

Arkansas Public Service Commission
Notice, Application, and Affidavit
For Net-Metering Leases and Service Agreements
Pursuant to Net-Metering Rule 2.08 and
Arkansas Code § 23-18-603(7)

Applicability: Customers who do not own the proposed Net-Metering Facility must provide this form to the electric utility at or before the submission of a Standard Interconnection Agreement in order to certify compliance with Arkansas Code § 23-18-603(7) pursuant to Net-Metering Rule 2.08.

I, |name of authorized agent|, am the [|title|] of |legal name of the person, company, or institution| (the “Applicant”), and **am authorized in this capacity to submit on behalf of the Applicant** this Notice and Affidavit pursuant to the Arkansas Renewable Energy Development Act of 2001 (“AREDA”), Arkansas Code § 23-18-601 *et seq.*, on the date of my signature below.

I understand, agree, and certify as follows (initial as applicable):

1. **For Leases under Arkansas Code § 23-18- 603(7)(B):** The Applicant leases a Net-Metering Facility under a lease that is in compliance with all Arkansas Public Service Commission (“Commission”) rules and Arkansas Code § 23-18-603(7)(B), which provides the following limitations: |_____|
 - a. A lease shall not permit the sale of electric energy measured in kilowatt hours or electric capacity measured in kilowatts between the lessor and lessee; and
 - b. A lease shall not include any charge per kilowatt hour or any charge per kilowatt; or
2. **For Service Agreements under Arkansas Code § 23-18- 603(7)(C)** (i.e., “Safe Harbor”): The Applicant is one of the following:
 - a. A state government entity; |_____|
 - b. A federal government entity; |_____| or
 - c. Other entity that is exempt from state and federal income tax, |_____| which obtains or will obtain electric energy from a net-metering facility under a service contract that is in compliance with all Commission rules

and that qualifies for safe-harbor protection as provided under Arkansas Code § 23-18-603(7)(C) and 26 U.S.C. § 7701(e)(3)(A), which includes the following requirements (initial all that apply):

- i. The contract or arrangement between a service provider and the Applicant for the sale to the Applicant of electrical or thermal energy produced at a cogeneration or alternative energy facility purports to be a service contract,
- ii. The Applicant does not operate the Net-Metering Facility,
- iii. The Applicant (or a related entity) does not bear any significant financial burden if there is nonperformance under the contract or arrangement (other than for reasons beyond the control of the service provider),
- iv. The Applicant (or a related entity) does not receive any significant financial benefit if the operating costs of the Net-Metering Facility are less than the standards of performance or operation under the contract or arrangement,
- v. The Applicant (or a related entity) does not have an option to purchase, or may be required to purchase, all or a part of such facility at a fixed and determinable price (other than for fair market value),
- vi. **Applicable only to federal agencies:** The Applicant meets the requirements provided by the Internal Revenue Service in Revenue Procedure 2017-19.

AFFIANT CERTIFICATION

The undersigned Affiant hereby swears and affirms that the foregoing Notice and Affidavit is true and correct and copy of identification of Affiant is attached.

Signature of Affiant

| _____ |
Print name of Affiant

| LEGAL NAME OF APPLICANT |

Its: | Official Title of Authorized Agent |

Dated this | | day of | |, 20|20|.

