My Energy Optimizer® Partner+ Program Participant Agreement Terms and Conditions

To enroll your home in the program, it is necessary to read, understand and e-sign this My Energy Optimizer Partner+ Program Agreement ("***Agreement***"). BY CLICKING "I AGREE" YOU ("YOU" OR "PARTICIPANT") ACKNOWLEDGE THAT YOU HAVE READ THESE TERMS AND CONDITIONS AND AGREE TO BE LEGALLY BOUND BY THEM. IF YOU DO NOT AGREE TO THESE TERMS AND CONDITIONS, YOU MAY NOT PARTICIPATE IN THE PROGRAM. This Agreement describes the My Energy Optimizer Partner+ Program ("***Program***") and its importance for Sacramento Municipal Utility District's (SMUD) clean energy future.

This Agreement is between SMUD and You and sets forth the terms and conditions governing Your participation in the Program. In the case of inconsistencies between this Agreement and information included in any other materials related to the Program (e.g., promotional materials and mailers) this Agreement will always govern and take precedence.

The Program is an optional way for You to help reduce demand on electricity resources during times when energy demand is at its highest or there are emergency conditions with the power system. By participating in the Program, You will enroll Eligible Equipment. The eligible equipment at Your Property constituting, as applicable, the battery system ("***Battery System***"), solar generation system ("***PV System***") and other smart load control devices ("***Load Control Devices***"), are collectively referred to herein as the equipment ("***Equipment***" or "***Eligible Equipment***"). The Program is part of SMUD's efforts to reduce the need to buy electricity from more expensive, less environmentally friendly sources and avoid or delay building more power plants.

1. **My Energy Optimizer Partner+ Program Goals**

   The Program is one of the most advanced efforts in California to use Equipment to reduce carbon emissions and make the electric grid more renewable, resilient and reliable. Your location will operate in concert with many others to help balance all sources of renewable energy in the Sacramento region. Since Your Equipment will benefit the entire SMUD electric grid, SMUD will provide or has provided (in the case of income-qualified customers) incentive compensation in exchange for participating in the Program.

2. **Eligibility Criteria**

   Eligibility criteria includes, at a minimum, that You:

   a. Are at least 18 years of age
   b. Are the customer of record for Your Property and have a residential electric account with SMUD in good standing
   c. Own Your Property and it is Your primary residence thus an owner-occupied property
   d. Have completed an interconnection application for the Eligible Equipment with SMUD and remain compliant with interconnection requirements
   e. Have authority to control the Battery System as set forth in Section 3 ("***Authority***").

3. **Authority**

You should not participate in the Program unless You have the authority to control the Eligible Equipment and are the customer of record for the electric account associated with the address at which the Battery System is installed ("Customer of Record"). The Battery System must be one of those listed in Section 14(k). By accepting these Terms, You confirm that You have the authority to control the Eligible Equipment and are the Customer of Record, and that SMUD and SMUD's Service Provider can rely on those confirmations in connection with the Program.

4. **Term**

This Agreement will become effective on the date that You electronically sign it (the "***Effective Date***"). Your Program start date is the date Your enrollment with SMUD is completed. This initial term of this Agreement will be three (3) years, beginning on the Effective Date (the "Initial Term"). After the Initial Term, this Agreement will automatically renew for additional three (3) year terms unless You provide written notice of termination at least thirty (30) days prior to the renewal date (each such period is a "Term"). Upon each automatic renewal, Your Recurring Incentive may be subject to change. You may also terminate this Agreement following the procedure outlined in Section "13 Termination Rights".

5. **Program Incentives**

The Program provides for an Enrollment Incentive (**"*Enrollment Incentive*"**) and a quarterly Recurring Incentive payment (***"Recurring Incentive"***) based on the quantity of enrolled Batteries. The incentive values associated with participating in the Program under this Agreement are shown below. As applicable, these incentives are paid directly by SMUD after Your Program start date and within 30 days of successful Program enrollment verification. You are responsible for all other costs of participating in the Program, including, but not limited to Your cost of electricity to charge Your Eligible Equipment as well as for the general use of Your Eligible Equipment.

a. One-Time Enrollment Incentive

The one-time Eligible Equipment Enrollment Incentive value associated with participating in the Program is shown below:

- The Enrollment Incentive has two levels depending on Program participation and is calculated by multiplying the Battery System Nameplate Energy Capacity (kWh) by 80% (the portion available for the Program) and then by dollars per kWh, per household, per primary residence subject to a maximum incentive level:

    1. Battery Systems submitted for interconnection by Sept. 22, 2026, and enrolled in the Program by Dec. 31, 2026:
        a. Enrollment Incentive = Nameplate Energy Capacity (kWh) x 80% x $500/kWh
        b. Maximum incentive of $10,000 per household per primary residence
    2. Battery Systems submitted for interconnection on or after Sept. 23, 2026:
        a. Enrollment Incentive = Nameplate Energy Capacity (kWh) x 80% x $300/kWh

b. Maximum incentive of $6,000 per household per primary residence

- The Enrollment Incentive may be adjusted at SMUD's sole discretion.

