



COMMUNITY SOLAR LEASE APPLICATION

Please fill out the information below to reserve your selected number of 315-watt equivalent photovoltaic solar panels at the one-time, upfront lease cost of \$399 per panel.

1. Each Lessee is required to submit a lease application and agreement along with a \$399 per panel lease payment online at micommunitysolar.org or to MI Community Solar at PO Box 4756, East Lansing, MI 48826.
2. If the necessary information from your lease application is not verified by the Lansing Board of Water & Light (BWL), you will receive a full refund.
3. If your lease application is approved, you will be placed on the reserve list and your lease payment will be held in an escrow account at the Michigan State University Federal Credit Union (MSUFCU) until the community solar park is subscribed to 80 percent.

Applicant Name: _____ (Lessee)

BWL Account Number (see monthly electric bill): _____

Electric Service Address:

Mailing Address (if different from Electric Service Address):

Telephone Number: _____ E-mail Address: _____

Number of solar panels to be leased:

of panels _____ X \$399 = \$_____ Total Lease Payment Amount

What name would you like to be shown on our website to recognize your support?

Where did you hear about MI Community Solar?

Why are you supporting community solar?



With my signature below, I acknowledge the following:

- The purpose of the East Lansing Solar Park (Solar Park) is to allow residents and businesses in East Lansing and Lansing that are existing BWL electric customer the benefits of having a 315-watt equivalent solar panel(s) to support clean renewable energy in the state of Michigan.
- I own or lease property in the BWL electric service territory at the address provided above and wish to lease one or more panels in the Solar Park to generate electricity equivalent to a portion of electricity consumed at that service address not to exceed average annual consumption.
- I acknowledge that the Solar Park utilizes renewable resources to generate electricity. In doing so, the Solar Park becomes eligible for Renewable Energy Certificates (RECs), Environmental Attributes or Offsets. Further, I acknowledge the Community Energy Options LLC retains the sole right to monetize the RECs for operations and maintenance purposes and that I have no interest in or claim to them.
- As a Lessee of Community Energy Options LLC, I authorize BWL to provide access to two years of electricity records for the service address listed above for the purpose of determining average annual electricity consumption to Community Energy Options LLC and its project partners.
- If my application is approved, I will be bound by my signature on the lease agreement provided below:

Signature: _____ Date: _____



COMMUNITY SOLAR LEASE AGREEMENT

Lessee Name: _____ (“Lessee”)

Lansing Board of Water & Light (“BWL”) Account Number (see monthly electric bill):

Electric Service Address (“Service Address”):

Mailing Address (if different from Electric Service Address):

Telephone Number: _____ E-mail Address: _____

This community solar lease agreement (“Lease”) is entered into between the Lessee and Community Energy Options LLC, a Michigan Limited Liability Company, with offices at 405 Grove Street, East Lansing, MI 48823.

The parties hereby agree to the following:

1. **Overview. Community Energy Options LLC** is constructing and operating a solar park in the City of East Lansing, Michigan (“Solar Park”), and Lessee wishes to lease a solar panel (or panels) in the Solar Park, pursuant to the terms of this Lease.
 - 1.1. **Solar Park Site.** The Solar Park will be located on certain property leased by Community Energy Options LLC from the City of East Lansing (“Solar Park Site”) pursuant to a 25-year lease agreement entered into between Community Energy Options LLC and the City of East Lansing, as it may be amended from time to time (“Community Energy Options LLC-City of East Lansing Lease Agreement”). Community Energy Options LLC has the authority to construct solar panels and related facilities at the site, including a photovoltaic (PV) solar power system and all related equipment, apparatus, accessories, works and appurtenances (collectively referred to as the “Solar Park Facility”).
 - 1.2. **Power Purchase Agreement.** Community Energy Options LLC has entered into a power purchase agreement with the BWL, a municipal corporation (formed under the laws of the State of Michigan) for the purchase of power generated at the Solar Park



Site, as it may be amended from time to time (“PPA”). In the PPA, Community Energy Options LLC agrees to sell all power generated at the Solar Park Facility to BWL, and BWL agrees to provide monthly credits to Lessees on their electric bills at the rates provided by and based on the information received from Community Energy Options LLC. Under the PPA, Community Energy Options LLC is to receive any **RECs**, defined below, and obtained in relation to the Solar Park Facility. Lessee has no interest in said RECs or like incentives, credits, or benefits obtained in relation to the Solar Park Facility, except as provided for herein.

- 1.3. **Purpose of this Lease.** The purpose of the Solar Park is to allow residents and businesses in the BWL electric service territory (“**BWL Service Territory**”) to receive the benefits of having solar panel(s) to support renewable energy. Lessee owns or leases property in the BWL Service Territory and wishes to lease one or more panels in the Solar Park to generate electricity equivalent to a portion of electricity consumed at that service address not to exceed average annual consumption.

2. **Leased Property.** Lessee agrees to lease one or more solar panel(s) in the Solar Park Site (“**Leased Property**”). Lessee acknowledges and agrees that energy generated by the solar panel(s) shall belong to Community Energy Options LLC to sell and deliver to the BWL pursuant to the PPA. Community Energy Options LLC will also retain the RECs received related to the Leased Property.

3. **Term.** The lease term shall begin on the first day of the first month of the billing cycle after the Leased Property starts delivering energy to BWL (“**Commencement Date**”). The lease term shall run for 25 years, subject to the termination provisions of this Lease. The lease 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 Lease.

