



Your Touchstone Energy™ Cooperative
This institution is an equal opportunity provider & employer.

P.O. Box 68 • Iron River, WI 54847-0068
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BAYFIELD ELECTRIC COOPERATIVE SOLAR GARDEN

Subscription Agreement

This Solar Subscription Agreement (“Agreement”) is entered into as of _____ day of _____, 2017, by and between Bayfield Electric Cooperative (“Cooperative”), whose mailing address is P.O. Box 68 Iron River, WI 54847, and the Cooperative member(s) identified as follows (“Subscriber,” whether single or plural):

Subscriber Name: _____

Service Address: _____

City: _____

Zip Code: _____ Account: _____

I. Community Solar Subscription.

1.1 Community Solar Facility. The Cooperative offers to make available units of energy generating capacity from a commercial solar array with a nameplate capacity of 150, 200, or 250 kW, to be developed and sited at the Cooperative’s headquarters in Iron River, Wisconsin (the “Solar Facility”). The Solar Facility will be owned, operated, maintained, and insured by the Cooperative.

1.2 Eligible Subscribers. The program is open to Cooperative members in good standing under all rate classifications (some restrictions may apply).

1.3 Amount Purchased; Limitation. Subscriber agrees to purchase partial capacity from the Solar Facility of a minimum of one (1) unit equaling 205 watts of capacity (“Subscription Unit”), up to a maximum number of units whose estimated annual energy production capacity in combination with Subscriber’s other distributed generation resources (if any) is not more than 90% of Subscriber’s kWh energy purchases over the previous year. The Cooperative agrees to provide Subscriber with monthly Solar Credits as set forth in Article IV, based on the number of Subscription Units purchased multiplied by 205 watts (“Subscriber’s Allocated Capacity”).

1.4 Environmental Attributes. Subscriber acknowledges and agrees that any and all Environmental Attributes associated with the Solar Facility shall remain the property of the Cooperative and Subscriber agrees not to make any statement to such ownership by the Cooperative. “Environmental Attributes” means and includes all rights, credits, benefits, emissions reductions, offsets, and allowances resulting from the environmental or renewable characteristics or attributes of the Solar Facility or the avoidance of the emission of any greenhouse gas, chemical, or pollutant to the air, soil or water, which are deemed of value by the Cooperative, in each case now or hereafter created or recognized by any governmental authority or independent certification association and generated by or associated with the Solar Facility. This includes, without limitation, any renewable energy credits (RECs) or similar rights arising under the Wisconsin Renewable Portfolio Standard (RPS), any federal or state renewable portfolio standard, 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.

II. Subscription Price; Payment.

2.1 Purchase Price. As consideration for Subscriber’s right to receive Solar Credits pursuant to Article IV of this Agreement, the Subscriber shall pay to the Cooperative \$500.00 (Five Hundred Dollars) per Subscription Unit of Subscriber Allocated Capacity as provided in herein.

2.2. Payment. Upon execution of this Agreement, Subscriber shall pay the full \$500.00 (Five Hundred Dollars) purchase price per Subscription Unit.

2.3 Reserved Capacity. The Cooperative reserves the right, in its discretion, to withhold the energy production attributable up to ten (10) percent of the total capacity of the Solar Facility to cover insurance, maintenance, and unanticipated or emergency expenses (“Reserved Percentage”).

III. Term.

This Agreement shall be effective on the date first set forth above and will continue for a single term of twenty-five (25) years from the start-up date (the “Term”), subject to early termination if Subscriber elects to surrender Subscription Units as provided in Article V.

IV. Solar Credits.

During the Term, Subscriber will receive a bill credit in accordance with Cooperative Policy No. 300.11 – Distributed Generation, (as may be amended from time to time), for the share of energy production attributable to Subscriber’s Allocated Capacity (“Solar Credits”). The monthly energy production attributable to Subscriber’s Allocated Capacity shall be determined by dividing the monthly kWh energy production attributable to the Solar Facility in the prior month less the Reserved Percentage (if any) by the total number of Subscription Units, both subscribed and unsubscribed. The resulting amount will be the credits in kWh’s allocated per Subscription Unit.