- Battery Systems eligible for the Enrollment Incentive include:
  - Eguana
  - Enphase
  - Franklin
  - SolarEdge
  - Sonnen
  - Tesla
  - **If Your Battery System is not listed above, You are ineligible for an Enrollment Incentive at this time.**

- The one-time Enrollment Incentive will be available to new Battery System customers that enroll within 90 days after receiving permission to operate (PTO), who move from SMUD's Net Energy Metering (NEM) rate onto SMUD's Solar and Storage Rate (SSR). Any person who participated in the Program within the last concurrent three (3) years is not considered a new Battery System customer and is ineligible for the Enrollment Incentive. However, an existing SMUD Battery System customer who adds a battery may be eligible for an Enrollment Incentive for this battery if it does not exceed the maximum Enrollment Incentive amount previously provided, determination of whether to provide an Enrollment Incentive is at SMUD's sole discretion.

- Customers upgrading from a lower incentive provided through a different SMUD program will be eligible for the incremental incentive value.

- The Enrollment Incentive will be paid via check or electronic or physical debit card issued to You by SMUD.

- You must commit to the Program for a minimum of three (3) years to qualify for the Enrollment Incentive. Un-enrollment from the Program before meeting the minimum time requirement will require prorated repayment of the Enrollment Incentive by You. SMUD will invoice You for the prorated repayment amount and You will remit payment within thirty (30) days.

- Income-qualified customers whose Battery System, PV System or Equipment costs are fully covered by SMUD **are not eligible for the Enrollment Incentive**. These customers will be enrolled in the Program for a three (3) year term and are required to remain enrolled for the full term.

- Enrollment incentives are limited and subject to change by SMUD at any time and for any reason.

b. Recurring Incentive

The Recurring Incentive value associated with installing Battery Systems under the Program for 2026 period is shown below:

Table – 2026 Recurring Incentive*:

* The Recurring Incentive may be adjusted annually at SMUD's sole discretion.

Battery Product	Battery Quantity	Quarterly Recurring Incentive
Powerwall 2 Powerwall + Powerwall 3 Powerwall 3 with DC Expansion	1 Battery	Up to $110
	2 Batteries	Up to $220
	3 Batteries	Up to $330

- **If Your Battery System is not listed as a Battery Product in the table above, You are ineligible for a Recurring Incentive at this time.**
- The values in the table above reflect the additional recurring payments You may receive based on Your individual enrolled Battery System quantity.
- Your first quarterly payment will be prorated based on the month of enrollment verification into the Program.
- SMUD will not charge You any fees or other charges for participating in the Program.
- Managing Your Equipment to support the Program may increase Your utility bill compared with if You did not participate.
- Recurring Incentives will be paid on a quarterly basis via check or electronic or physical debit card issued to You by SMUD.
- Recurring Incentives are taxable. SMUD will report Recurring Incentives greater than $600 to the IRS. You are encouraged to consult a tax advisor concerning the taxability of the Recurring Incentives. You are responsible for any taxes imposed as a result of the receipt of Recurring Program Incentives.

SMUD expressly reserves the right to modify or amend this Agreement and/or Program Incentives in whole or in part, at any time and for any reason without prior notice.

6. **Grid Services**

Your receipt of the Recurring Incentive (as outlined in Section 5(b) above) or for income-qualified customers whose Battery System, PV System or Equipment costs are fully covered by SMUD serves as compensation for Your provision of Grid Services to the Program managed by SMUD's Service Provider. Battery Systems that are not included in Table – 2026 Recurring Incentive above are ineligible to provide Grid Services at this time and therefor excluded from receiving the Recurring Incentive.

You grant SMUD and SMUD's Service Provider remote access to control the enrolled Battery System, during demand response events. The Grid Services are described below:

Grid Service Event	Grid Service Description	Average Monthly Events	Max Annual Events	Duration	Time of Day
Capacity Reduction	**When paired with solar generation,** Your batteries charge through the midday, with solar energy. During the weekday Peak period between 5 p.m. and 8 p.m., Your Equipment may dispatch to meet the evening energy needs of the grid. Occasionally during all other Non-Peak periods, Your equipment may dispatch for SMUD determined reasons.	20	240 annually 30 events each summer month (June – Sept) 15 events all other months.	Up to 4 Hours	Any

7. **Optimization Services**

After You have enrolled in the Program with Eligible Equipment, You will never need to manage Your Equipment to receive the benefits of the Program and deliver the Grid Services from Your Equipment to SMUD. SMUD's Service Provider will manage Your Equipment's operations to balance the value of the Program and existing utility bill savings and backup energy.

