



PROPRIETARY AND CONFIDENTIAL

### US Solar Fixed Discount Value-of-Solar Subscription<sup>SM</sup> Agreement

This **Fixed Discount Value-of-Solar** Subscription<sup>SM</sup> Agreement (this “**Agreement**”) is entered into by and between US Solar LLC (together with its successors and assignees, “US Solar” or “we”) and the City of Scandia described below (together with any permitted transferees, “Project Subscriber” or “you”) (each a “**Party**” and collectively the “**Parties**”) and is effective as of the date signed by the Parties (the “**Effective Date**”).

<b>Project Subscriber:</b>		<b>US Solar<sup>SM</sup>:</b>	
<b>Name and Address</b>	The City of Scandia 14727 209 <sup>th</sup> Street Scandia, MN 55073 Attention: Neil Soltis	<b>Name and Address</b>	US Solar LLC 100 N 6 <sup>th</sup> Street, Suite 218C Minneapolis, MN 55403 Attention: MN CSG Notices
<b>Phone</b>	651.433.2274	<b>Phone</b>	(612) 294-6978
<b>E-mail</b>	n.soltis@ci.scandia.mn.us	<b>E-mail</b>	<a href="mailto:info@us-solar.com">info@us-solar.com</a>
<b>Premises and Account Numbers</b>	See Attachment.		
<b>Community Solar Garden Allocation</b>	An amount expected to produce up to 127,771 kWh, equal to 120% of Project Subscriber’s average annual electricity consumption (“AAEC”) (net of any other distributed generation resources serving a relevant Premises) over the prior twenty-four (24) months with respect to its eligible Account and Premises numbers, allocated to multiple projects. Project Subscriber’s AAEC is equal to approximately 102,216.8 kWh.		

This Agreement sets forth the terms and conditions of your subscription to the Community Solar Garden(s) described in **Exhibit B** (individually and collectively, as context requires, a “**Project**”) and installed at the Community Solar Garden Site(s) described in **Exhibit B** (individually and collectively, as context requires, a “**Project Site**”). Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Standard Contract for Solar Rewards Community contract (“**SRC Contract**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

- Exhibit A** Definitions
- Exhibit B** Project(s), Project Site(s), and VOS Vintage(s)
- Exhibit C** NSP Value of Solar (VOS) Bill Credit Rate Schedule(s)
- Exhibit D** Estimate of Subscribed Energy
- Exhibit E** [Reserved]
- Exhibit F** Form of SRC Contract
- Exhibit G** Form of Agency Agreement
- Exhibit H** Project Subscriber Data

**ARTICLE 1  
SUBSCRIPTION**

1.1 Subscribing to Project Capacity. You are subscribing to the Community Solar Garden Allocation ("**CSG Allocation**") identified for each Project on the front page of this Agreement on the terms and conditions set forth herein.

1.2 Bill Credit Value. As more fully detailed in the SRC Contract, your CSG Allocation entitles you to receive a Bill Credit against your monthly retail electrical bill equal to the product of (i) the amount of your Subscribed Energy for each Production Month, and (ii) your applicable Bill Credit Rate. Bill Credits are the dollar amounts paid by NSP to you as a credit on your retail electric bill to compensate you for your beneficial share of the solar electricity produced by the Project and delivered to NSP from the Project.

1.3 Bill Credit Rate. The Bill Credit Rate for each Project is shown on Exhibit B. The monetary value of the Bill Credit Rates are found in the CSG Tariff, and attached at Exhibit C. The Bill Credit Rate attributable to each Project will be increased at the end of each of the first 24 calendar years following the COD of such Project (or otherwise as provided by order of the MPUC), as reflected in the CSG Tariff.

1.4 Subscribed Energy. The estimated amount of Subscribed Energy produced by your CSG Allocation over the Term is set forth in Exhibit D.

1.5 Sunscription<sup>SM</sup> Rate and Payments.

(a) Your Sunscription<sup>SM</sup> Rate for each Project for each Production Month shall be equal to (i) the applicable Bill Credit Rate less (ii) \$0.01/kWh.

(b) The monthly payment amount you owe to US Solar (each, a "**Sunscription<sup>SM</sup> Payment**") is equal to the product of (i) your Subscribed Energy produced in a given Production Month, and (ii) the Sunscription<sup>SM</sup> Rate.

(c) Sunscription<sup>SM</sup> Payments will be invoiced monthly, beginning the first month after the Date of Commercial Operation ("**COD**") of each particular Project, and you agree to make the full monthly Sunscription<sup>SM</sup> Payment within twenty (20) days of receiving our invoice.

(d) Interest shall accrue on overdue Payments not subject to a good-faith dispute, at the rate of six percent (6.00%) per annum simple interest, as allowed under Applicable Laws.

1.6 No Additional Funds. The Sunscription<sup>SM</sup> Payments represent full payment by you for your CSG Allocation subscription, and we shall not have any right to compel you to advance or pay any additional funds for the construction or maintenance of the Project or your CSG Allocation.

1.7 Ownership Limitation. Project Subscriber is not purchasing, and US Solar is not selling or transferring to Project Subscriber:

- (a) Any ownership or lien in any specific modules or tangible component of the Project;
- (b) Any ownership or membership interests or rights in US Solar or any entity which owns or may subsequently own the Project (for each Project, a “**Project Owner**”) or any financial rights or distributions associated with such ownership;
- (c) Any right to any payment by NSP to US Solar or the Project Owner with respect to Unsubscribed Energy;
- (d) Any right to manage, direct, control or operate the Project, US Solar or Project Owner; or
- (e) Any RECs produced by the Project or any payment by NSP to US Solar or Project Owner with respect to the RECs.

