

RESIDENTIAL LICENSE AGREEMENT
Platte-Clay Electric Solar Farm Phase I

This License Agreement ("Agreement") is made and entered into this _____ day of _____, 20_____, by and between Platte-Clay Electric Cooperative, Inc. ("PCEC") with its principal place of business at 1000 West 92 Highway, and its mailing address PO Box 100, Kearney, Missouri, and the following identified person or organization ("Member Licensee"):

Member Licensee: _____
(The individual or entity identified as the Member Licensee must be a member of PCEC in good standing with a residential or small commercial electric account that receives metered electric service from PCEC at all times during the term of this Agreement.)

Account Address: _____
(The identified account address ("Account Address") must be associated with a residential or small commercial electric account that receives metered electric service from PCEC at all times during the term of this Agreement.)

City: _____ State: _____ Zip Code: _____

Telephone _____ Email: _____

Account Number for this electric service location (supplied by PCEC): _____

PCEC identifier for electric service location (supplied by PCEC): _____

WHEREAS, PCEC manages and operates a 100kW solar energy generation facility ("Phase I Facility") that is owned by PCEC's affiliate Platte-Clay Fuels, LLC ("Solar Company");

WHEREAS, in accordance with PCEC's normal cooperative operating procedures and energy procurement requirements, the Solar Company sells all of the solar energy produced by the Phase I Facility ("Solar Energy") to Associated Electric Cooperative, Inc. ("AECI"), AECI sells all the Solar Energy to N.W. Electric Power Cooperative, Inc. ("NW") and NW sells all of the Solar Energy to PCEC for distribution to its members;

WHEREAS, PCEC desires to allow its members who wish to do so have a portion of PCEC's cost of providing the Solar Energy ("Solar Energy Cost") and receive a *pro rata* share of the Renewable Energy Certificates ("RECs") associated with such Solar Energy allocated to their respective accounts (collectively, the "Solar Allocation") by way of this Agreement;

WHEREAS, the Solar Energy Cost associated with a Solar Allocation may be shared on a monthly basis by selecting Option 1 in Section 3 below or in advance by selecting Option 2 in Section 3 below, and

WHEREAS, the undersigned Member Licensee wishes to have a Solar Allocation in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein, PCEC and Member Licensee agree as follows:

1. Solar Allocation License.

1.1. Subject to the terms and conditions set forth in this Agreement, PCEC hereby grants to Member Licensee a license ("Solar Allocation License") to receive a Solar Allocation that is proportionate to the final per-panel production output ("FPPO") for the following number of solar panels at the Phase I Facility: _____ ("Number of Panels"). (There shall be a maximum of five (5) panels available to each Member Licensee.)

1.2. Member Licensee acknowledges and agrees that Solar Company will retain (a) sole ownership, possession, and control of the Phase I Facility and (b) the exclusive right to maintain and operate the Phase I Facility including all solar panels, equipment and other property associated with the Phase I Facility.

1.3 Member Licensee specifically acknowledges that Solar Company may replace any solar panel at the Phase I Facility with any make, model, brand or type of solar panel as Solar Company may elect, in its sole discretion without notice to Member Licensee of such change.

2. Final Panel Production Output (FPPO): Computation of Solar Allocation and Billing.

2.1 The actual electric energy production for the entire Phase I Facility will be measured in kilowatt hours on a billing period basis ("Total Billing Period Production"). This Total Billing Period Production will then be allocated to each solar panel at the Phase I Facility by dividing (a) the Total Billing Period Production by (b) the total number of solar panels at the Phase I Facility during such billing period to get the FPPO (final per-panel production output).

2.2 The (a) FPPO, (b) Number of Panels, (c) Solar Energy Cost and (d) option selected by Member Licensee in Section 3 below will be utilized to compute any Solar Allocation charge to be applied to the Member Licensee's bill for service at the Account Address for the applicable billing period.

2.3. During the term of the Agreement, (a) Member Licensee's Solar Allocation, (b) a solar maintenance charge, (c) a general distribution charge and (d) a charge for any non-solar energy consumed will be reflected on Member Licensee's bills for electricity provided by PCEC to the Account Address.

For those who select Option 1 under Section 3 below,

The current Solar Energy rate is 7.63 cents /kWh.

The current solar maintenance rate is 2.84 cents /kWh.

The current general distribution rate is 5.24 cents /kWh.

For those who select Option 2 under Section 3 below,

The current Solar Energy rate is 0.00 cents /kWh.

The current solar maintenance rate is 0.83 cents /kWh.

The current general distribution rate is 5.24 cents /kWh.

Non-solar energy consumed by the Member Licensee, will be charged at the normal retail rate in effect from time-to-time.

