

Peak-Time Payback Tesla Battery Energy Storage System Program
Terms & Conditions for Systems Installed Prior to January 1, 2025, or Not
Applying for Advance Payment

Effective November 1, 2025

Welcome to the Peak-Time Payback Program, offered by GVEC.

The Peak-Time Payback Program (referred to here as “Program”) is offered by GVEC, including its third-party contractors or agents such as Tesla, Inc., (any and all of those entities collectively referred to here as “GVEC”). Participation in the Program enables members to help maintain grid stability and resiliency by allowing GVEC to operate your Battery Energy Storage System (referred to as your “BESS”). Through this operation, GVEC can reduce Generation and Transmission costs via energy arbitrage and seasonal demand reduction. Additionally, your participation allows GVEX to include your BESS in ERCOT’s Aggregated Distributed Energy Resource (“ADER”) Pilot Program, providing dispatchable generation to the grid. Under the Program, GVEC may schedule and operate manual Peak-Time Payback events as determined necessary by GVEC while automated events may occur at other times in response to market conditions. During either type of event, your eligible BESS may automatically charge, discharge, standby or otherwise respond to grid conditions in accordance with Program requirements.

As a BESS owner, you are eligible to apply for enrollment in this Program if you:

- Are a valid GVEC member with an active electric service account in good standing.
- Have a valid Interconnection Agreement in place with GVEC.
- Have an eligible Tesla BESS that was installed prior to January 1, 2025. To be eligible for the rebate, each battery device must include a dedicated inverter, and the BESS must be located within GVEC’s electric service territory. Storage expansion additions without dedicated inverters are not eligible for the rebate.
- Own the property on which the eligible BESS is located.
- Have an active customer account with the manufacturer of the BESS.
- Have the BESS connected to the internet through ethernet or a strong Wi-Fi connection.

Enrollment in the Program will depend on GVEC approving your request for enrollment. Your enrollment request may be declined, or your enrollment terminated, if you do not satisfy eligibility requirements, if the enrollment information is not accurate, or for any other reason.

For each participating BESS, GVEC will pay the member a one-time payment (the “Advance Payment”) of \$75 per installed kilowatt (“kW”) of manufacturer rated continuous capacity up to a maximum of 23kW. This Advance Payment is typically credited to the member’s electric service account within 6 to 8 weeks after enrollment.

Beginning in the month following receipt of the Advance Payment, members will receive an additional payment of \$75 per installed kW of manufacturer rated continuous capacity up to a maximum of 23kW (the “Additional Payment”) for each year they are enrolled in the Program and will be processed within 6-8 weeks after continued enrollment is verified. This Additional Payment will be credited to the member’s electric service account in the form of a monthly payment equal to the total kW of manufacturer rated continuous capacity (up to a maximum of 23kW) times \$75 divided by 12. Subject to all other terms and conditions herein, GVEC shall continue paying the Additional Payment provided that GVEC’s relevant agreement with Tesla remains in place in its current form.

To participate, all BESS installed at your GVEC service address will need to be enrolled into the Program. By enrolling in the Program, you are accepting GVEC’s terms and conditions. GVEC will send operating instructions to your BESS, optimize its operations, and change its state on an event day. The BESS will not be drawn down below a 30% reserve level to allow for backup. . This means the battery will not discharge below 30%. GVEC will collect data about your BESS technology, including but not limited to model and power consumption, and may use this information to enable, manage your participation in, provide support for, and improve the Program. GVEC has contracted with Tesla, Inc., to manage the Program.

Members may opt out of manual Peak-Time Payback seasonal demand reduction events at any time before or during the event, up to until its conclusion. GVEC will assess all member’s involvement in each event, and, at GVEC’s sole discretion, reserves the right to remove any member from the Program who consistently opts-out of scheduled events. GVEC reserves the right to enforce this provision to maintain the integrity of the Program.

The BESS owner acknowledges that:

- Energy consumed through the meter from GVEC’s distribution system will be charged at the current Delivery Charge, plus the applicable Generation and Transmission Charge under GVEC’s Tariff. Conversely, energy returned through the meter to GVEC’s distribution system will be credited at the same rates. This results in a net zero cost.
- GVEC’s rates are in no way defied, represented, or reflected within the Tesla app’s Utility Rate Plan.
- Certain BESS operational settings will be locked for the duration of Program participation, including but not limited to:
 - Enabling Exports to the Grid
 - Allowance of Grid Charging
 - Operational Mode set to Time-Based Control
 - Normal Backup Reserve set at 30%

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- They cannot be on GVEC's time-of-use rate option while participating in this Program.
- A charge command may be sent to the BESS at a specified time before an event, so the BESS is fully charged for the event.
- The BESS may be cycled, with one full cycle defined as a complete charge and discharge of the BESS, once or more per day dependent on market conditions.
- They can opt out of the Peak Time Payback Program with 30 days' written notice.
- During times of inclement weather, Storm Watch mode may override called events.
- GVEC will use good faith efforts not to call events before or during major storms or severe weather events that GVEC believes are likely to result in widespread outages.

If GVEC changes its terms and conditions under the Program, you may need to accept the new terms and conditions to continue to participate.

YOU RELEASE AND HOLD HARMLESS GVEC FROM ANY LIABILITY, CLAIM, DEMAND, CAUSE OF ACTION, DAMAGE OR EXPENSE RESULTING FROM YOUR PARTICIPATION IN THE PROGRAM. These terms and conditions become effective when you submit your enrollment request and will continue until amended by GVEC or your participation is terminated either by yourself or GVEC, whichever occurs first. Notwithstanding the foregoing, terms related to indemnification shall continue until all related duties have been fulfilled.

You may cancel your participation in the Peak-Time Payback Program by calling GVEC at 800.223.4832.