If You have enrolled in the Program with Enrollment Incentive Eligible Equipment, you will need to optimize your battery to SMUD's TOD rate.

8. **Purpose**

Under this Agreement, You authorize SMUD's Service Provider to act as Your Program ***Grid Service Provider*** (as defined in Section 10 ("***Appointment of Grid Services Provider***")) so that Your Eligible Equipment can provide Grid Services to SMUD. SMUD's Service Provider will use the Equipment already installed in Your location or the Equipment included in Your signed solar and energy storage

contracts to meet the requirements of the Program. No other additional Equipment needs to be installed by You to meet the requirements of the Program. Your Equipment will continue to be owned by their current owners. If You do not already have Eligible Equipment, You have separately arranged for some or all the Equipment to be installed by a licensed contractor at the Customer of Record's service address (Your **"*Property*"**). The ownership of Your newly installed Equipment will be determined by the home improvement contracts You enter into.

9. **Grid Programs**

SMUD's Service Provider and You are participating in the "***My Energy Optimizer Partner+ Program***" specified in Section 1 ("***My Energy Optimizer Partner+ Program Goals***"), which we also call a "***Grid Program***". By entering into this Agreement, You agree to cooperate with these efforts in exchange for the benefits specified in Section 5 ("***Program Incentives***"). Specifically, You agree that SMUD's Service Provider may remotely manage the Equipment at Your Property to modify energy usage at specific times and meet other goals of the Program as specified in Section 7 (the "***Optimization Services***"). SMUD's Service Provider will monitor and manage the capabilities of the Equipment to allow it to provide the grid services set forth in Section 6 (the "***Grid Services***"). In addition to the Program for SMUD, other Grid Programs may from time to time become available. Before one of these other Grid Programs begins, we will provide You with program details and give You an opportunity to opt-in to the program. If You do not opt-in by written notice to SMUD within thirty (30) days of receiving the details, You may lose Your chance to participate in and receive the benefits of the new Grid Program.

10. **Appointment of Grid Services Provider.**

You acknowledge and agree that You are hereby appointing SMUD's Service Provider, or another party designated by SMUD, to act on Your behalf as Your sole and exclusive agent and provider for all Grid Services related to the Program (**"*Grid Services Provider*"**). You hereby authorize us, as Your Grid Services Provider, subject to the opt-in provisions in Section 9 ("***Grid Programs***"), to act on Your behalf and to enroll, register, or otherwise cause the participation of the Equipment in any Grid Program in which You have opted in, including: (i) receiving notices from SMUD and any other third parties regarding any such Grid Program, (ii) payments to and from the utility sponsoring the Grid Program (if allowed by the Grid Program) and any other third parties regarding any such Grid Program, and (iii) unenrolling or de-registering You from any other programs that conflict with or prevent Your participation in the Grid Programs. You grant to us all rights to use the Equipment to provide Grid Services and to otherwise participate in any Grid Program. You understand that such use of the Equipment by SMUD's Service Provider may override other Equipment operating modes while preserving key capabilities, such as, for example, providing back-up power. You agree to cooperate with us to give effect to the authorizations and granting of rights in this Section 10 ("***Appointment of Grid Services Provider***"), including by promptly signing and returning documents and otherwise assisting us as reasonably required. None of the foregoing prevents You from declining to opt-in (or opt-out of) individual Grid Program opportunities pursuant to Section 9 ("***Grid Programs***") above. You shall not enroll in (and if enrolled, You shall, within fifteen (15) days, unenroll from) any other demand response or Grid Program through SMUD or another provider that, at SMUD's discretion, conflicts with You providing Grid Services to SMUD. This includes but is not limited to SMUD's other programs listed at **smud.org/Battery**. If You have questions, please contact **SaveEnergy@smud.org**. You agree to execute any forms or enact any utility tariff changes required by SMUD for the Program. If You are in another program that conflicts with the Program, You agree

to take any action and execute any form required to end Your participation in such other program. By e-signing this Agreement, You hereby appoint SMUD's Service Provider to act as Your demand response aggregator for the Program. You agree to move to a different rate schedule if the Grid Program requires that You receive electrical service from SMUD on a different rate schedule from Your current one.

