SCHEDULE “SWH”  
Residential Service  

SOLAR WATER HEATING (SWH) SAVINGS PILOT PROGRAM  

Availability:  
Applicable to all residential customers that are being provided residential power service and billed by the Company under Schedule “D”. This Schedule “SWH” is available on a pilot basis for a three year period (i.e., from June 30, 2007 to June 30, 2010), which may be amended, suspended or terminated at any time by order of the Commission, and is limited to only the first 25 residential customers per year of each year of the pilot program period who are duly selected to participate in the pilot program. This Schedule “SWH” does not apply where a residence and business are combined.  

Rate:  
None.  

Summary of SWH Savings Pilot Program and Terms and Conditions:  
1. The 25 participants per year for each year of the pilot program period will be solicited through the Company’s external and internal marketing efforts. Residential customers selected to participate in this program will be eligible to obtain solar water heating systems from the Company, subject to the terms and conditions stated herein, with no down payments or other up-front costs.  
2. This program shall be available for selected residential customers under the following conditions (eligibility criterion): (a) the availability of Company funds, as determined and budgeted by the Company for this program, (b) the number of participants who have been selected to participate in the program in that given year, and (c) a determination having been made by the Company that the estimated life cycle electricity savings from the use of the solar water heating system by that customer exceeds the cost of the system. In connection with the above, the customer agrees to provide the Company with any information or documents that may be requested by the Company to confirm that the eligibility criterion are satisfied. The customer also agrees that, as a condition of participating in this program, the customer shall comply with the Company’s guidelines established for this program and sign any agreements or applications as deemed necessary by the Company to document the customer’s repayment and other obligations under this program, to the extent not inconsistent with the terms and conditions herein.
3. Upon confirmation by the Company that the eligibility criterion set forth above are satisfied, the customer shall, pursuant to the Company’s guidelines, select the contractor to purchase and install the solar water heating system at the customer’s meter location. Upon selection by the customer of the contractor to perform the work, the customer will coordinate with the selected contractor for the purchase and installation of the solar water heating system at the customer’s meter location. Upon notification to the Company by the customer or the selected contractor that work is complete, the Company will verify that the solar water heating system has been installed and will arrange for payment to the selected contractor for the costs to purchase and install such system. Upon installation, the customer shall be obligated to reimburse the Company for its costs incurred with respect to the above pursuant to a monthly payment schedule to be determined by the Company. Said payments under this Schedule “SWH” shall be reflected and added to the customer’s monthly electricity bill for payment pursuant to and in accordance with Rule No. 8. The customer agrees and acknowledges that said payments are an element of the customer’s electric service, and the customer is liable for said payments under the same terms and conditions as charges under the customer’s regular rate schedule, including, but not limited to, the customer’s service being subject to limitation of service and/or disconnection for nonpayment in accordance with the Company’s Tariff. Said payments made by the Customer will first be applied to the electricity use portion of the bill.

4. Once the solar water heating system is installed at the customer’s meter location, the customer assigned to the meter shall be responsible for the maintenance and repair of the system, and the Company shall not have any responsibility or liability with respect to the system or the installation thereof.

5. Once a solar water heating system is installed at a customer’s meter location, the responsibility for making payments under the monthly payment schedule shall be tied to the meter location. In other words, any customer or new customer that receives or begins to receive service through a meter that is connected to a solar water heating system, upon which there is a monthly payment schedule established hereunder that is not fully repaid, shall be responsible for the remaining balance under the monthly payment schedule, and shall continue to make payments in accordance with said schedule and this Schedule “SWH”. To ensure that this responsibility and obligation is tied to the meter and runs with the appurtenant land, and as a condition of participating in this program, the customer shall consent and agree to the recordation of the SWH Financing Program agreement(s), or a notice of such agreement(s), in the appropriate land and title records in the Bureau of Conveyances of the State of Hawaii. Notwithstanding the above, in the event an existing customer terminates or plans to terminate service from a meter upon which a monthly payment schedule is established that is not fully repaid, the existing customer shall inform the new customer or user of his/her/its obligations under this Schedule “SWH” to the extent the new customer or user is known to the existing customer.
6. Notwithstanding anything in Section 5 of this Schedule “SWH” to the contrary, in the event a new customer begins to receive service through a meter that is connected to a solar water heating system upon which there is a remaining balance under the monthly payment schedule, the Company shall have the option to recalculate the monthly payment schedule for that particular customer pursuant to the Company’s guidelines.