1.8 Term. The term of the Agreement (“**Term**”) shall begin on the Effective Date and shall end, with respect to each Project, twenty five years after the COD of such Project unless otherwise provided for in this Agreement or to allow for any extension provided under the related SRC Contract.

## ARTICLE 2 STANDARD CONTRACT FOR SOLAR REWARDS COMMUNITY

2.1 SRC Contract. With respect to each Project, US Solar or the applicable Project Owner will enter into the SRC Contract once offered by NSP. Please see Exhibit F for the form of SRC Contract. Among other things, the SRC Contract provides for the following:

- (a) US Solar acting as the Community Solar Garden Operator;
- (b) Sale and delivery to NSP of all electricity and RECs generated by the Project for a term of twenty five (25) years;
- (c) Allocation to Subscribers by NSP of Bill Credits in exchange for delivery by US Solar, or the applicable Project Owner, of the electricity and RECs generated by the Project; and
- (d) US Solar ensuring compliance with the Community Solar Garden Statutory Requirements (“**Eligibility Requirements**”), which include eligibility requirements relating to both the Project and Subscribers.

2.2 Subscriber Agency Agreement and Consent Form. Attached to the SRC Contract is a Subscriber Agency Agreement and Consent Form (“**Agency Agreement**”) that you will be required to sign. Please see Exhibit G for the form of Agency Agreement. Among other things, the Agency Agreement provides for the assignment of energy and RECs to NSP and provides information regarding the following:

- (a) Data access, control, and disclosure;
- (b) Contacting NSP about certain questions regarding your Bill Credits; and
- (c) Contacting US Solar about questions regarding this Agreement, NSP’s data policies, and Project-related items.

## ARTICLE 3 ELIGIBILITY AND EXCESS BILL CREDIT PURCHASE

3.1 Eligibility Data. You acknowledge that the account data contained in Exhibit H is complete and accurate and that US Solar may use the data for purposes of confirming your

conformance with the applicable Eligibility Requirements. You agree to provide US Solar and the applicable Project Owner with any additional information we request to determine, verify, or confirm your eligibility at any time during the Term.

3.2 Authorization to Access Data. You authorize US Solar and the applicable Project Owner to use all eligibility data set forth in Exhibit H, as well as your electric bills for each Eligible Address for the most recent twenty-four (24) months, to assist US Solar and the applicable Project Owner in confirming your eligibility.

3.3 Credit Information. Subject to the confidentiality and privacy provisions of Section 8.1, you agree to provide US Solar with information reasonably necessary for US Solar, the Project Owner, or its Financing Parties to confirm your creditworthiness.

3.4 Excess Bill Credit Purchase. As per the SRC Contract, any excess Bill Credits (i.e., Bill Credits in a billing period that exceed the amount you owe NSP for your regular retail service in that period) will be carried forward and credited against all charges for at least a twelve (12) month cycle. Under the SRC Contract, NSP will be required to purchase from you all such Bill Credits with the billing statement that includes the last day of February and restart the credit cycle the following period with a zero credit balance.

#### **ARTICLE 4 US SOLAR RESPONSIBILITIES**

4.1 Design and Implementation. We agree to develop, design, finance and construct the Project(s), including, but not limited to, site acquisition, the filing of interconnection applications and procurement of an interconnection agreement with NSP, the selection and procurement of Project components, and the installation and testing of all Project components.

4.2 Application Process. We shall submit each Project to NSP for approval as a Community Solar Garden ("**CSG**") in accordance with the CSG Tariff and shall provide all information required by NSP to determine the completeness of our application and technical viability of each Project. Once offered by NSP, we (or the applicable Project Owner) shall enter into the SRC Contract, interconnection agreement, and other agreements with NSP that may be necessary to qualify each Project as a CSG and for the Project to operate and deliver energy to NSP.

4.3 Timeliness. In keeping with the time requirements set forth in the SRC Contract, we shall use commercially reasonable efforts to finish construction and installation of each particular Project within twenty four (24) months after NSP has deemed complete our CSG application with respect to such Project.

4.4 Eligibility Compliance. US Solar is responsible for confirming compliance with the Eligibility Requirements, including verification of the eligibility information you have provided to US Solar.

4.5 Maintenance. We will maintain the Project in a prudent manner and in accordance with industry standards throughout the Term. We will provide you with notice of any material repair or replacement event that is reasonably anticipated to exceed one hundred eighty (180) days.

**ARTICLE 5  
FURTHER INFORMATION**

5.1 Unsubscribed Energy. Unsubscribed Energy will be purchased by NSP from the Project in accordance with the SRC Contract and Applicable Laws.

5.2 Reserves. US Solar will establish reserve funds available for use to maintain the Project and pay Project operating expenses such as taxes, maintenance, insurance, and management services for the Term.

5.3 Other Agreements and Documents.

- (a) Upon your request we will provide the following when and as available:
- i. Copy of the SRC Contract between NSP and the Project Owner;
  - ii. Copy of the solar module warranty;
  - iii. Certificate(s) of insurance; and
  - iv. Long-term maintenance plan.
- (b) We will provide you with any other information that you may request, or that we may be required to deliver, under the CSG Tariff.
- (c) You agree to sign an acknowledgment of receipt of any such materials.

5.4 Information Sharing. The Parties acknowledge the Agency Agreement contains certain provisions relating to “Subscriber Account Information” and “Subscriber’s Energy Use Data” and agree to adhere to those provisions.

5.5 Fair Disclosure. You acknowledge that, prior to entering into this Agreement and becoming a Subscriber, we fairly disclosed to you the future potential costs and benefits of your Subscription and provided you with a copy of the SRC Contract. US Solar will comply with all other requirements of the MPUC and CSG Tariff with respect to communications with you.

