

COMMUNITY SOLAR AGREEMENT PRAIRIE ENERGY COMMUNITY SOLAR PROGRAM

This **Community Solar Agreement** (this "Agreement") is made and entered into as of _____, 20__, by and between **Prairie Energy Cooperative ("Cooperative")**, whose mailing address is **PO Box 353, Clarion, Iowa 50525**, and the member-consumer identified as follows ("Member"):

Member Name: _____
Member Number: _____
Account Number: _____
Billing Address: _____
Service Address: _____

1. Community Solar Participation.

1.1. Number of Units Purchased. Member hereby purchases and **Cooperative** hereby agrees to provide to Member on its bills for the Service Address noted above (the "Service Address"), Production Credits related to ____ unit(s) (0.335 kW each) of solar capacity ("Member's Allocated Capacity") under the **Prairie Energy Community Solar Program**.

As part of the Prairie Energy Community Solar Program, the **Cooperative** intends to construct one or more solar facilities. The **Cooperative** shall be the owner of said facilities and is not selling to Member any ownership interest in said facilities. Further, the **Cooperative** does not guaranty that any of the electrical energy produced by said solar facilities shall be used to serve the Member's premise. The Prairie Energy Community Solar Program is intended to allow Members of the **Cooperative** an opportunity to assist the **Cooperative** in developing solar facilities, the output of which will displace energy generated from other generating units, including fossil fuel units.

A Member may only purchase the number of subscriptions sufficient to provide enough Solar Energy Credits to cover the Member's average annual usage at the Service Address (based on the last three year's usage), less any kWhs used for electric heat and stored heat; but in no event more than 30 units. Further, members with unmetered service, such as street and intersection lighting, shall not be eligible, unless they have some other metered service.

1.2. Environmental Attributes. Member acknowledges and agrees that **Cooperative** will sell all electric energy generated by the Solar Farm and all Environmental Attributes associated with the Solar Farm to Basin Electric Power Cooperative or another interconnected utility. **Member acknowledges that all Environmental Attributes associated with the Solar Farm shall remain the property of Cooperative and Member agrees not to make any statement contrary to such ownership by Cooperative.**

"Environmental Attributes" means any and all rights, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the environmental or renewable characteristics or attributes of the Solar Farm or the avoidance of the emission of any gas, chemical,

or other substance to the air, soil or water, which are deemed of value by **Cooperative**, in each case now or hereafter created or recognized by any governmental authority or independent certification association or entity generally recognized in the electric power generation industry and generated by or associated with the Solar Farm, including without limitation any renewable energy credits or similar rights arising under any federal or state renewable portfolio standard, the Center for Resource Solutions' Green-e program and any credits, offsets or similar rights arising under any federal or state carbon legislation or regulation or any voluntary or government-mandated carbon trading program. Environmental Attributes also include but are not limited to: (a) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (b) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere.

2. **Consideration.** As consideration for Member's right to receive Production Credits pursuant to this Agreement, the Member agrees to pay **Cooperative** the sum of \$413.40 per unit (0.335 kW) of Member's Allocated Capacity (the "Allocated Capacity Fee") for a total of \$_____, which shall be due upon execution of this Agreement.

3. **Term.** This Agreement shall be effective on the ____ day of _____, 20____, and will continue until July 31, 2035 (the "Term"), subject to early termination as provided in this Agreement. The Purchase price is based on a Member participating for a term of 18 years. In the event the Member purchases the units after the Solar Farm is operational and the term is less than 18 years, the purchase price will be discounted by 5.5% for each full year less than 18 in the Term.

4. **Solar Energy Credit.** During the Term, Member will receive a Production Credit (calculated as provided below) for Member's Allocated Capacity as a dollar amount credit on the monthly invoices for electric service provided by **Cooperative** to Member.