11. **Access to Data & Equipment.**

    You agree to provide the Equipment with a reliable, always-on, broadband internet connection at Your cost. We recommend a wired internet connection to Your Equipment. You agree to provide SMUD with available electrical design information about the Equipment, Your Property, and other electrical hardware attached to Your Property, including single-line diagrams and permits. You agree to allow SMUD and our contractors, employees, representatives, Service Provider, Grid Services Provider and governmental bodies, (collectively, "***Grid Services Entities***") to come to Your Property at agreed-upon times to inspect Your Equipment and other electrical devices, including, as agreed to by You, installing additional hardware on or around and modifying the Equipment, as required to comply with any Grid Program in which You are participating. Specifically, You agree that SMUD, including the Grid Services Entities, may enter the Property to install a smart meter and otherwise access the Equipment as needed to further SMUD's rights under the Agreement. You agree to participate in and complete all surveys received from SMUD and the Grid Services Entities.

12. **Moving from Your Property.**
    If You move from Your Property during the Term, You may: (i) request that we perform Grid Services at Your new property if Your new property is eligible for Grid Services, (ii) transfer this Agreement to Your Property's new owner(s) if the new owner(s) assume Your obligations hereunder and are deemed eligible, at SMUD's discretion, for Grid Services, or (iii) terminate this Agreement.

13. **Termination Rights.**

    a. SMUD may suspend or terminate this Agreement if You fail to perform any obligation under this Agreement.

    b. You may terminate this Agreement if SMUD fails to perform any obligation under this Agreement.

    c. To the fullest extent permitted under applicable law, Your termination of this Agreement shall be the exclusive remedy for any SMUD default.

    d. After the Initial Term, as set forth in Section 4 ("***Term***"), You may terminate this Agreement at any time by providing written notice at least sixty (60) days prior to a renewal date. Termination notice should be provided to SMUD at SaveEnergy@smud.org. If You terminate this Agreement during the Initial Term, You must immediately reimburse SMUD for any incentives received during that period, as described in in Section 5 ("***Program Incentives***"). You will be removed from the Program within sixty (60) days after SMUD receives Your termination notice.

i. There are no penalties for termination; however, if You terminate this Agreement during the Initial Term (as defined in Section 5 ("***Program Incentives***"), You will be required to repay a prorate portion of any Enrollment Incentive received or Equipment Costs provided by SMUD, if applicable.

ii. SMUD will automatically prorate Your Recurring Incentive, if applicable, based on your un-enrollment date and will discontinue any future Recurring Incentive payments.

e. SMUD may terminate this Agreement at any time without cause. If SMUD terminates this Agreement without cause within the Initial Term, then any repayment obligation mentioned above will be forgiven. SMUD expressly reserves the right to terminate the Program Incentives in whole or in part, at any time and for any reason without prior notice.

14. **Miscellaneous.**

a. **Limitation of Liability**. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL SMUD BE LIABLE TO YOU FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING DAMAGES FOR LOSS OF PROFITS, GOODWILL, OR ANY OTHER INTANGIBLE LOSS) ARISING OUT OF, IN CONNECTION WITH, OR IN ANY WAY RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY ACT OR OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH, WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), STATUTE, OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT WE HAVE BEEN INFORMED OF THE POSSIBILITY OF DAMAGE.

YOU AGREE THAT SMUD'S LIMITATION OF LIABILITY: (I) WILL NOT APPLY TO DAMAGES RESULTING FROM ITS GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR FRAUD, AND (II) WILL BE CAPPED FOR COVERED DAMAGES AT $1,000 PER PROGRAM PARTICIPANT, UP TO AN AGGREGATE LIABILITY TO ALL PROGRAM PARTICIPANTS EQUAL TO $50,000.

b. **Disclaimer of Warranties.** YOUR PARTICIPATION IN THE PROGRAM IS AT YOUR SOLE DISCRETION AND RISK. THE PROGRAM IS OFFERED "AS IS" AND "AS AVAILABLE" WITHOUT WARRANTIES OF ANY KIND. SMUD EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN THE PARTIES, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, WE DISCLAIM ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, OR STATUTORY, RELATING TO THE GRID SERVICES, THE PERFORMANCE OF THE EQUIPMENT, ANY OTHER SERVICE OR GOOD PROVIDED BY US UNDER THIS AGREEMENT, OR ANY OTHER MATTER CONTEMPLATED HEREUNDER, INCLUDING: (I) ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, QUIET ENJOYMENT, OR NON-INFRINGEMENT; AND (II) ANY WARRANTY ARISING OUT OF COURSE OF DEALING, USAGE, OR TRADE. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY YOU FROM US OR ANY MATERIALS OR CONTENT AVAILABLE FROM US WILL CREATE ANY WARRANTY THAT IS NOT EXPRESSLY STATED IN THIS AGREEMENT. SMUD DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, OR STATUTORY, RELATING TO ITS USE OF THE EQUIPMENT AND MAKES NO GUARANTEE REGARDING ENERGY SAVINGS OR PERFORMANCE OF THE EQUIPMENT.

