget
   b. The allocation will be adjusted after each biannual reimbursement period

b) Participants shall prioritize projects that have associated energy storage.

c) Participants' Customers will install net metered energy generation and energy storage systems and submit invoices/receipts to the Participant. The Participant will then collect invoices/receipts and verify the completion of all installations. Once the Participant has all supporting materials collected for the biannual period, they will submit that along with a request for reimbursement to AEA.

d) The initial allocation as follows will form the baseline of programmatic funds:

Utility	# of Customers	% of Total	Programmatic Allocation	10% Admin Allocation
Chugach Electric Association	113,257	43%	$ 322,463.73	$ 32,246.37
Golden Valley Electric Association	47,924	18%	$ 136,448.53	$ 13,644.85
Homer Electric Association	33,426	13%	$ 95,170.03	$ 9,517.00
Matanuska Electric Association	68,811	26%	$ 195,917.70	$ 19,591.77
TOTAL	**263,418**		**$ 750,000.00**	**$ 75,000.00**

5. Participant Requests for Payment

Participant requests for payment shall be limited to one request per 6-month, biannual period and must be made via the completion and submission of a request for payment form which AEA will make available to the Participant. A request for payment template form, in similar form and content to the form which AEA will provide to the Participant, is provided in Attachment D to this Agreement. AEA reserves the right to modify the request for payment form at any time, without prior consent of the Participant. AEA shall issue Payments directly to the Participant as requested by the Participant as per the terms and conditions set forth in this Agreement. Participant must provide all necessary documentation, as stated in this Agreement, in addition to certain required supporting documentation as stated in Section 6 of Attachment B to this Agreement, along with the request for payment form to AEA in order to satisfy the conditions of Payment. A determination as to the satisfaction of Participant's provision of such needed documentation is at AEA's discretion. Failure to timely submit such documentation may lead to delays in the timely issuance of Payments to the Participant by AEA, and may result in a determination by AEA not to issue the requested Payment.

Requests for payment are due to AEA by 5pm on the 20th day of month following the 6-month period for which the Participant is requesting payment. The first payment cycle will conclude on June 30, 2026. For example, if the Participant is submitting a request for payment for the installation of eligible net metered energy projects during January to June 2026, the Participant's request for payment under the Program is due to AEA by July 20th, 2026. Requests for payment received after 5pm on the date due will be rejected until the next biannual period concludes.

A Participant cannot submit a request for payment to AEA under this Program for a net metering installation which concluded prior to the effective date of its Agreement. For example, if the effective date of its Agreement is November 20, 2025, the Participant shall not be allowed to submit a request for payment for a period that concluded prior to November 20, 2025.

Payments to Participants will be issued on a net-30 basis, contingent on AEA's receipt of all necessary request for payment documentation, including required supporting documentation.

Payments issued by AEA to Participant will be in the form of electronic bank transfer. Participant will be required to submit an executed Electronic Payment Agreement, as provided in Attachment E to this Agreement, to receive Payments issued under this Agreement.

6. **Required Reporting and Supporting Documentation**
In order to measure the efficacy of the Program, certain reporting, and supporting, documentation will be required to be provided by the Participant when submitting requests for payments for purposes of verifying the request for payment amount. All required supporting documentation will be stated in the Request for Payment form, provided as Attachment D to this Agreement. The supporting documentation requirements may be changed at AEA's sole discretion at any time during the term of this Agreement. All supporting documentation requirements will be stated in the most current Request for Payment form as provided to the Participant by AEA. Such information/data will be collected and retained by AEA, and may be published and made accessible to the general public.

7. **Limited Program Funds**
Funding made available for payments issued under the Program is limited. Should Program funds be insufficient to cover Participant's verified and approved request for payment, AEA will notify the Participant as to the insufficiency of Program funds. AEA will then determine how to allocate, if any, the remaining available funds amongst those received, verified and approved requests for payment. No further requests for Payment will be accepted, and no further payments issued, by AEA after such a determination of insufficient funds is made.