The amount of the credit available to Member shall be calculated as follows:

Solar Farm Energy Rate x Member's Unit Percentage x Output = Credit

- **The Solar Farm Energy Rate** is equal to the retail rate charged by Prairie Energy for the Over 1,000 kWh's on Rate 99001 – Single-Phase General Service <50 kVA, which is presently \$.1050 per kWh, adjusted by the Energy Cost Adjustment (ECA) factor. Said Rate will be adjusted as Rate 99001 is adjusted and the adjusted rate will apply to the first full billing month following the effective date of the change.
- **The Member's Unit Percentage** is the Member's Allocated Capacity ÷ the total kW capacity of the solar farm.
- **The Output** is the total kWh of electric energy delivered by the solar farm in the current calendar month.

The maximum Production Credit that will be applied to each monthly invoice may not exceed the amount of the total invoice (exclusive of any portion attributed to electric heat, stored heat and lighting) prior to application of the Production Credits. Any excess Production Credits will be rolled over and applied first to the next monthly invoice, provided that the maximum amount of Production Credits that will be applied to the last monthly invoice during the 18-year Term is the amount of the invoice prior to application of the Production Credits. Any unused credits at the end of each year shall be forfeited and shall not be carried over into the next year.

5. **Repurchase.** In **Cooperative's** sole discretion, **Cooperative** may, at any time and from time to time, elect to repurchase all or any portion of Member's Allocated Capacity and the associated rights to receive Production Credits, and Member is obligated to sell such Allocated Capacity and associated rights to **Cooperative** pursuant to the terms of this Section 5. Such repurchase will occur as follows:

A. **Cooperative** will notify Member of **Cooperative's** election to exercise its repurchase right and the kW amount of Member's Allocated Capacity and associated rights to receive Production Credits being repurchased (the "Repurchase Notice").

B. The purchase price for each kW of Member's Allocated Capacity will be equal to the original purchase price divided by the total length of the Term (in months), multiplied by the number of months remaining in the Term, and then multiplied by 95%, if the repurchase occurs in the first ten years of the Term. After the first ten years of the Term, the formula for calculating the repurchase price will be the same, except 90% will be used instead of 95%.

C. **Cooperative** will repurchase the kW amount of Member's Allocated Capacity identified in the Repurchase Notice within 30 days after sending such Repurchase Notice by sending payment to Member in an amount equal to the sum of (a) the repurchase price as calculated in clause (B), plus (b) any earned Production Credits with respect to the amount of kW of Member's Allocated Capacity being repurchased not yet credited to the invoice for the Service Address. On receipt by Member of the payment provided in this Section 5 C., (i) Member's right to receive Production Credits with respect to the amount of kW of Member's Allocated Capacity so repurchased will terminate, and (ii) **Cooperative** will have no further obligation to Member with regard to such Production Credits.

This Agreement will terminate effective upon repurchase by **Cooperative** of all of Member's Allocated Capacity and associated rights to receive Production Credits.

Member does not have the right to require **Cooperative** to repurchase all or any portion of the rights to receive Production Credits associated with Member's Allocated Capacity. Any request by Member that Cooperative repurchase Production Credits associated with Member's Allocated Capacity shall be governed by Section 7.

6. **Additional Agreements.** The parties further acknowledge and agree that:

6.1. Member will not have access to the Solar Farm for any purpose. Member will have no ownership, possession right or control of the Solar Farm, and will have no rights or obligations with respect to the maintenance or operation of the Solar Farm. This Agreement does not convey to Member any rights, title or interest in or to any portion of any property (tangible or intangible, real or personal) underlying or comprising any portion of the Solar Farm.

6.2. Member is not relying on any representation, warranty or promise with respect to the **Prairie Energy Community Solar Program** or the Solar Farm made by or on behalf of the **Cooperative**, except to the extent specifically stated in this Agreement. MEMBER ACKNOWLEDGES AND AGREES THAT THE SOLAR FARM IS BEING USED IN THE **PRAIRIE ENERGY COMMUNITY SOLAR PROGRAM** AS IS, WHERE IS, AND WITHOUT WARRANTY. ANY WARRANTIES, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE ARE HEREBY DISCLAIMED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

6.3. Nothing in this Agreement shall be deemed to alter or modify any rate, charge, term or condition of the electric service provided by **Cooperative** to Member or to modify in any way Member's rights and obligations as a member of **Cooperative**. All of **Cooperative's** rates, charges, terms and conditions of electric service shall remain subject to change in accordance with applicable law at any time.

