

ELECTRIC SERVICE AGREEMENT

“SOLAR NOW” SOLAR PV SYSTEM HOSTING PILOT PROGRAM

WITHIN THE STATE OF WISCONSIN

THIS AGREEMENT made this 5th day of May, 2020, by and between Wisconsin Electric Power Company d/b/a We Energies, hereinafter referred to as the Company, and the City of Racine, Wisconsin, hereinafter referred to as the Customer.

WITNESSETH:

The parties hereto, each in consideration of the agreement of the other, agree as follows:

1) NATURE OF SERVICE

Customer desires to host a company-owned Solar PV System (defined for purposes of this agreement as solar panels, inverter(s), cabling, mounting, trackers (if applicable), and associated controls and interconnection facilities) with up to 600 kW_{ac} nameplate capacity on the ground mount site located at 3444 South Memorial Drive, Racine, Wisconsin 53403 (commonly known as Olsen Prairie Park). Customer will receive a monthly lease payment, in accordance with the terms of this Agreement, for hosting the Solar PV system.

2) SOLAR PV SYSTEM

Solar PV System will be up to 600 kW_{ac} (750 kW_{dc}) nameplate system size. The ground mounted system will be made up of panels, inverters, fixed tilt racking, and associated controls and interconnection facilities.

3) RATE

A. Calculation of Lease Payment

Customer will receive a monthly payment for hosting the Solar PV System identified above (the “Lease Payment”). The Lease Payment paid by the Company to Customer shall be the value of the Midcontinent Independent System Operator (“MISO”) accredited capacity of the Solar PV System multiplied by the value of capacity, as defined below, up to the customer’s firm demand at the time this Agreement is executed. The Lease Payment shall be paid to the customer in monthly installments equal to one twelfth ($1/12^{\text{th}}$) of the annual amount.

B. Calculation of Value of Capacity

The value of capacity for the Solar PV System will be determined as of the date this Agreement is executed, as determined by MISO’s current Business Practice Manual (“BPM”), and will be fixed for the duration of this Agreement. The value of capacity is the MISO zone 2 cost of new entry (“CONE”) for the MISO Resource Adequacy Planning Year in which this Agreement is executed. Customer acknowledges that the capacity accredited by MISO is subject to change annually.

C. Customer to Remain on Underlying Tariff.

Customer will be responsible for all rates, adjustments and credits specified in Customer’s otherwise-applicable rate schedule(s), including but not limited to facilities charges; energy charges; fuel cost adjustments; on-peak and customer maximum demand charges; and minimum charges, all based on the customer’s actual consumption for the billing period, at the rates under their otherwise-applicable rate schedule(s). Customer may, at its sole discretion, elect to take service under schedule ERER-1, ERER-2, ERER-3 or ERER-4, also known as the Company’s “Energy for Tomorrow” programs.

4) DELIVERY OF ENERGY

All energy generated by the Solar PV System will be delivered to the Company’s distribution system.

5) RENEWABLE RESOURCE CREDITS

Customer elects to receive the Renewable Resource Credits as defined by Wis. Stat. § 196.378(3) generated by the Solar PV System. As a result of Customer's election, the lease payments made to Customer by the Company will be reduced by the value of the Renewable Resource Credits. Each month, the value of the Renewable Resource Credits will be determined by multiplying the Renewable Resource Credit Market Price at the time this Agreement is executed by the quantity of the Renewable Resource Credits generated by the hosted Solar PV System in the prior month. The Renewable Resource Credit Market Price will not be adjusted during the term of this Agreement. Customer's election to receive the Renewable Resource Credits of the Solar PV System is binding for the term of this Agreement.

Customer agrees that the following Renewable Resource Credit Market Price reflects the market price at the time this Agreement is executed and will be in effect for the term of this Agreement:

Customer elects, at its sole discretion, that Company will transfer all Renewable Resource Credits of the Dedicated Renewable Energy Resource to Customer through the M-RETS system. Customer's election is binding for the term of this Agreement.

[Note: the following subsection is for if the Customer chooses NOT to receive RRCs:]

6) CONDITIONS OF DELIVERY

This Agreement is subject to the following conditions of delivery:

- a) Customer shall be subject to all of the charges as set forth in this Agreement and its otherwise applicable rate schedule(s) without limitation.

- b) This Agreement shall become effective when the Company first furnishes electricity that has been generated by the Solar PV System (excluding electricity generated during commissioning and testing periods) hereunder, and shall continue in force for the term set forth in this section. Customer acknowledges that this Agreement has a term of 30 years.
- c) Service under this Agreement is conditioned on the interconnection of the new Wisconsin-based renewable energy resource described in section “2) SOLAR PV SYSTEM” above to the Company’s distribution system, as well as a satisfactory environmental review and, as applicable, siting review of structural components supporting the Solar PV System, including but not limited to the location’s roof, structural supports, and ground conditions.
- d) The Company and Customer will enter into a separate written lease agreement, which will survive in its entirety if the property on which the Solar PV System described above is placed is sold or transferred during the term of the lease.
- e) Decommissioning of the Solar PV System is described in Section 10 of the Solar Ground Lease Agreement.
- f) The Company will retain ownership and responsibility for the monitoring, operation and maintenance of the Solar PV System described above.
- g) Customer warrants that it is a single customer, as defined by tax ID for non-governmental entities or a single unit of government (*e.g.*, municipality, county, school district, etc.), and Customer acknowledges that this Agreement is expressly conditioned on the accuracy of this warranty. [The Company and Customer agree that the following eligible accounts will be aggregated for purposes of this Agreement:

1. Account 1:

2. Account 2:

- h) Company shall remit the lease payments to Customer as follows: rent will be paid on the 15th day of each month for rent due from the prior month.
- i) Customer acknowledges that participation in the “Solar Now” Solar PV System Hosting Pilot Program tariff may be limited at the sole discretion of the Company. Additionally, Customer acknowledges that the Company has the right to limit Customer’s participation in the “Solar Now” PV System Hosting Pilot Program tariff based on Customer’s bill payment and collection history, and Company may terminate this Agreement, in its sole discretion, based on Customer’s bill payment and collection history subsequent to execution of this Agreement. Further, participation shall be subject to an assessment of the solar resource and structural and environmental engineering suitability of the identified rooftop or ground mount location.
- j) Customer shall be bound by the following: (i) the rates, terms and conditions of this Agreement and the “Solar Now” PV System Hosting Pilot Program tariff; (ii) the rates, terms and conditions of Customer’s otherwise applicable rate schedule(s); (iii) the Company Rules and Regulations; and (iv) any future modifications of such rates, terms, conditions, and rules and regulations that may be ordered or approved by the PSCW. To the extent that there are conflicts among any of the forgoing, the specific provisions of this Agreement shall govern.
- k) If Customer defaults in any of its obligations contained herein, the Company may suspend delivery of energy. Such suspension, however, shall not interfere with

enforcement by the Company of any other legal right or remedy. No delay by the Company in enforcing any of its legal rights hereunder shall be deemed a waiver of any other or subsequent defaults by Customer.

- l) This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

WISCONSIN ELECTRIC POWER COMPANY

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date:
