
COMMUNITY SOLAR PROGRAM

Availability

The Cooperative's generation and transmission Cooperative ("G&T") has created a standing offer for 10 MW of renewable energy, produced by solar and wind energy generators. As part of that standing offer, the G&T has developed a Community Solar Program for the Cooperative and its Member-Consumers, available from the SpartanSolar-Wolverine array on M-55 in Cadillac, Michigan ("Facility").

The Community Solar Program permits voluntary participation by Member-Consumers who may benefit from available solar resources without the cost of permanent installation, impact on property, or hassle of maintenance.

Member-Consumers wishing to participate in the Community Solar Program must submit a completed Community Solar Subscription and Credit Form to the Cooperative to commit to the desired subscription level. Upon acceptance and determination of the applicable subscription cost, the Cooperative shall issue a Community Solar Subscription and Credit Agreement between the Member-Consumer, the Cooperative, and the G&T. Acceptance into the Program is on a limited basis until the earlier of: (1) the full output of the Facility has been subscribed or (2) December 31, 2019.

Upon enrolling in the Community Solar Program, the subscription is effective for a term of 15 years. A participating Member-Consumer may terminate participation in the Community Solar Program at any time and for any reason, subject to refund provisions as outlined below. If participation is terminated, a Member-Consumer must wait 12 months before re-enrolling.

Payments

Member-Consumers have the following subscription options under the Community Solar Program, priced on a per "panel" (while the Member-Consumer will not have ownership in a solar panel, each subscription is based on the output of one solar panel) basis, as follows:

1. A single upfront subscription payment of \$600, or
2. \$10 monthly subscription payments for 5 years.

Each solar panel is rated at approximately 335 watts.

While the single upfront payment is due upon acceptance by the Cooperative, monthly subscription payment amounts will appear on the Member-Consumer's bill each month, for 60 months. The subscription payment covers the cost of solar energy, which includes cost of construction, operation and maintenance costs, financing costs, insurance, required interconnection and electric system modification costs, program management costs, and the value of all intrinsic renewable attributes, including, but not limited to, Renewable Energy Credits, associated with the solar energy output.

(Continued on Sheet D-23.01)

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(Continued from Sheet D-23.00)

Refund

If a Member-Consumer dies, terminates service with the Cooperative, has received Solar Output Energy Credits for 15 years, or requests to terminate the Community Solar Subscription and Credit Agreement, the Member-Consumer will receive a refund of their remaining solar energy subscription, which is calculated by determining the Member-Consumer's amount paid for Subscribed Solar Energy and reducing it by the amount of Solar Energy Output Credits paid to the Member-Consumer as of the date of termination.

If a Member-Consumer fails to pay three monthly subscription payments, the Cooperative may terminate the Member-Consumer's Community Solar Subscription and Credit Agreement at the Cooperative's sole discretion. Upon termination, the Member-Consumer is eligible for refund as calculated above, minus a \$50 default fee.

Service and Credit

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for all energy delivered to the Member-Consumer by the Cooperative.

In the first month where Facility output data is available and after the upfront subscription or first monthly subscription has been paid, the Cooperative shall pay the Member-Consumer \$.10/kWh every month as a bill credit, known as the Solar Energy Output Credit, equal to the Member-Consumer's pro rata share of the Facility's output (measured in kilowatt hours at the array), from the most recent month available.

This pro rata share will reflect the Member-Consumer's percentage subscription in the array when applied to the output of the entire array. The Member-Consumer is entitled to Solar Energy Output Credits for 15 years from the effective date of the Community Solar Subscription and Credit Agreement.

If the monthly Solar Energy Output Credit exceeds the energy charge of the standard service tariff applicable to the Member-Consumer, the excess credit will be rolled over and applied to the next month's applicable energy charge.

Although the value of the Solar Energy Output Credit may increase over the life of the Community Solar Program, there should be no expectation (and there is no guarantee) that the value of the credit will be greater than the subscription payment. Participants should not enroll in this program with any expectation of profit or financial gain.