5.6 Taxes. You recognize that neither we nor NSP makes any representations or warranties concerning the taxable consequences, if any, to you with respect to your Bill Credits, your Sunscrition<sup>SM</sup> Payments, or your participation in the Project. We are responsible for paying the Minnesota Solar Energy Production Tax, if any, as in effect as of the Effective Date under Minnesota Statutes 272.0295. You are responsible to either pay or reimburse us for any and all other Taxes assessed on the generation, sale, delivery, or consumption of your Subscribed Energy or your Bill Credits.

5.7 Securities Laws. Neither we nor NSP makes any representations or warranties concerning the implication of any federal or state securities laws with respect to this Agreement or your CSG Allocation. Neither this Agreement nor your CSG Allocation has been registered under the Securities Act of 1933, as amended, or any state securities laws. US Solar does not believe this Agreement or the CSG Allocation constitutes a security governed by such laws but, in the event any such securities laws may apply, Project Subscriber represents that, as of the Effective Date, it is an “accredited investor” as that term is defined in Rule 501 of the Securities and Exchange Commission under the Securities Act of 1933, as amended. Project Subscriber



agrees that it is not entering into this Agreement or acquiring the Bill Credits for the purpose of making a market in such interests or trading them on any securities market or equivalent thereof which might fall within the scope of such laws. You are urged to seek your own professional advice on these matters.

## ARTICLE 6 TRANSFERABILITY

6.1 General. This Agreement and your Bill Credits are your personal property. Your ability to continue to receive Bill Credits is dependent upon your continuing compliance with the applicable Eligibility Requirements and your payment of the Sunsubscription<sup>SM</sup> Payments. This Agreement and the Bill Credits are transferable only as set forth below. This Agreement and the Bill Credits are not transferable by you, whether voluntarily or by operation of law, at any time when you are in default under this Agreement, unless as approved by US Solar.

6.2 Sale or Transfer to Other Eligible Subscribers. You may voluntarily sell or transfer this Agreement, or any portion of your CSG Allocation (but not less than the minimum set by Eligibility Requirements), for any reason (but not more than once in any twelve (12) month period) and to any person or entity who, at the time of the sale or transfer meets applicable Eligibility Requirements for the relevant Project(s). Any amounts you collect from a transferee in respect of your transfer of this Agreement, or any portion of your CSG Allocation, belongs to you. Neither US Solar nor a Project Owner will have any claim or right to any such amounts you may receive.

Your sale or transfer of your CSG Allocation for any Project is expressly conditioned upon:

- (a) US Solar receiving at least ninety (90) days' prior written notice identifying the prospective purchaser or transferee, providing the physical address at which it takes electric service from NSP, the NSP account number and all other information needed to determine its eligibility to be a Subscriber, as well as any other subscriptions in the relevant Project or other CSGs held by the proposed transferee, and any solar facility owned or leased by the proposed transferee at the address associated with the proposed transfer;
- (b) Receipt by US Solar of authorizations from the proposed transferee needed to access their NSP account data, and receipt by US Solar of usage data at the proposed transferee's address needed to calculate its historic electrical usage;
- (c) Determination by US Solar that the proposed transferee is eligible to be a Subscriber in the relevant Project and that its participation as a Subscriber will not cause the Project to fail any Eligibility Requirement or otherwise fail to comply with any Applicable Laws or contractual obligations to NSP;
- (d) The proposed transferee's (i) express written assumption of this Agreement or execution and delivery of a new subscription agreement with US Solar as to the CSG Allocation on terms acceptable to US Solar, including the cure of any prior defaults arising under this Agreement; and (ii) execution of an Agency Agreement or any other document reasonably required by US Solar or NSP to effectuate the transfer and maintain compliance with the Eligibility Requirements;

- (e) The proposed transferee meeting our credit requirements; and
- (f) US Solar receiving any applicable Cover Cost Amount from Project Subscriber.

US Solar shall notify NSP of any such transfer so that NSP may change the applicable Subscriber benefits to apply to the transferee's retail NSP electric account.

### 6.3 Relocation/Sale of Eligible Address.

- (a) If during the Term you move from an Eligible Address and are no longer the NSP account-holder at that address, you may transfer all or part of your CSG Allocation to another Eligible Address of yours (new or existing) conditioned on the following:
  - i. You provide us with at least ninety (90) days' notice of such transfer; and
  - ii. We determine that the new address, including the prior electrical usage at that address, will allow for the transferred CSG Allocation to continue to meet the applicable Eligibility Requirements.
- (b) If during the Term you move from or sell an Eligible Address and are no longer the NSP account-holder at that address, and you are not relocating to a new Eligible Address or do not have sufficient subscription capacity at another Eligible Address, before moving you must either:
  - i. Sell or transfer the relevant portion of your CSG Allocation in accordance with Section 6.2. If requested by you, we will use commercially reasonable efforts for up to one hundred eighty (180) days to assist you in this process; or
  - ii. Cancel the relevant portion of your CSG Allocation pursuant to Section 10.1 (a)(iii) below.
- (c) You are obligated to maintain compliance with the applicable Eligibility Requirements and to notify us if you plan to be out of compliance. You acknowledge that your failure to maintain compliance with the applicable Eligibility Requirements may result in NSP not paying you Bill Credits and our cancellation of the relevant CSG Allocation.
- (d) This Agreement confers to us no right to interfere with, or require our consent to, your sale or transfer of your real property.

## **ARTICLE 7 FINANCING**

7.1 Consent. We may, without your prior consent, in whole or in part, (i) assign, mortgage, pledge or otherwise collaterally assign our interests in this Agreement and the Project to any Financing Party, (ii) directly or indirectly assign this Agreement and the Project to a Project Owner or an affiliate or subsidiary of ours, (iii) assign this Agreement and the Project to any entity through which we are obtaining financing or capital for the Project; and (iv) assign this Agreement and the Project to any person succeeding to all or substantially all of our assets. In the event of any such assignment (other than a collateral assignment), we shall be released from all our liabilities and other obligations under this Agreement (only upon assumption of our obligations

hereunder by the assignee). However, any assignment of our rights and/or obligations under this Agreement shall not result in any change to your rights and obligations under this Agreement. A Financing Party may assign its interest at any time, and without your consent, to another person or another Financing Party. If the Financing Party or its successor becomes the owner of our interest by foreclosure or otherwise, it may sell or transfer that interest to any third party without your consent.

7.2 Changes. You acknowledge that we may obtain construction and long-term financing from one or more Financing Parties. Both Parties agree in good faith to consider and to negotiate changes or additions to this Agreement that may be reasonably requested by the Financing Parties; provided, that such changes do not alter the fundamental economic terms of this Agreement. In connection with any assignment by us (or the Financing Parties, as described below), you agree to execute any consent, estoppel or acknowledgement in form and substance reasonably acceptable to such Financing Parties. If this Agreement applies to more than one Project, you also agree to execute a separate Agreement for each Project if requested by us in connection with such assignment.

7.3 Notice and Opportunity to Cure. You may not terminate or suspend your performance due to our Event of Default unless you have given the Financing Parties prior written notice of your intent to so terminate or suspend this Agreement. In your notice you will describe the circumstances giving rise to our default, and provide the Financing Parties with the opportunity to cure the default within thirty (30) days after receipt of such notice or any longer period provided for in this Agreement. If our default reasonably cannot be cured by the Financing Parties within the period provided and the Financing Parties commence and pursue to cure of such default within that period, the period for cure will be extended for a reasonable period of time under the circumstances, but not to exceed an additional sixty (60) days. The Parties' respective obligations under this Agreement will otherwise remain in effect during the cure period. If the Financing Parties or an assignee (including any buyer or transferee) acquires title to or control of our assets and within the applicable time periods cures all defaults under this Agreement existing as of the date of such change in control in the manner required by this Agreement and which are capable of cure by a third party or entity, then such Financing Parties or third party transferee will no longer be in default under this Agreement, and this Agreement will continue in full force and effect.

## ARTICLE 8 PRIVACY; CONFIDENTIALITY; PUBLICITY

8.1 Subscriber Data. Other than in accordance with the Agency Agreement, US Solar will not disclose Project Subscriber's Account Information, Subscriber Energy Usage Data, Bill Credits or any other personal information of Project Subscriber to any person except (i) to NSP, to the extent required by Applicable Laws or the SRC Contract, for the purpose of administration of the Project, Project CSG eligibility, and Project Subscriber CSG eligibility; (ii) to attorneys, accountants, advisors, and agents of US Solar to the extent necessary for them to render advice or perform professional services associated with the Project or this Agreement; (iii) as otherwise required by Applicable Laws.

8.2 Publicity. The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement or related to Project Subscriber's participation in a Project, and each Party shall have the right to promptly review, comment upon and approve any publicity materials, press releases or other public



statements by the other Party that refer to, or that describe any aspect of, this Agreement. Notwithstanding the foregoing, the Parties agree to the use of each other's logos in their respective marketing materials.

## ARTICLE 9 DISPUTE RESOLUTION

### 9.1 NSP Disputes.

- (a) Any dispute or question which you have with respect to the application by NSP of the Bill Credits to your retail electric bill, in particular the applicable Bill Credit Rate that NSP used to determine the amount of your Bill Credits, shall be directed by you to NSP for resolution. You may request that US Solar assist you in this respect. You acknowledge that your obligation to make your Sunsubscription<sup>SM</sup> Payments is independent of the amount of your Bill Credits.
- (b) All disputes arising with respect to the contract between NSP and US Solar shall be resolved by negotiation and, in the absence of a resolution, by the Minnesota Public Utilities Commission ("MPUC"), as per the SRC Contract. Any issue or dispute identified by you with respect to NSP's actions with respect to the Project or the Bill Credits other than as described in Section 9.1(a) shall be referred to US Solar. If the dispute or question is not resolved to the Project Subscriber's satisfaction, you have the right to refer the issue directly to the MPUC at the following address:

Minnesota Public Utilities Commission

121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101  
Tel: (651) 296-7124  
Toll free: (800) 657-3782  
Fax: (651) 297-7073  
consumer.puc@state.mn.us

### 9.2 Disputes between Parties.

- (a) Any dispute or issue a Party may have arising from or related to this Agreement, which are not resolved by communications between Project Subscriber and US Solar representatives in person, over the phone, or electronically shall be submitted to the other Party in writing. Each Party shall assign an officer or senior management executive to address or negotiate a resolution with the other Party. The Parties agree to attempt to reach a resolution of such dispute within ten (10) days or such longer period as the Parties may agree.
- (b) We shall perform any calculation called for hereunder and do so in a commercially reasonable manner and in accordance with industry accepted standards. Any dispute regarding the results of any such calculation shall be resolved by having an independent consultant having nationally recognized credentials, such as Navigant Consulting, Inc. or Leidos, Inc., perform the calculation at the disputing

party's expense. Such consultant's results shall be binding on the Parties absent manifest error.

- (c) Any dispute arising from or relating to this Agreement not resolved by the Parties under Section 9.2(a)-(b) above shall be arbitrated in Minneapolis, MN. The arbitration shall be administered by JAMS in accordance with its Comprehensive Arbitration Rules and Procedures, and judgment on any award may be entered in any court of competent jurisdiction. If the Parties agree, a mediator may be consulted prior to arbitration.