c. **Equipment Warranties.** THE EQUIPMENT IS SUBJECT TO THE WARRANTY(IES) TERMS AS ESTABLISHED BY THE EQUIPMENT MANUFACTURER(S). SMUD will ensure that all Equipment is operated within warranty parameters.

d. **Indemnification.** You agree to indemnify, and hold SMUD, their officers, directors, employees and agents, harmless from and against any and all claims, liabilities, damages, losses, and expenses, including without limitation reasonable attorney's fees and costs, arising out of or in any way connected with Your participation in the Program.

e. **Our Assignment.** SMUD may assign its rights and responsibilities (in whole or in part) under this Agreement without Your consent, but we will provide You in advance of assignment with the contact information for the new party to whom we assign such rights and responsibilities. To avoid doubt, our obligations under this Agreement may be separated and assigned to different third parties. If an assignee (or multiple assignees, collectively) agree(s) in writing to assume all of our rights and obligations under this Agreement, we will have no further liability or obligation under this Agreement upon the effectiveness of such assignment(s).

f. **Utility Incentive Payments.** You shall not cause or allow a disconnection of the Equipment from SMUD's electrical facilities, including because of non-payment of incentive payments from SMUD.

g. **Non-Reliance for Medical Uses. If You are powering medical equipment using the Equipment or enrolled in SMUD's Medical Equipment Discount (MED) Rate, You are ineligible to participate in the Program.**

h. **Authority to Sign**. You represent that You are the primary and rightful account holder of record with SMUD for the electrical service delivered to the Property. You represent that You possess the full right and authority to execute this Agreement on behalf of Yourself and any other owners of the Property and Equipment.

i. **Insurance**. You represent that You have and will maintain during the full Term, property and liability insurance (e.g., homeowner's insurance) that sufficiently covers damage to the Equipment.

j. **Force Majeure**. Neither party shall be liable to the other party, nor be deemed to have breached this Agreement, for any failure or delay in performing any non-monetary obligation under this Agreement if such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of such party, including, without limitation, acts of God, flood, fire, earthquake, pandemic, extreme weather, explosion, governmental actions, war, terrorist threats or acts or other civil unrest, lock-outs, strikes or other labor disputes.

k. **Eligible Equipment List.** Equipment that is eligible to participate in the Program are listed below. SMUD expressly reserves the right to amend the Eligible Equipment List at any time and for any reason without prior notice.

i. Tesla Powerwall 2 and associated communications equipment

ii. Tesla Powerwall+ and associated communications equipment

iii. Tesla Powerwall 3 and associated communications equipment

iv. SolarEdge and associated communications equipment

v. Enphase and associated communications equipment

vi. Franklin and associated communications equipment

vii. Eguana and associated communications equipment

viii. Sonnen and associated communications equipment

l. **Equipment Installation.** Pursuant to Section 8 ("***Purpose***"), if You do not already have Eligible Equipment, You may separately arrange for some or all of the Equipment to be installed by a licensed contractor at Your Property. You agree that SMUD is not responsible or liable for Equipment installation, operation, services, or service-related defects. You will contact the installation contractor of the Equipment for any operation, installation, or service-related issues.

15. **Consent and Release for Data**

a. You agree that SMUD may access, use, and disclose Your personal data to SMUD contractors and agents to effectuate the purpose of this Agreement, including data related to Equipment performance and usage, Your electrical utility account information, usage history, and meter data, and for no other purposes. You agree to provide SMUD with available electrical design information about the Equipment, Your Property, and other electrical hardware attached to Your Property, including single-line diagrams and permits.

b. You agree to grant SMUD the right, without restriction, to use all Your data produced as a result of Your participation in the Program for all legal purposes, including granting SMUD the right to share some data with SMUD's Service Provider solely for the purpose of meeting Program requirements.

c. We take data privacy and security seriously, and all data access, use, and sharing is subject to the terms of our privacy policy (available at https://www.smud.org/Corporate/Privacy-policy) and applicable law. In addition to the specific types of information that we may disclose that are listed in paragraph (a) above, the other specific types of information we may disclosed and the reasons for obtaining such information can be found in our privacy policy.