2.4 Notwithstanding the rates set forth in Section 2.3 or anything else to the contrary in this Agreement: (a) for those who select Option 1 under Section 3 below, the Solar Allocation, solar maintenance charges, general distribution charges and normal retail rate may be revised and/or unbundled from time to time based upon current cost of service studies, and (b) for those who select Option 2 under Section 3 below, the Solar Energy Rate will always be zero, but the solar maintenance charges, general distribution charges and normal retail rate may be revised and/or unbundled from time to time based upon current cost of service studies.

2.5 In the event damaged equipment is disconnected from the grid or is otherwise not generating electric energy, the FPPO for such equipment will be zero and all Solar Allocation License holders will not receive any Solar Allocation for the duration with respect to out-of-service equipment. Notification will be made with respect to any outage lasting longer than thirty (30) days.

2.6 The parties specifically agree that this Agreement pertains to only the FPPO from the Phase I Facility. In the event the Phase I Facility is removed from or is otherwise not in service, PCEC will make a reasonable effort to work with Member Licensee to determine if Member Licensee's Solar Panel License can be transferred to another facility or source of solar energy. Until such transfer occurs, there will be no Solar Allocation hereunder and Member Licensee's bills will reflect only the cost of energy from the utility grid system that is sold and allocated to all PCEC members as part of the overall generation mix.

2.7 Member Licensee may elect to change the Account Address to which the Solar Allocation is applied, provided such new Account Address must be associated with a residential or small commercial electric account that receives metered electric service from PCEC at all times during the term of this Agreement. To change the Account Address, Member Licensee must notify PCEC of such change in writing at least thirty (30) days prior to the effective date of such change, which notice will include: (a) Member Licensee's name and mailing address; (b) the current Account Address; (c) the new Account Address and (d) the requested effective date of such change.

2.8 All monthly bills will be sent to the mailing address for Member Licensee that is set forth in PCEC's records from time-to-time.

3. **Consideration.** As consideration for the Solar Allocation License granted to Member Licensee pursuant to this Agreement, Member Licensee agrees to receive and pay for a Solar Allocation for Member Licensee's Number of Panels and other costs in accordance with the option chosen below and the other terms hereof (referred to herein as "Option 1" and "Option 2", respectively):

Option 1: Member Licensee agrees to receive and pay for its Solar Allocation for a term of one (1) year along with all then current charges for solar maintenance, general distribution and non-solar energy consumed. In connection with Option 1, Member Licensee shall receive and pay for its Solar Allocation and other charges pursuant to a monthly bill computed as set forth in Section 2 above.

Option 2: Member Licensee agrees to receive and pay for said Solar Allocation for a term of twenty-five (25) years and make an advance payment in connection therewith equal to [\$ 815.00] times the Number of Panels (“Advance Payment”). In connection with Option 2, Member Licensee’s Solar Allocation will be zero during the term hereof, but Member Licensee will still be required to pay the then current charges for solar maintenance, general distribution and non-solar energy pursuant to a monthly bill computed as set forth in Section 2 above.

4. Platte-Clay Electric Cooperative Obligations. PCEC agrees to:

- 4.1. Provide Member Licensee with updates in the event of a change pursuant to Section 2.5.
- 4.2. Manage and operate the Phase I Facility in accordance with its agreements with Solar Company. PCEC’s current obligations under those agreements include the following (a) providing maintenance for the Phase I Facility, (b) ensuring that the Phase I Facility and each of its components complies with all applicable codes, standards, and regulatory requirements at the time of installation and throughout the term of this Agreement, and (c) in the event of equipment failure, ensuring that the equipment is brought back to working order as quickly as possible.
- 4.3. Acquire and maintain, at its sole cost, insurance covering PCEC’s liability in connection with its acts and omission with respect to the Phase 1 Facility.
- 4.4. Cause Solar Company to assign, transfer, convey, and surrender to Member Licensee, for Member Licensee’s sole use, Member Licensee’s *pro rata* share of all available RECs associated with the Solar Energy from the Phase 1 Facility that is allocated to Solar Allocation License holders.

5. Term and Termination.

5.1 Unless sooner terminated, this Agreement shall remain in effect for the period of time associated with the option selected in Section 3 above. Each license shall be effective beginning on the later of (a) [July 1, 2015] or (b) the date of this Agreement.

5.2 Either party may terminate this Agreement if the other party breaches a material obligation under this Agreement and fails to cure such breach within five (5) days after receipt of notice of such breach from the non-breaching party (or, if such cure involves a breach other than an obligation to pay money and requires a longer period of time to complete, such cure has not been commenced within such five (5) day period and is not diligently pursued to completion).

5.3 This Agreement shall terminate automatically if Member Licensee ceases to be a member in good standing of PCEC that is currently receiving electric service from PCEC.

5.4 Either party may terminate this Agreement at any time with thirty (30) day’s prior written notice to the other party for any reason or no reason.