## ARTICLE 10

### CANCELLATION EVENTS; EVENTS OF DEFAULT; REMEDIES

#### 10.1 Cancellation Events.

- (a) You may cancel all or part of your CSG Allocation relating to a particular Project to the extent that:
  - i. Construction of that Project is not completed within twenty-four (24) months of our receipt of NSP determining that Project's CSG application is complete, as extended by Force Majeure, and additional Project capacity does not exist;
  - ii. That Project becomes ineligible, in whole or in part, as a CSG during the Term and the related SRC Contract is terminated, and additional Project capacity does not exist; or
  - iii. You become aware that, due to relocation or other material changes, your CSG Allocation will no longer satisfy the applicable Eligibility Requirements and you elect not to sell or transfer, or cannot sell or transfer, your CSG Allocation to another eligible NSP customer.
- (b) We may cancel all or part of your CSG Allocation relating to a particular Project to the extent that:
  - i. You fail to meet the applicable Eligibility Requirements at any time during the Term;
  - ii. Your CSG Allocation is transferred by operation of law as defined in Section 10.7 to an ineligible person or entity and is not sold to an eligible transferee within the time provided;
  - iii. Prior to the start of Project construction, we are not able to confirm your creditworthiness; or
  - iv. Prior to the start of Project construction, we determine to terminate the development of Project(s) for which your CSG Allocation relates, and additional Project capacity does not exist.
- (c) Cancellation will be effective upon written notice by the cancelling Party to the other Party, including a description of the circumstances giving rise to the Cancellation Event and the specific portion of CSG Allocation canceled.

10.2 Events of Default. Each of the following events shall be an Event of Default under this Agreement:

- (a) A Party breaches any material representation or warranty or fails to perform a material obligation set forth in this Agreement and does not cure such breach or failure within thirty (30) days of written notice of the breach from the non-defaulting Party.
- (b) With respect to Project Subscriber, failure to make any Sunscription<sup>SM</sup> Payment when due, and failure to cure the default within ten (10) days after written notice of such failure from US Solar.

10.3 Cancellation Remedies.

- (a) In the case of a cancellation pursuant to Sections 10.1(a)(i) or (ii) or 10.1(b)(iii) or (iv), you will owe nothing with respect to the amount of CSG Allocation cancelled.
- (b) In the case of a cancellation pursuant to Sections 10.1(a)(iii) or 10.1(b)(i) or (ii) (each, a "**Covered Cancellation Event**"), you will be responsible for paying the Cover Cost Amount, if any, with respect to the amount of CSG Allocation cancelled, subject to the following:
  - i. We will use commercially reasonable efforts for up to one hundred eighty (180) days after such cancellation ("**Cancellation Replacement Period**") to secure one or more Eligible Transferee who will subscribe to the entire cancelled portion of your CSG Allocation at no less than your Sunscription<sup>SM</sup> Rate. If we are successful, your Cover Cost Amount will be zero.
  - ii. To the extent during the Cancellation Replacement Period we are unsuccessful in securing one or more Eligible Transferees who will subscribe to the entire cancelled portion of your CSG Allocation, the Unsubscribed Energy rate provided for in the CSG Tariff will be used in lieu of a transferee Sunscription<sup>SM</sup> Rate for purposes of determining the Cover Cost Amount.
- (c) During the Cancellation Replacement Period and before paying any Cover Cost Amount or other cancellation related amounts, you will be responsible for making Sunscription<sup>SM</sup> Payments that will be deemed to equal the full amount of your Sunscription<sup>SM</sup> Payments had no cancellation occurred.
- (d) At the end of the Cancellation Replacement Period, we will determine the Cover Cost Amount and other amounts owing by you and provide you written notice of same. These amounts will become due and payable by you within ten (10) days of your receipt of this notice.
- (e) After paying the Cover Cost Amount, your remaining Sunscription<sup>SM</sup> Payments will reflect your appropriately reduced CSG Allocation.
- (f) You will be responsible for reimbursing us for any costs we reasonably incur in identifying an Eligible Transferee who will subscribe to the cancelled portion of your CSG Allocation and in the execution of related documentation.

- (g) Upon cancellation of the entire CSG Allocation, we may terminate this Agreement in its entirety.

10.4 Default Remedies. In the event a defaulting Party fails to cure an Event of Default within the applicable cure period, the non-defaulting Party may:

- (a) With respect to an Event of Default by Project Subscriber:
  - i. We may terminate this Agreement immediately by notifying you in writing.
  - ii. We may direct NSP to remove you as a subscriber with respect to the Project, and you will no longer receive Bill Credits associated with the CSG Allocation.
  - iii. You will owe the Cover Cost Amount, if any.
    - 1. We will use commercially reasonable efforts for sixty (60) days after your Event of Default (“**Default Replacement Period**”) to secure one or more Eligible Transferee who will subscribe to your entire CSG Allocation at no less than your Sunscription<sup>SM</sup> Rate. If we are successful, your Cover Cost Amount will be zero.
    - 2. To the extent during the Default Replacement Period we are unsuccessful in securing one or more Eligible Transferee who will subscribe to your entire CSG Allocation, the Unsubscribed Energy rate provided for in the CSG Tariff will be used in lieu of a transferee Sunscription<sup>SM</sup> Rate for purposes of determining the Cover Cost Amount.
  - iv. You will owe an amount equal to the Sunscription<sup>SM</sup> Payments that would have been payable by you during the Default Replacement Period absent the Event of Default.
  - v. At the end of the Default Replacement Period, we will determine the Cover Cost Amount and other default-related amounts owing by you and provide you with written notice of same. These amounts will become due and payable immediately by you upon your receipt of this notice.
  - vi. You will be responsible for reimbursing us for any costs we reasonably incurred in attempting to identify an Eligible Transferee and in the execution of related documentation.
  - vii. Upon termination of this Agreement, we shall have no further obligations to you hereunder.
- (b) With respect to an Event of Default by US Solar:
  - i. Prior to the COD of the final Project, you may terminate this Agreement at any time by notifying us in writing.
  - ii. After the COD of the final Project, you may terminate this Agreement only if our default results in your CSG Allocation not producing any Subscribed Energy for one hundred eighty (180) consecutive days or more.
  - iii. Upon termination, you shall have no further obligation to us except for obligations arising or accruing prior to termination.

10.5 No Consequential Damages. No Party shall be liable to the other Party for any indirect, special, punitive, exemplary, incidental, or consequential damages, whether arising in contract, tort, under statute, or in equity, and each Party waives its rights to any such damages.

In no event will the Cover Cost Amount constitute, or be deemed to constitute, indirect, special, punitive, exemplary, incidental, or consequential damages.

10.6 No Warranty; Exclusive Remedies. NO WARRANTY OR REMEDY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. The remedies set forth in this Agreement shall be the Parties' sole and exclusive remedies for any claim or liability arising out of or in connection with this Agreement, whether arising in contract, tort (including negligence), strict liability or otherwise.

10.7 Involuntary Transfers. Upon transfer of title or control of the Eligible Address or your CSG Allocation, or portion thereof, due to bankruptcy, foreclosure or operation of law for other reasons, you or the transferee must notify US Solar immediately. During any period of time in which a trustee, receiver, or creditor is in possession of the Eligible Address and assumes responsibility as the account-holder with NSP at the Eligible Address, such transferee shall be deemed to have succeeded to your rights and obligations under this Agreement at the Eligible Address during the period of its possession. Upon the transfer of title to the property at the Eligible Address and the CSG Allocation to a creditor or other third party, the transferee shall notify US Solar of the transfer. If the transferee(s) meet all relevant Eligibility Criteria, the transfer shall be treated as a sale or transfer of the CSG Allocation to such transferees upon completion of the conditions set forth in Section 6.2. If the transferee does not meet the transfer conditions, then the transferee(s) shall be required immediately to sell or transfer the CSG Allocation or applicable portion to an eligible buyer in accordance with Section 6.2.

## ARTICLE 11 MISCELLANEOUS

11.1 Notices. Notices, or other documents required or permitted by this Agreement must be given by personal delivery, reputable overnight courier, email, or U.S. certified mail postage prepaid and shall be sent to the respective parties at the address listed on the first page of this Agreement. Notice shall be deemed delivered (i) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours, (ii) upon the date of actual delivery or refusal shown on the courier's delivery receipt if sent by overnight courier, and (iii) on the fourth business day after deposit in the U.S. mail if sent by certified mail. Any party may change the address for notice by notice to the other party.

11.2 No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or liability to, any person not a party to this Agreement. Excepting the rights of Financing Parties and assignees expressly provided for herein, no provision of this Agreement is intended to nor shall it in any way provide any rights to any third party or inure to the benefit of any third party so as to constitute any such person a third party beneficiary under this Agreement, or of any one or more of the terms of this Agreement, or otherwise give rise to any cause of action in any person not a party to this Agreement.

11.3 Entire Agreement; Amendments. It is mutually understood and agreed that this Agreement, and the Exhibits attached hereto, constitutes the entire agreement between Project Subscriber and US Solar and supersedes any and all prior oral or written understandings, representations or statements, and that no understandings, representations or statements, verbal



or written, have been made which modify, amend, qualify or affect the terms of this Agreement. This Agreement may not be amended except in a writing executed by both parties; provided, however, that, US Solar may amend Project and Project Site information and allocate your CSG Allocation among Projects and Project Sites (prior to relevant CODs) without Project Subscriber's prior consent.

11.4 Governing Law. This Agreement is made in Minnesota and shall be governed by the laws of the State of Minnesota.

11.5 SRC Contract and CSG Tariff. This Agreement contains summaries of, and makes reference to, certain provisions of the SRC Contract and CSG Tariff. While we believe these summaries and references to be accurate and fair, any conflict between such summaries and references shall be resolved in favor of the relevant provisions contained in SRC Contract and CSG Tariff. You are urged to review these documents.

11.6 Waiver. Neither Party shall be deemed to have waived any provision of this Agreement or any remedy available to it unless such waiver is in writing and signed by the Party against whom the waiver would operate. Any waiver at any time by either Party of its rights with respect to any matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent or other matter.

11.7 Relationship of Parties. The duties, obligations and liabilities of each of the Parties are intended to be several and not joint or collective. This Agreement shall not be interpreted or construed to create an association, joint venture, fiduciary relationship or partnership between the Parties or to impose any partnership obligation or liability or any trust or agency obligation or relationship upon either Party. US Solar and Project Subscriber shall not have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act or be an agent or representative of, or to otherwise bind, the other Party.

11.8 Severability. Should any provision of this Agreement be or become void, illegal or unenforceable, the validity or enforceability of the other provisions of the Agreement shall not be affected and shall continue in full force. The Parties will, however, use commercially reasonable efforts to agree on the replacement of the void, illegal or unenforceable provisions with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and the Agreement as a whole.

