



APS Renewable Energy Incentive Program
P.O. Box 53933, Mail Station 9649
Phoenix, AZ 85072-3933
Commercial-Renewables@aps.com

October 20, 2011

Gila County
Central Heights Complex
5515 Apache Ave.
Globe, AZ 85501

RE: APS 2011 Production Based Renewable Energy Incentive Program
Reservation #18703

Dear Ms. Jones:

Congratulations!!! We are pleased to confirm your reservation has been approved.

Please keep in mind that this letter is only a confirmation that APS has reserved funding for your project, not an approval that your system can be interconnected to the APS network. An interconnection application, along with all required diagrams, must also be submitted for review in accordance with the APS interconnection requirements. As part of the interconnection review process, APS will advise you of any additional requirements, including whether or not an interconnection study will be required, and estimated costs of any modifications needed to the APS system in order to accommodate your project. A copy of APS's Interconnection Requirements can be found at www.aps.com/dg.

It is strongly recommended that no equipment be ordered or installed until preliminary approval of the interconnection application is granted by APS. Should you have additional questions regarding the interconnection process, you can contact the distribution interconnection group at Commercial-Renewables@aps.com or by calling 602-371-6160.

Following are important milestone dates that must be met in order to keep funding reserved for your system:



PLEASE NOTE: Missing milestone dates may cause funding for your project to be cancelled. If you foresee any delays prohibiting you from meeting a required milestone dates for this project, please contact your APS Renewable Energy Incentive Program Representative listed below immediately.

The next step in the process is to review, execute and return the enclosed Credit Purchase Agreement (CPA) within 45 days of the date of this letter so that funds remain reserved for your project. If the CPA is not executed and returned by September 5, 2011, your reservation will be cancelled, and the funds will be released for other projects.

The enclosed CPA for Grid Tied Photovoltaic Systems is designed as a standard contract form made available to all participants. APS will not accept any change to the form made unilaterally by any participant. Please review and sign both originals of the CPA. **Retain one original for your records**, and return the other original to the address listed below:

APS Renewable Energy Incentive Program
Mail Station 9649
PO Box 53999
Phoenix AZ 85072-3999

Your APS Renewable Energy Incentive Program Representative for this project is Rex Stepp, who will be contacting you within the next couple weeks to discuss your project. In the meantime, if you have any questions, you can reach Rex at (602) 250-3043 or Rex.Stepp@aps.com.

Thank you for your interest in renewable energy.

Sincerely,

Sonja Schroder
Commercial-Renewables@aps.com

PLEASE NOTE: APS has reviewed your incentive application only to confirm that it meets the application requirements set forth by the Arizona Corporation Commission, and is processing your application accordingly. In doing so, however, APS makes no determination as to the accuracy of any projected economic or other benefits associated with the contract between you and the solar provider, or whether the terms of that contract conform to other legal or regulatory requirements.

cc: Rex Stepp
Kitchell Contractors Inc. of Arizona
Tioga Energy, Inc.