Attachment C
Standard Provisions

Article 1. Definitions

"Authority" or "AEA" refers to the Alaska Energy Authority, a public corporation within the Department of Commerce, Community, and Economic Development of the State of Alaska.

"Full Retail Residential Rate" or "FRRR" shall be defined as the sum of charges, applied on a $ per kilowatt-hour basis, which are stated in the Participant's electric tariff, including, but not limited to energy/utility charges, fuel charges, purchased power charges, Regulatory Cost Charges, and Gross Revenue Tax (as applicable). Charges ineligible under a Participant's FRRR are those charges applied on a demand, or monthly fee, basis; including demand charges, customer charges, and/or facility charges.

"Program" refers to the "Net Metering Incentive Payment Pilot Program" as described in Attachment A: Scope of Program to this Agreement.

"Participant" refers to the signatory party to this Agreement being an eligible Program participant as stated in Section 4 "Participant Eligibility" of Attachment B: Program Terms and Conditions to this Agreement.

"Payments" refers to those Program Incentive Payments as issued by AEA to Participant, as described and defined in Section 2 of Attachment B: Program Terms and Conditions to this Agreement.

"Residential members" or "Residential net metering members" for purposes of this Program are defined as those which are classified under the Participant's residential class of service, and excludes those Participant's members enrolled in a community energy program.

Article 2. Indemnification

It is understood and agreed that this Agreement is solely for the benefit of the parties to the Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of the Agreement.

The Participant, its successors and assigns, will protect, save, and hold harmless the Authority and the State of Alaska, and their authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of the Participant, its subcontractors, assigns, agents, contractors, licenses, invitees, employees, or any person whomever arising out of or in connection with any acts or activities authorized by this Agreement. The Participant further agrees to defend the Authority and the State of Alaska and their authorized agents and employees in any litigation, including payment of any costs or attorney's fees for any claims or actions commenced thereon arising out of or in connection with acts or activities authorized by this Agreement. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the Authority, the State of Alaska, or their authorized agents or employees, provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the Authority, the State of Alaska, and their agents or employees, and (b) the Participant, its agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Participant, or Participant's agents or employees.

Article 3. Legal Authority

The Participant certifies that it possesses legal authority to accept Program funds from the State of Alaska and to execute this Agreement by signing the Agreement document. The Participant's relation to the Authority and the State of Alaska shall be at all times as an independent Participant.

Article 4. Waivers

No conditions or provisions of this Agreement can be waived unless approved by the Authority in writing. The Authority's failure to insist upon strict performance of any provision of the Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Agreement.

Article 5. Access to Records

The Authority and duly authorized officials of the State of Alaska and their authorized agents and employees shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Participant, and of persons or organizations with which the Participant may contract, involving transactions related to this Agreement, including records of other payments, grants, subsidies, etc. received by Participant meant to accomplish the same purpose of Payments under this Agreement.

Article 6. Reports and Supplemental Information

The Participant, at such times and in such forms as the Authority may require, shall furnish the Authority with such reports and/or supplemental information as it may request pertaining to this Agreement.

Article 7. Retention of Records and Audit

The Participant shall retain financial and other records relating to Payments received under this Agreement for a period of four (4) years or until final resolution of any audit findings, claims, or litigation related to the Program.

Article 8. Recordkeeping

The Participant agrees to keep such records as the Authority may require. Such records will include information pertaining to authorization/approval of Payments, issuance and receipt of Payments, data and information provided relating to requests for payment and/or measure of Program's efficacy. They will also include information pertaining to Program performance and efforts to comply with the provisions of the Agreement.

Article 9. Financial Management and Accounting

The Participant shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles. In addition, the accounting system must keep separate all Payments received under this Agreement.

Article 10. Personal Information

Communications regarding this Program with the Authority and its authorized agents are considered part of the public record and may be subject to disclosure under AS 40.25.110 – 40.25.120. Personal information is governed by AS 40.25.300 – 40.25.350, which requires notice when collecting personal information that may become part of the public record.

Article 11. Assignability

The Participant shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation).