11.9 Counterparts. This Agreement may be executed in two or more counterparts and by different parties on separate counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

(SIGNATURE PAGES TO FOLLOW)

The City of Scandia ,

US Solar LLC

Signature: Christine Maetsky

Signature: [Handwritten Signature]

Printed Name: Christine Maetsky

Printed Name: Martin Mobley

Title: Mayor

Title: President

Date: 6/19/18

Date: 6.19.18

EXHIBIT A

DEFINITIONS

1. **Applicable Laws.** Any law, statute, rule, regulation, ordinance, order (including orders issued by the MPUC), tariff, judgment, or other legally binding restriction or ruling issued by a governmental authority which is applicable to the Project, US Solar, Subscribers, CSGs or this Agreement.
2. **Bill Credit Rate.** A dollar amount per kilowatt-hour reflected in the CSG Tariff with respect to specific classes of NSP customers to be used for determining a Subscriber's Bill Credit.
3. **Cancellation Event.** One or more event described in Section 10.1(a)-(b).
4. **Cover Cost Amount.**
  - (a) With respect to a sale or transfer by you pursuant to Section 6.2, the positive difference, if any, of:
    - i. the net present value (using a discount rate of 4%) of the Projected Subscriber Payments by you over the Term post-transfer with respect to the transferred portion of your CSG Allocation, had this Agreement remained unchanged for the remaining Term (plus any other amounts previously accrued and owed by you); minus
    - ii. the net present value (using a discount rate of 4%) of the projected payments to be made by your transferee with respect to the transferred portion of your CSG Allocation over the remaining Term.
  - (b) With respect to a Covered Cancellation Event, the positive difference, if any, of:
    - i. the net present value (using a discount rate of 4%) of the Projected Subscriber Payments by you over the Term post-cancellation with respect to the cancelled portion of your CSG Allocation, had this Agreement remained unchanged for the entire Term (plus any other amounts previously accrued and owed by you); minus
    - ii. the net present value (using a discount rate of 4%) of the projected payments to be made by an Eligible Transferee (or, as applicable, by NSP for the Unsubscribed Energy associated with the portion of your CSG Allocation not transferred) with respect to the cancelled portion of your CSG Allocation over the remaining Term.
  - (c) With respect to an Event of Default by you, the positive difference, if any, of:
    - i. the net present value (using a discount rate of 4%) of the Projected Subscriber Payments by you over the Term post-default, had this Agreement remained unchanged with respect to your entire CSG Allocation for the entire Term (plus any other amounts previously accrued and owed by you); minus
    - ii. the net present value (using a discount rate of 4%) of the projected payments to be made by an Eligible Transferee (or, as applicable, by NSP for the Unsubscribed Energy associated with the portion of your CSG Allocation not transferred) with respect to the entire CSG Allocation over the remaining Term.

5. **CSG Tariff.** The Solar Rewards Community Program tariff of NSP's rate book, as amended or updated and any successor thereto.
6. **Eligible Address.** A Subscriber's NSP service address that meets the Eligibility Requirements.
7. **Eligible Transferee.** A person or entity who meets the applicable Eligibility Requirements and meets the conditions set for in Section 6.2(a)-(e)
8. **Financing Party.** A person or persons providing construction or permanent financing in connection with construction, ownership, operation and maintenance of the Project, or if applicable, any person to whom the ownership interest in the Project has been transferred, subject to a leaseback of the Project from such person.
9. **JAMS.** JAMS, formerly known as Judicial Arbitration and Mediation Services, Inc.
10. **MPUC.** Minnesota Public Utilities Commission.
11. **NSP.** Northern States Power Company, a wholly owned subsidiary of Xcel Energy Inc.
12. **Projected Subscriber Payments.** For each year of the remaining Term of this Agreement, the product of (1) the Sunsubscription Rate for such year and (2) the Estimate of Subscribed Energy for such year.
13. **Sunsubscription<sup>SM</sup> Rate.** A dollar amount per kilowatt-hour with respect to the Subscribed Energy produced by Project Subscriber's CSG Allocation, as set forth in Section 1.5(a), used for determining Project Subscriber's Sunsubscription<sup>SM</sup> Payments.
14. **Taxes.** Any federal, state, or local ad valorem, property, occupation, generation, privilege, sales, use, consumption, excise, or transaction tax, other taxes, regulatory fees, surcharges, or other similar charges, but does not include any income taxes imposed on US Solar for payments made by you and received by us under this Agreement.

Any conflict in the meaning of a term used both herein term and in the SRC Contract shall be resolved in favor of the meaning given to such term in the SRC Contract.

EXHIBIT B

PROJECT(S), PROJECT SITE(S), AND VOS VINTAGE(S)

Project Name	Project Location	VOS Vintage
USS TBD LLC	Chisago County	2017 VOS Vintage



**EXHIBIT C**

**NSP VALUE OF SOLAR (VOS) BILL CREDIT RATE SCHEDULE(S)**

Northern States Power Company, a Minnesota corporation  
 Minneapolis, Minnesota 55401  
**MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2**

**SOLAR\*REWARDS COMMUNITY PROGRAM**  
 (Continued)

Section No. 9  
 1st Revised Sheet No. 64.101

**2017 VOS VINTAGE YEAR BILL CREDIT RATE**

The table below shows the 2017 VOS Vintage Year Bill Credit Rates. These are applicable to applications Deemed Complete from January 1, 2017 through April 4, 2018, and that do not qualify for the applicable retail rate.

Year Number	2017 VOS Vintage Year Bill Credit Rate (\$/kWh)	Year Number	2017 VOS Vintage Year Bill Credit Rate (\$/kWh)
Year 1	\$0.1033	Year 14	\$0.1391
Year 2	\$0.1057	Year 15	\$0.1424
Year 3	\$0.1081	Year 16	\$0.1457
Year 4	\$0.1106	Year 17	\$0.1490
Year 5	\$0.1132	Year 18	\$0.1525
Year 6	\$0.1158	Year 19	\$0.1560
Year 7	\$0.1185	Year 20	\$0.1597
Year 8	\$0.1212	Year 21	\$0.1634
Year 9	\$0.1241	Year 22	\$0.1672
Year 10	\$0.1269	Year 23	\$0.1710
Year 11	\$0.1299	Year 24	\$0.1750
Year 12	\$0.1329	Year 25	\$0.1791
Year 13	\$0.1360		

**2018 VOS VINTAGE YEAR BILL CREDIT RATE**

The table below shows the 2018 VOS Vintage Year Bill Credit Rates. These are applicable to applications Deemed Complete from April 5, 2018 until the 2019 VOS Vintage Year Bill Credit Rate table is effective.

