

**MARQUETTE BOARD OF LIGHT AND POWER
SOLAR LAND LICENSE & MANAGEMENT AGREEMENT**

Please fill out the information below.

Customer Name (“**Customer**”):

Account Number:

Service Address (“**Beneficiary Property**”):

Mailing Address:

Telephone:

Email Address:

Number of Requested Solar Energy Panels:

SOLAR LAND LICENSE & MANAGEMENT AGREEMENT

This license and management agreement (“**Agreement**”) is entered into between the Marquette Board of Light and Power of the City of Marquette, a Michigan municipal corporation (**BLP**), with offices at 2200 Wright Street, Marquette, MI 49855; and **Customer**.

The parties agree to the following:

1. **Overview.** BLP wishes to grant an irrevocable license to Customer for use of a portion of certain real property located at 2200 Wright Street, Marquette, MI, 49855, and described in **Exhibit A (“Solar Park Site”)** for the location of a solar panel owned by Customer on the site of a community scale solar photovoltaic (PV) “farm” (“**Project**” or “**Solar Park**”), to generate electricity for the benefit of Customer’s Beneficiary Property. Customer wishes to contract with BLP to manage maintenance, repair, and other related services described herein. BLP customers will separately purchase solar panels (“**Customer Solar Property**”) from BLP on terms and at the price set by BLP, and BLP and/or its agents and subcontractors will install the panels and related facilities at the site, including a photovoltaic solar power system and all related equipment, apparatus, accessories, works and appurtenances (collectively referred to as the “**Solar Park Facility**”). The electrical production from Customer’s solar panel(s) will be fed into the BLP electric grid and BLP will issue credits for the electrical production from the Project in accordance with a formula under which credits will be allocated on a pro-rata basis among the customers to offset their electrical use.
2. **Qualifying Customer.** The purpose of the Project is to allow residents and businesses in the BLP service area the benefits of owning a solar panel for generating clean renewable solar energy to offset some of the Customer’s electric usage by their home or business which may be generated from non-solar sources. Any financial benefit to the Customer from the Project is limited to the Solar Agreement Credit which will be applied to the

Customers bill with the BLP. No other financial benefit will be received by the Customer. In order to qualify for the program, a Customer must:

- A. Own or lease real property in the BLP service area with a BLP account in good standing, which property is identified as the Beneficiary Property;
 - B. Agree to be subject to the terms of this Agreement; and
 - C. Wish to purchase one or more panels in the Solar Park to generate electricity equivalent or a portion of electricity consumed at that Customer's property address.
3. **License.** BLP grants a license to Customer for non-exclusive use of a portion of the Solar Park Site for the purposes described in this Agreement, in the lot designated by BLP and as shown on Exhibit A.
 4. **Term.** The license is irrevocable except as provided in this Agreement. The Agreement is effective the date signed by both parties, and shall terminate 25 years from the date the Customer's solar panel begins generating electricity, unless otherwise terminated at an earlier date in accordance with the terms of this Agreement. The agreement term will automatically extend on a year to year basis after the initial 25 years unless one of the parties provides written notice of its intent to terminate at least 60 days prior to the termination of the initial term or any extension term. The initial term and any extension terms shall be referred to as the "**Term**" in this Agreement.
 5. **Use; Customer Access.** A designated portion of the Solar Park Site will be licensed to Customer for the purposes of the project, including installation of solar panel(s) purchased by Customer from the BLP and other Customer Solar Property. BLP shall not allow other use of the Solar Park Site that would interfere with Customer's license. Customer shall not have the right to enter the Solar Park Site except as authorized by BLP. The Customer agrees that the Customer shall not remove Customer Solar Property from the Solar Park Site for the duration of the Term without prior written approval of the BLP. The Customer may sell or transfer ownership of the Customer Solar Property subject to the terms of this Agreement. If the BLP does not exercise its right to purchase the Customer Solar Property effective on the date of the termination of the Term (as described in this Agreement), Customer or Customer's agents may enter the Solar Park Site to remove the Customer Solar Property, subject to reasonable rules and processes imposed by the BLP.
 6. **Personal Property.** The Customer Solar Property shall be deemed the personal property of the Customer, and shall not become fixtures or deemed a permanent part of the Solar Park Site or Facility or the property of BLP. Each customer's panel will be assigned an individual number designating its location within the Solar Park.
 7. **Project Management.** BLP agrees to act as manager and supervisor of the Project, including managing and overseeing, constructing, installing, removing, replacing, reconstructing, maintaining, repairing, and operating a solar array project and the Solar Park Facility. These duties include without limitation the following:
 - 7.1. BLP, directly or through other contractors, repairmen, or installers, will cause the construction of and all modifications to the Solar Park Facility necessary to operate the Project;
 - 7.2. BLP (and/or their designated service contractors) shall keep and maintain and operate the Solar Park Facility now or hereafter located on the Site in good condition and repair, sufficient to keep the Solar Park Facility and solar panels in