V. Repurchase of Subscription Units.

Subscriber may sell all of his or her Subscription Units to the Cooperative at a surrender value to be determined according to the number of years elapsed from the start-up date to the time of repurchase. During years 1-3 of the Term, the Cooperative shall repurchase Subscription Units based on the Purchase Price less 15% depreciation per year. Subscription Units repurchased in years 4-20 of the Term shall be depreciated an additional 3.2 % per year or partial year. Subscription Units surrendered in years 21-25 of the Term shall have no surrender value.

For example, at a purchase price of \$500.00, a Subscription Unit repurchased during year 2 of the Term shall be depreciated by 30%, or \$150.00, for a repurchase price of \$350.00. A Subscription Unit repurchased during year 10 of the Term shall be depreciated by 67.4% (3 years @15% plus 7 years @ 3.2%), or \$337.00, for a repurchase price of \$163.00.

VI. Transfer; Assignment.

Subscriber may transfer Solar Credit from Subscriber’s Allocated Capacity to another eligible Service Address, or may assign his or her rights under this Agreement to another Cooperative member, provided that such assignee is a member in good standing taking electric service from the Cooperative and subject to the limitation in Section 1.3 above. Subscriber shall notify the Cooperative of such proposed change or assignment. Such notice must include:

1. Subscriber’s name and mailing address;
2. The current Service Address;
3. The new service Address (if applicable);
4. The name and service address of the individual or entity member to whom Subscriber is requesting to assign this Agreement (if applicable);
5. The proposed effective date of such proposed change or assignment.

The transfer or assignment shall become effective the 30th day following receipt of notice by the Cooperative or the proposed effective date (whichever is later), unless the Cooperative provides written notice to Subscriber that the requests fails to meet any of the above requirements or is otherwise prohibited by the Cooperative's bylaws or Board policies. Upon any assignment of Subscription Units under this paragraph, Subscriber 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 Article VIII, Subscriber may not assign, gift, bequeath or 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 paragraph shall be null and void.

VII. Limitations.

7.1 Facility Access. Subscriber will have access to the Solar Facility upon three (3) working days' notice to the Cooperative's business office. The Cooperative reserves the right to restrict Subscriber access in its sole discretion.

7.2 Exclusive Rights of the Cooperative. Subscriber will have no right of possession or control of the Solar Facility, and will have no rights or obligations with respect to the maintenance or operation of the Solar Facility.

7.3 Disclaimer of Warranties. Except as expressly stated in this Agreement, Subscriber is not relying on any representation, warranty or promise with respect to the Solar Facility, including but not limited to availability or applicability of any federal, state or local tax credit or other incentive, made by or on behalf of the Cooperative.

SUBSCRIBER ACKNOWLEDGES AND AGREES THAT THE SOLAR FACILITY AND THE TERMS AND CONDITIONS OF PARTICIPATION IN BAYFIELD ELECTRIC COOPERATIVE'S COMMUNITY SOLAR PROJECT ARE ACCEPTED 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 PUPOSE.

7.4 No Modification. Nothing in this Agreement shall be deemed to alter or modify any rate, charge, term or condition of the electric service provided by the Cooperative to Subscriber or to modify in any way Subscriber's rights and obligations as a member of the Cooperative. All rates, charges, terms and conditions of electric service shall remain subject to change at any time, in accordance with applicable law and the action of the Cooperative's Board of Directors.

VIII. Notices.

All notices 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 by a commercial overnight courier service.

IX. 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, and all other communications between the parties. This Agreement shall not be amended or terminated except by an instrument in writing signed by each party.

X. Governing Law/Jurisdiction/Venue.

This Agreement shall be interpreted and construed according to the laws of the State of Wisconsin, without regard to the principles of conflicts of laws thereof. The parties acknowledge and agree that a court of competent jurisdiction in Bayfield County, Wisconsin shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement.

BAYFIELD ELECTRIC COOPERATIVE:

SUBSCRIBER:

By: _____

By: _____

Name: _____

(Print): _____

Title: _____

By: _____

(Print): _____

Based on your average usage, you may sign up for 0 to _____ maximum shares.

(Survey stated you were interested in 1 shares.)

Number of Shares _____ X \$500= _____ Total Due

Account No. _____ Check _____ Money Order _____

After your payment has been processed, a receipt will be mailed to you.