Year Number	2018 VOS Vintage Year Bill Credit Rate (\$/kWh)	Year Number	2018 VOS Vintage Year Bill Credit Rate (\$/kWh)
Year 1	\$0.0976	Year 14	\$0.1306
Year 2	\$0.0998	Year 15	\$0.1336
Year 3	\$0.1021	Year 16	\$0.1366
Year 4	\$0.1044	Year 17	\$0.1397
Year 5	\$0.1067	Year 18	\$0.1429
Year 6	\$0.1092	Year 19	\$0.1462
Year 7	\$0.1117	Year 20	\$0.1495
Year 8	\$0.1142	Year 21	\$0.1529
Year 9	\$0.1168	Year 22	\$0.1563
Year 10	\$0.1194	Year 23	\$0.1599
Year 11	\$0.1221	Year 24	\$0.1635
Year 12	\$0.1249	Year 25	\$0.1672
Year 13	\$0.1277		

(Continued on Sheet No. 9-65)

Date Filed: 10-02-17 By: Christopher B. Clark Effective Date: 04-05-18  
 President, Northern States Power Company, a Minnesota corporation  
 Docket No. E002/M-13-887 Order Date: 03-26-18

**Bill Credit Value.** We make no representation or warranty as to the likelihood that any Bill Credits will create any specific amount of economic benefit at any time or over any period of time or over the Term of this Agreement as a whole, or that the Bill Credits will create a positive economic benefit to you. The estimate of potential benefits contained herein are based on a number of assumptions about estimated Subscribed Energy, Bill Credit Rates, Applicable Laws currently in place, NSP's retail electrical rates, and a number of other factors beyond the control of US Solar. Any estimate by US Solar herein or elsewhere given to Project Subscriber as to any expected benefit to Project Subscriber from the Bill Credits at any time or over any period of time is purely an estimate based on the information available to US Solar and related assumptions at the time and is not a guarantee that any positive economic benefit will accrue to Project Subscriber from the Bill Credits or that any specific amount of benefits will accrue to Project Subscriber at any time, or over any period of time, or over the Term of the Agreement.

EXHIBIT DESTIMATE OF SUBSCRIBED ENERGY

Up to 127,771.2 kWh in year 1.

Production. US Solar makes no representation or warranty as to the likelihood that the Project will generate any specific amount of electricity or sufficient electricity so as to create any specific or minimum Bill Credits to Project Subscriber during any period of time or over the Term of the Agreement as a whole. The production estimate described herein is based on a number of assumptions about expected solar insolation at the Project Site, and performance of the modules and other Project equipment, the accuracy of production estimating software and other factors affecting possible production which are not within the control of US Solar. Circumstances experienced at the Project will deviate from historical data and other assumptions and projections. The actual production of energy of electricity by the Project and delivery of energy, including Subscribed Energy, by the Project is also subject to lack of sunlight, other adverse weather, equipment failures; curtailments or outages by NSP, Force Majeure events, and other events beyond the control of US Solar. The production estimate and any other estimate communicated by US Solar to Project Subscriber of expected energy production from the Project at any time or over any period of time is purely an estimate based on the information available to US Solar at the time and is not a guarantee that any such production will occur or that any particular amount of Subscribed Energy will be received by Project Subscriber at any time or over any period of time, including the Term of this Agreement.

EXHIBIT E

[RESERVED]

EXHIBIT F

FORM OF SRC CONTRACT

This is a standard contract from Xcel (template can be found on Xcel's website at <https://www.xcelenergy.com/staticfiles/xcel/Marketing/Files/MN-SRC-Standard-Contract.pdf>). To be executed by Project Owner and NSP as Projects near construction.



EXHIBIT G

FORM OF AGENCY AGREEMENT

This is a standard contract from Xcel (template can be found on Xcel's website at <https://www.xcelenergy.com/staticfiles/xcel/Marketing/Files/MN-SRC-Subscriber-Agency-Agreement.pdf>). To be executed by Subscriber as Projects near construction.

EXHIBIT H

PROJECT SUBSCRIBER DATA

1. Project Subscriber (name as shown on NSP account) City of Scandia
2. NSP service address (Eligible Address): See Attachment  

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3. NSP account number: See Attachment
4. Average annual electrical consumption: 102,216.8 kWh ("AAEC")
5. 120% of AAEC: 127,771.2 kWh

## City of Scandia Xcel Info

<b>Account Number</b>	<b>Premise Number</b>	<b>Premise Address</b>
51-8115475-4	302298824	11171 189TH St.N
51-8115475-4	302325966	15040 Scandia Trl N
51-8115475-4	302413054	14727 209th St N
51-8115475-4	302519740	19176 Layton Ave N
51-8115475-4	302611384	14755 209th St N
51-8115475-4	302785259	14705 Oakhill RD N
51-8115475-4	302888966	19005 Manning Trl N
51-8115475-4	302909493	21398 Olinda Trl N
51-8115475-4	302999790	14727 209th St N
51-8115475-4	303033579	14727 209th St N
51-8115475-4	303328935	21189 Olinda Trl N
51-8115475-4	303459890	14800 Oakhill Rd N
51-8115475-4	303682753	22041 Oldfield Ave N
51-8115475-4	303853411	14800 Oakhill Rd N
51-8115475-4	304295971	20800 Olinda Trl N
51-8115475-4	304583294	15040 Scandia Trl N