5.5 Upon termination of this Agreement by either party: (a) the Solar Allocation License granted hereby shall be null, void and of no further force and effect; (b) except for any amounts owed under Section 6 below or that have been accrued as of the date of termination, neither party

shall have any further rights or obligations hereunder, and (c) PCEC shall be free to grant another member the Solar Allocation License previously granted under this Agreement. To be clear, all amounts accrued hereunder at the time of termination must be paid in full as and when due.

6. Return of Unapplied Option 2 Prepayment. Upon early termination of this Agreement, if Member Licensee selected Option 2, PCEC will refund any net unutilized portion of the Advance Payment within thirty (30) days after the date of such termination. The maximum amount to be returned shall be equal to the Advance Payment times a fraction, the numerator of which is 25 minus the number of years this Agreement is in effect (rounded up to the nearest whole number) , and the denominator of which is 25. Any amount due under this Section 6 shall be subject to offset by PCEC for any amounts owed to PCEC by Member Licensee.

7. Voluntary Transfer of Solar Allocation License.

7.1 Except as expressly provided in this Agreement, without PCEC's prior written consent (which may withheld or conditioned in PCEC's sole discretion), Member Licensee may not assign, give, bequeath, or otherwise transfer the Solar Allocation License or any other rights hereunder to any other individual or entity. In the event a Member Licensee desires to transfer a Solar Allocation License, a written request stating the details of the proposed transfer must be delivered to PCEC. PCEC shall be free to request such other and further information in connection with such request as PCEC deems appropriate.

7.2 Notwithstanding the foregoing, in no event will any transfer of a Solar Allocation License be permitted to any individual or entity that is not a member of PCEC in good standing with a residential or small commercial electric account that receives metered electric service from PCEC at all times during the term of this Agreement.

7.3 Upon any permitted transfer of a Solar Allocation License, (a) the transferor and transferee shall execute such documents as PCEC may require from time- to-time to memorialize such transfer and cause the transferee to be bound by the terms of this Agreement, (b) the transferring Member Licensee shall automatically be deemed to have surrender (without need for any further action on the part of such transferring Member Licensee) all right, title, and interest in and to such Solar Allocation License, and (c) no transfer shall act in any way to extend the term of or otherwise alter the Solar Allocation License.

8. No Net-Metering. The parties agree that the Phase I Facility is not a net-metering installation, and the Missouri net-metering law (RSMo Section 386.890.2) shall not apply.

9. Notices. All notices, requests, consents, and other communications permitted or required under this Agreement must be in writing and sent to the mailing address/email address for each party stated above and will be deemed delivered upon the date of actual receipt (or refusal of delivery).

10. Entire Agreement, Amendment. This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, both oral and 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 Missouri, without regard to the principles of conflicts of laws thereof. The parties acknowledge and agree that a court of competent jurisdiction located in Clay County, Missouri, shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement.

12. Counterparts. This Agreement may be signed and executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

13. Severability. In the event any one or more of the provisions contained in this Agreement or any modification hereof finally shall be declared by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement or any application thereof shall not in any way be affected or impaired, except that, in such an event, this Agreement shall be amended in such respects as are necessary to provide any party adversely affected by such declaration with the benefit of its expectation, such expectation being evidenced by the provision(s) of this Agreement, including those affected by such declaration, to the maximum extent legally permitted. The parties hereto shall negotiate the terms of such amendment in good faith, but in the event they do not reach an agreement in that regard for any reason, the court in which the aforesaid declaration is made shall have the right to effectuate such amendment or, if that is not possible, provide any party adversely affected by such declaration with another appropriate remedy.

14. No Waiver. Failure to enforce any provision of this Agreement by either party shall not be construed as a waiver of that provision.

15. Remedies. In the event of any breach or violation of this Agreement, either threatened or actual, the non-breaching party shall be authorized and entitled (in addition to pursuing any other rights available to it at law, in equity or hereunder) to obtain from any court of competent jurisdiction, without the requirement of any bond or other surety, any and all injunctive relief or restraining orders available to it, so as to prohibit, bar, and restrain any and all such breaches or violations by the other party.

16. Compliance with Laws. Each party shall comply with all applicable laws, rules and regulations.

17. Time of Essence. Time is of the essence in the performance of the parties' respective obligations hereunder.

18. Publicity. PCEC reserves the right to (and Member Licensee agrees that PCEC may) publish Member Licensee's name and the Number of Panels associated with Member Licensee's Solar Allocation License on the PCEC website and all other publications it deems necessary in order to publicize the Phase I Facility and availability of Solar Allocation Licenses to PCEC members.

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

Platte-Clay Electric Cooperative, Inc.

Member Signature

PCEC Representative's Signature

Member Name (please print)

PCEC Representative's Name (please print)

Title