7. **Transfer/Assignment.** Member may request that **Cooperative**: (a) permit Member to change the Service Address for which the Production Credits will apply to another Service Address within **Cooperative's** service territory for which Member is obligated to pay **Cooperative** for electric service, or (b) permit Member to assign this Agreement to another individual or entity provided such assignee's Service Address is located within **Cooperative's** service territory. Member must notify **Cooperative** of such proposed change or assignment in writing at least 30 days prior to the proposed effective date of such change or assignment, which notice must include:

1. Member's name and mailing address;
2. The current Service Address;
3. The new Service Address (if applicable);
4. The name of the individual or entity to whom Member is requesting to assign this Agreement (if applicable) and the consideration (if any) proposed to be provided to Member for such assignment;
5. The proposed effective date of such proposed change or assignment; and
6. A payment of \$25 to cover the processing of the transfer.

Cooperative may, in connection with its consideration of such a request, elect, in its sole discretion, to repurchase all or any portion of Member's Allocated Capacity and associated rights to receive Production Credits as provided in Section 5.

The value of any consideration to be provided to Member for assignment of this Agreement may not exceed the purchase price that would apply if **Cooperative** were repurchasing Member's Allocated Capacity and related rights to receive Production Credits as determined under Section 5. B.

Cooperative's determination as to whether to repurchase all or any portion of Member's Allocated Capacity and associated rights to receive Solar Energy Production credits or consent to any proposed change of Service Address or assignment of this Agreement shall be made in accordance with the then current **Prairie Energy Community Solar Program** policies as established by **Cooperative's** board of directors from time to time.

Upon any assignment of this Agreement pursuant to this Section 7, the Member will surrender all right, title and interest in and to this Agreement. No assignment will extend the Term of this Agreement.

Except as provided above in this Section 7, Member may not assign, gift, bequeath or otherwise transfer any of its rights or obligations under this Agreement to any other individual or entity for any purpose, including without limitation as security for any debt or obligation. Any attempted assignment in violation of this Section 7 shall be null and void.

No more than one assignment or transfer shall be requested in any one calendar year.

[Optional] - Upon death of the Member within the term of this Agreement, Member desires the Allocated Capacity to be assigned to the following beneficiary:

Name: _____

Address: _____

Telephone: _____

8. **Force Majeure.** If the performance of any part of this Agreement by either party is prevented, hindered, delayed or otherwise made impractical by reason of any flood, riot, fire, tornado, judicial or governmental action, labor disputes, civil unrest, or any other cause beyond the control of either the Cooperative or the Member, the party obligated to perform shall be excused to the extent and only for so long as they are prevented, hindered or delayed by such causes. The inability to make payments is not considered a cause beyond the control of either party.

9. **Notices.** All notices, requests, consents, and other communications to a party under this Agreement must be in writing, delivered to the mailing address for such party stated above, and will be deemed delivered upon the earlier of (a) three business days after being deposited in certified or registered mail, return receipt requested, postage prepaid, or (b) the following business day after being delivered to a reputable overnight courier service.

10. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, whether oral or written, negotiations, representations, commitments, writings and all other communications between the parties. This Agreement may not be released, discharged, or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.

11. **Governing Law/Jurisdiction/Venue.** This Agreement shall be deemed to have been made in, and shall be construed under, the internal laws of the State of **Iowa**, without regard to the

principles of conflicts of laws thereof. The parties acknowledge and agree that a court of competent jurisdiction located in **Wright** County, **Iowa** shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

PRAIRIE ENERGY COOPERATIVE:

MEMBER:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____