good repair and operating condition. Any other provision of this agreement notwithstanding, "good repair and operating condition" shall not require the BLP to remove any snow from the solar panels.

7.3. BLP will ensure the construction and operation of the Solar Park Facility are sufficient to allow solar panels to generate electricity and are in material compliance with all applicable laws, rules, regulations, ordinances, permits, approvals and variances. BLP makes no warranty or guarantee about the amount of electricity that will be generated from the solar panels.

8. **Solar Agreement Credit.** Customer will receive a credit for the energy allocated to Customer from the Project on Customer's BLP billing statement determined in accordance with this section.

8.1 Allocation of energy produced. The energy allocated to the Customer from the Project shall be determined as a fractional share of the total energy produced by the Project. The fraction shall consist of a numerator equal to the number of panels owned by the Customer and the denominator shall be the total number of panels in the Project. This allocation shall be made monthly.

8.2 Value of energy produced. The energy allocated to the Customer from the Project shall be credited against the Customer's bill for the Beneficiary Property by multiplying the amount of such allocation by the then current savings and avoided costs per kWh provided by such energy as determined by the BLP's most recently adopted valuation study for solar energy ("Solar Agreement Credit"). The current amount of such savings and avoided costs as determined by the BLP is 6.33 cents per kWh. Customer acknowledges the value per kWh may fluctuate in the future.

8.3 Application of Solar Agreement Credit. The Solar Agreement Credit shall be applied against Customer's energy consumption at the Beneficiary Property as a separate credit on Customer's regular monthly bill. Charges for billing items other than energy charges shall be paid by Customers as billed by the MBLP on a monthly basis and shall not be eligible for offset by Solar Agreement Credits.

8.4 Excess Solar Agreement Credits. If, in any regular billing month, the Customer's Solar Agreement Credit is greater than the energy charges on Customer's bill for the Beneficiary Property, such excess Solar Agreement Credit may be carried forward over a 12-month settlement period which shall be measured based on billing cycles for bills produced from May 1 to April 30. During such settlement period, any excess Solar Agreement Credit in a monthly billing cycle shall carry forward to the next monthly billing cycle. At the end of the settlement period, any remaining Solar Agreement Credit of the Customer shall be zeroed out. Solar Agreement Credits shall have no cash redeemable value.

9. **Insurance; Taxes; Fees.** BLP shall be responsible for carrying insurance at its expense during the Term sufficient to cover the replacement cost of the solar panel(s) and Solar Park Facility, and a Commercial General Liability policy insuring against liability for injury or death of a person or persons or damage to property occasioned by or arising out of or in connection with the Project and use of the Site/Facility or activities thereon. BLP shall be responsible for payment of all permitting fees and real estate taxes, fees, and

assessments associated with the Project. Individual Customers shall be responsible for all personal property taxes associated with their Customer Solar Property.

10. **Payment; RECs; Investment Tax Credit.**

10.1. **Agreement Payments.** Customer payments to BLP for the use of a portion of the Solar Park Site and Facility on the terms and condition set forth herein shall be \$1 per year, to be paid for the Initial Term when Customer purchased the solar panel. This payment includes the cost of all ongoing maintenance, repairs, and related costs for the Term.

10.2. **Renewable Energy Credits.** For \$25 in consideration, the Customer hereby transfers to BLP all of Customer's ownership and rights to Renewable Energy Credits (RECs) associated with the Project which may be generated at any time during the term of this agreement. The parties agree and acknowledge that payment for the REC is neither a rebate nor purchase-price adjustment. The parties further agree and acknowledge that this payment is taxable income to the Customer and is not a subsidy provided (directly or indirectly) by the BLP to the Customer for the purchase or installation of any energy conservation measure.

10.3. **Investment Tax Credit.** It is the sole responsibility of the Customer to take any steps necessary to determine Customer's eligibility and claim any tax credit to which Customer may be eligible for costs related to Customer's solar panel. Customer has sole responsibility to determine Customer's eligibility for, or claim to, any tax credit or other benefit (other than the Solar Agreement Credit described in this Agreement) which may be available to Customer as a result of ownership of the Customer Solar Property.

10.4. **No advice or warranty by BLP regarding tax credits or other benefits.**

Customer acknowledges and agrees the BLP has not provided Customer with any advice regarding any tax credit or other benefit of Customer's ownership of the Customer Solar Property. Further, Customer acknowledges and agrees the BLP and has no responsibility for demonstrating Customer's eligibility for any tax credit or other benefit of Customer's ownership of the Customer Solar Property.

11. [Relocation of Facility.](#) BLP shall have the right to relocate the Solar Park Facility at any time, provided that it shall be responsible for all costs and expenses associated with relocation; relocation shall occur promptly so as to interrupt the generation of electricity to the minimum degree reasonably possible; and the Term of the Agreement shall be automatically extended for the period of time for which the Solar Park Facility is inoperative during relocation.

12. **Assignment; Transfer.**

12.1. **Transfer of Beneficiary Property and Customer Solar Property.** If the Customer no longer owns or leases the Beneficiary Property, and the Customer sells the Customer Solar Property to the subsequent Beneficiary Property owner or lessee, the Customer may transfer and assign its rights and duties under this Agreement, subject to the terms of this Agreement. The assignee/ transferee must meet all qualifications to become a "Customer" in this Agreement and must sign a new agreement with BLP assuming all obligations of the Customer and agreeing to comply with the terms of this Agreement, including application of this section to any future owners or lessees of the Beneficiary Property. The transfer or assignment is not effective until approved by BLP in writing, which approval shall not be

unreasonably withheld if the Transferee/Assignee meets the requirements in this Agreement. After an effective transfer by the Customer to an approved transferee/assignee, the Customer will thereafter be relieved of all liabilities and obligations pursuant to this Agreement that arise after the transfer date except to the extent that they arise out of the actions of the Customer.

- 12.2. **BLP Purchase of Customer Solar Property.** Other than when the Customer is transferring ownership of the Customer Solar Property along with ownership or leasing rights to the Beneficiary Property as provided in Section 12.1, the BLP shall have the first right of refusal to purchase the Customer Solar Property according as the price listed in the depreciation schedule attached as **Exhibit B**, which BLP may exercise at the following times: (i) at any time during the Term when Customer wishes to sell Customer Solar Property; (ii) at any time during the Term when the Customer notifies BLP or BLP becomes aware that the Customer no longer owns or leases the Beneficiary Property; OR (iii) effective on the date of the termination of the Term, provided that BLP notifies Customer at least 30 and no more than 90 days prior to the termination of the Term that it intends to purchase the Customer Solar Property. Customer shall receive payment for Customer Solar Property within 30 days of BLP exercising its right to purchase the Customer Solar Property. The Customer shall have no further right to payments under this Agreement for any solar panel purchased by BLP.
- 12.3. **Other Customer Transfer.** If a Customer no longer owns or leases the Beneficiary Property, or no longer owns Customer Solar Property, and the Customer's rights under this Agreement have not been transferred according to Section 12.1 or 12.2, the neither Customer nor the Customer's transferees or assignees will be entitled to any payments under this Agreement and the Customer shall return to BLP any funds paid to the Customer from the date the Customer transferred ownership of Customer Solar Property or was no longer an owner or lessee of the Beneficiary Property.
- 12.4. **BLP Assignment.** BLP may transfer or sell the Solar Park Site property and may assign rights and obligations under this Agreement to successors in interest without the prior consent of Customer, provided that the transferee/assignee assumes all responsibilities of BLP under this Agreement and the transfer/assignment is subject to the terms of this Agreement.
13. **Agreement Termination/Suspension.** The parties will have the right to terminate or suspend this Agreement only as provided in this paragraph.
 - 13.1. **BLP Termination.** BLP may terminate this Agreement at any time immediately upon 30 days written notice to Customer if: (a) BLP cannot obtain all governmental certificates, permits, variances, leases or other approvals (each an "Approval"; collectively, the "Approvals") required for the installation and operation of the Solar Park Facility, or (b) any Approval is canceled, terminated, or expires or lapses, without fault by BLP.
 - 13.2. **BLP Suspension.** BLP may suspend the Customer's rights under this Agreement to receive solar agreement credits at any time if the Customer no longer owns or leases the Beneficiary Property and/or Customer Solar Property and the Customer has not received approval for a transfer of its rights as provided in Section 12. The Customer shall have no right to receive payments for electricity generated by the solar panel, as credits or otherwise, until or unless the Customer again owns or leases the Beneficiary Property or otherwise receives approval for a transfer pursuant to this Agreement.

- 13.3. **Termination by Either Party.** Any party may terminate the Agreement if the other party is in default under the Agreement and fails to take significant steps to substantially cure the default within 30 days of written notice by the other party.
14. **Customer Acknowledgments.** Customer agrees and acknowledges the following:
- 14.1. **Subject to Customer Agreement.** The Customer's use of the Solar Park Site is subject to the terms of this agreement and any other agreement made between Customer and BLP.
- 14.2. **No Profit Expectation.** Customer acknowledges and agrees that this license is not an investment and the Customer has not been promised or led to expect any profit from the Project. Customer warrants and represents that Customer is entering into this Agreement and purchasing the Customer Solar Property for the Customer's personal benefit and use. Customer's purpose for entering into this Agreement is to generate "clean" electricity for the Customer's consumption and to support and participate in generating greener energy in the BLP service area.
15. **Notices.** Notices required by this Agreement shall be deemed effective when delivered by at the written address provided for each party above; or other contact information provided in writing to the other party.
16. **Effective Date.** This Agreement shall be effective the date last signed by the parties.
17. **Miscellaneous.** This Agreement constitutes the entire agreement between the parties with respect to this subject matter and may only be amended in a writing signed by the Customer and all parties affected by the amended term. If any provisions of this Agreement are determined to be illegal or unenforceable, then the remaining provisions shall nevertheless be binding with the same force and effect as if the illegal or unenforceable parts were deleted. The parties agree that this Agreement is governed by the laws of Michigan and venue for any dispute arising out of or related to this Agreement shall be proper in Marquette County, Michigan. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

Signatures on following page.

The parties agree to the foregoing:

Customer,

Date: _____

/s/ _____

By: _____

MARQUETTE BOARD OF LIGHT AND POWER

Date: _____

/s/ _____

By: _____

Its: _____

EXHIBIT A
SOLAR PARK SITE MAP AND PROPERTY DESCRIPTION

Solar park location address is Marquette Board of Light and Power Main Office and Energy Center, 2200 Wright Street Marquette, MI 49855. Part of the Southwest ¼ of the Southeast ¼ and the Southeast ¼ of the Southwest ¼ of Section 9, Town 48 North, Range 25 West, City of Marquette, Marquette County, Michigan.

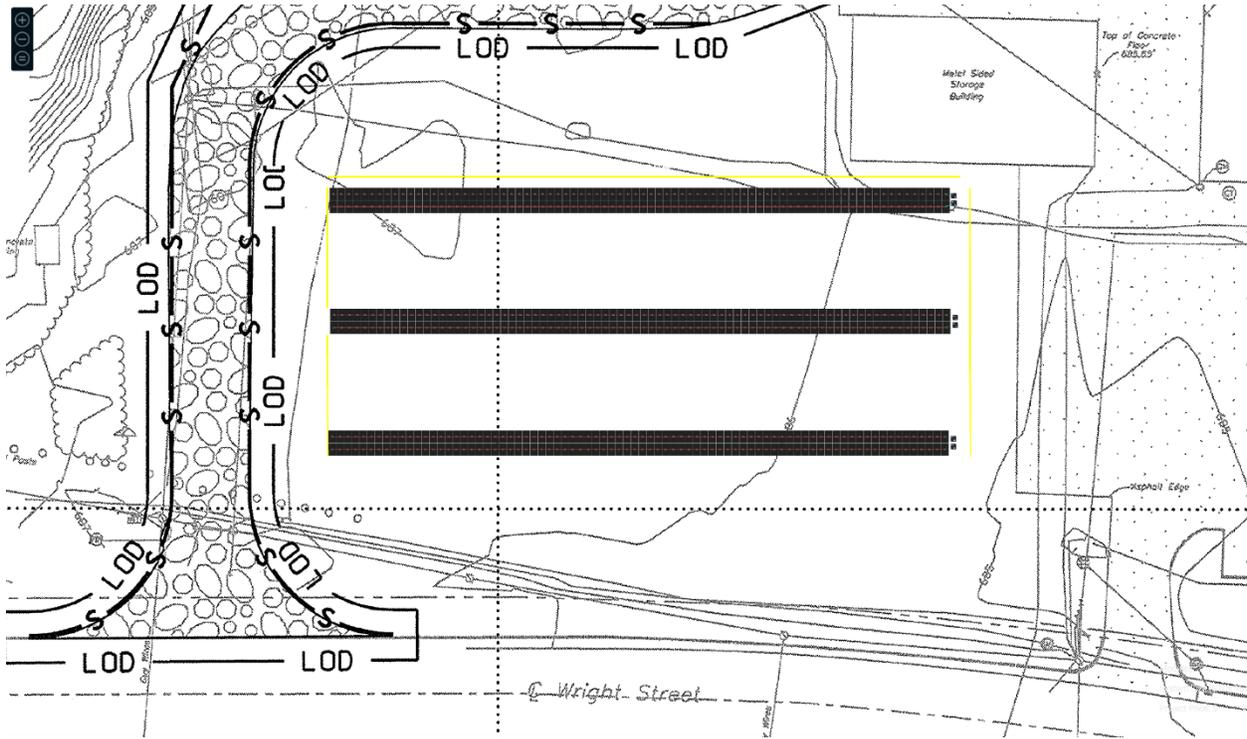


EXHIBIT B

DEPRECIATION SCHEDULE



Marquette Board of Light and Power

Solar Panel - Depreciation Schedule					
Method: Straight Line Depreciation					
Year #	Year	Beginning Value	Depreciation Expense	Accumulated Depreciation	Ending Value
1	2018	\$500.00	\$20.00	\$20.00	\$480.00
2	2019	\$480.00	\$20.00	\$40.00	\$460.00
3	2020	\$460.00	\$20.00	\$60.00	\$440.00
4	2021	\$440.00	\$20.00	\$80.00	\$420.00
5	2022	\$420.00	\$20.00	\$100.00	\$400.00
6	2023	\$400.00	\$20.00	\$120.00	\$380.00
7	2024	\$380.00	\$20.00	\$140.00	\$360.00
8	2025	\$360.00	\$20.00	\$160.00	\$340.00
9	2026	\$340.00	\$20.00	\$180.00	\$320.00
10	2027	\$320.00	\$20.00	\$200.00	\$300.00
11	2028	\$300.00	\$20.00	\$220.00	\$280.00
12	2029	\$280.00	\$20.00	\$240.00	\$260.00
13	2030	\$260.00	\$20.00	\$260.00	\$240.00
14	2031	\$240.00	\$20.00	\$280.00	\$220.00
15	2032	\$220.00	\$20.00	\$300.00	\$200.00
16	2033	\$200.00	\$20.00	\$320.00	\$180.00
17	2034	\$180.00	\$20.00	\$340.00	\$160.00
18	2035	\$160.00	\$20.00	\$360.00	\$140.00
19	2036	\$140.00	\$20.00	\$380.00	\$120.00
20	2037	\$120.00	\$20.00	\$400.00	\$100.00
21	2038	\$100.00	\$20.00	\$420.00	\$80.00
22	2039	\$80.00	\$20.00	\$440.00	\$60.00
23	2040	\$60.00	\$20.00	\$460.00	\$40.00
24	2041	\$40.00	\$20.00	\$480.00	\$20.00
25	2042	\$20.00	\$20.00	\$500.00	\$0.00