Article 12. Participant Not Agent of Authority

The Participant and any agents and employees of the Participant act in an independent capacity and are not officers or employees or agents of the Authority in the performance of this Agreement.

Article 13. Amendments and Modifications

The Participant or the Authority may request an amendment or modification of this Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Authority and the Participant.

Article 14. Obligations Regarding Third-Party Relationships

No permission for subcontracting shall create, between the Authority or the State of Alaska and the subcontractor, any contract or any relationship.

Any subcontractor that is not the Participant shall be required by the Participant to comply with all the provisions of this Agreement.

Article 15. Conflict of Interest

No officer or employee of the Authority shall have any direct personal or pecuniary gain or interest in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the Program under this Agreement. No member of or delegate to Congress or the Legislature, or officials or employees of the Federal Government may share any part of any benefit arising from this Agreement.

Article 16. Notices

The Participant shall comply with all public notices or notices to individuals required by applicable state and federal laws and shall maintain a record of this compliance.

Article 17. Prohibition against Payment of Bonus or Commission

Payments received under this Agreement by Participant shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence for Payments under this Agreement.

Article 18. Tax Compliance

The Participant is responsible for determining its applicable tax requirements, and complying with all applicable tax requirements. The Authority or its agents may issue an IRS Form 1099 for any Payments issued. The Authority may consider the non-payment of any taxes due by the Participant a breach of contract. Under this Agreement, such an occurrence may result in the termination of this Agreement.

Article 19. Compliance with Applicable Law

The Participant is responsible for compliance with applicable state and federal law concerning the use of proceeds received under this Agreement.

Article 20. Duration and Termination of Agreement

This Agreement shall remain in effect from the effective date of this Agreement, being the date of execution of this Agreement by both the Participant and AEA, until the earlier of (a) the date on which Program funds are exhausted; (b) the date on which AEA or the Participant unilaterally terminate this Agreement, and thereby discontinue participation in the Program, by providing written notice of such termination; or (c) June 30, 2028, notwithstanding the reporting requirements of the Program, as stated in section 6 of Attachment B: Program Terms and Conditions to this Agreement, which shall survive the termination until June 30, 2030.

Article 21. Termination for Cause

If the Participant fails to comply with the terms and conditions of this Agreement, or fails to use the Payments for only those purposes set forth herein, the Authority may take the following actions:

A. Suspension – After notice in writing to the Participant, suspend Payments and withhold any further Payments or prohibit the Participant from submitting additional requests for payment, pending corrective action by the Participant or a decision to terminate. Response must be received within fifteen (15) days of receipt of the written notice.

B. Termination – Terminate the Agreement in whole or in part, at any time before any Payments are made. The Authority shall promptly notify the Participant in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the Participant or recoveries by the Authority shall be in accordance with the legal rights and liabilities of the parties.

Article 22. Lobbying Activities

In accepting to receive Payments under this Agreement, the Participant agrees and assures that none of the monies from Payments received will be used for the purpose of lobbying activities before the United States Congress or Alaska Legislature. No portion of these monies may be used for lobbying or propaganda purposes.

Article 23. Recovery of Funds

In the event of a default or violation of the terms of the Agreement by the Participant, the Authority may institute actions to recover all or part of the Payments made to the Participant. Repayment by the Participant of monies under this recovery provision shall occur within thirty (30) days of demand.

All remedies conferred on the Authority by this Agreement or any other instrument or agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the Authority's option.

Article 24. Disputes

Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under this Agreement that is not disposed of by mutual agreement shall be decided by litigation before the State Courts of the State of Alaska.

Article 25. Governing Law

This Agreement shall be governed by the laws of the State of Alaska and any applicable federal laws and regulations.

Article 26. Severability

If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the contract agreement which can be given effect without the invalid provision.

Article 27. Performance

The Authority's failure to insist upon the strict performance of any provision of the Agreement or to exercise any right based upon breach thereof or the acceptance of any performance during such breach shall not constitute a waiver of any rights under this Agreement.

Attachment D
Request for Payment Form

Attachment E
Electronic Payment Agreement