4. **Payment.** Lessee shall pay a one-time, upfront fee of **\$399** for a 25-year-lease for each solar panel (“**Payment**”). Lessee shall submit this payment with the signed Lease Application and Lease to MI Community Solar at PO Box 4756, East Lansing, MI 48826 or online at www.micommunitysolar.org.

5. **Solar Lease Credit.** In exchange for Lessee’s payment and participating in the Solar Park, Lessee will receive a credit on the Lessee’s monthly electric billing statement (\$.065/kWh escalated at 2.3% per year) pursuant to the PPA (“**Solar Lease Credit**”) in an amount provided by Community Energy Options LLC to BWL. However, the Solar Lease Credit should not exceed the dollar amount for the electric consumption portion of the electric bill. If the Solar Lease Credit does exceed the dollar amount of electric consumption, the Lessee will not be reimbursed for the excess or allowed to carry a credit forward to subsequent billing periods. This Solar Lease Credit will be itemized on the Lessee’s monthly electric bills in accordance with BWL’s normal monthly billing for service, so long as the participating Lessee remains an electric customer of the BWL at the Service Address approved in this Lease, or future service addresses in the BWL Service Territory.



6. **Renewable Energy Certificates (“RECs”).** A REC is generated with each megawatt-hour (MWh) of renewable electricity generated. Solar panels and other renewable energy

generators create a REC with every megawatt-hour of electricity generated. In the case of this Lease, the RECs generated by the Solar Park belong to Community Energy Options LLC, not Lessee.

7. **Solar Panel and Solar Facility Maintenance and Repair.** Community Energy Options LLC shall be responsible for maintaining and repairing all aspects of the Solar Park Facility.

8. **Effective Date.** The Lessee shall be bound by its agreement to these Lease terms when it signs the Lease. Community Energy Options LLC shall be bound by its terms when the Lessee’s payment is received AND the Lessee’s Lease Application and Lease have been approved by Community Energy Options LLC. If Lessee’s Lease Application and Lease are not approved by Community Energy Options LLC, the Lease Application and Lease will be considered withdrawn and Lessee will be entitled to a full refund unless the deadline is extended by Community Energy Options LLC at its sole discretion.

9. **Lessee Assignment or Transfer of Lease.** Lessee may assign or transfer its rights and duties, under this Lease, only to the extent provided in this Section:

- 9.1. **Lessee Assignment of Solar Lease Credit.** At any time, Lessee may assign its Lease and/or rights to receive Solar Lease Credits to a non-profit organization that is an electric service customer in the BWL Service Territory and is tax-exempt under 501(c) (3) of the U.S. Internal Revenue Code. Lessee shall notify Community Energy Options LLC of the assignment in writing, and the assignment is subject to approval by Community Energy Options LLC. Lessee shall retain all other rights and duties under this Lease.

- 9.2. **Lessee Change of Service Address.** In the event the Lessee changes service addresses, the following terms apply:

- A. **Moves within BWL Service Territory.** If the Lessee moves to a new address within the BWL Service Territory, this Lease shall be terminated as of the date Lessee no longer owns or controls the property located at the Service Address, unless Lessee requests and Community Energy Options LLC approves assignment of this Lease to the new Service Address.

- B. **Moves outside BWL Service Territory.** If the Lessee moves outside of the BWL Service Territory, this Lease shall be terminated as of the date Lessee no longer owns or controls the property located at the Service Address, unless Lessee requests and Community Energy Options LLC approves assignment of this Lease and Solar Credits to the new owner or tenant of the property located at the Lessee’s Service Address; or per section 9.1 to a non-profit organization that is an electric service customer in the BWL Service Territory and is tax-exempt under 501(c) (3) of the U.S. Internal Revenue Code; or to another entity as long as the new Lessee owns or leases property in the BWL Service Territory.



- 9.3. **Assignment Application under this Section.** To request an assignment of some or all of the Lease rights under this Section, Lessee shall submit a written request to Community Energy Options LLC at least 15 days in advance of the requested transfer date. The written request shall include any relevant information requested by Community Energy Options LLC. Email info@micommunitysolar.org or call 517-337-0422 ext. 4 for details of submitting the request. If Lessee ceases to own or control the

property at the Service Address while a decision on the application is pending, Lessee's rights and duties related to this Lease will be temporarily and automatically suspended until Community Energy Options LLC makes a decision on the application. Community Energy Options LLC shall approve any application for assignment unless it determines in its sole discretion that doing so would violate or be inconsistent with any applicable law or regulation or the BWL PPA or the Community Energy Options LLC -City of East Lansing Lease Agreement. Community Energy Options LLC shall make a decision within 30 days of receiving an assignment request.

10. **Lease Termination/Suspension.** The parties will have the right to terminate or suspend this Lease only as provided in this paragraph.

10.1. **Termination upon Default.** Without waiving any other rights granted at law or in equity, if either party is in default of an obligation under this Lease for a period of 30 days following receipt of written notice of default from the non-defaulting party, the default shall be considered a "Material Breach" under this Lease and the non-defaulting party may terminate this Lease immediately with written notice to the defaulting party.

10.2. **Suspension upon Relocation or Maintenance or Repairs.** Lessee acknowledges that Community Energy Options LLC has the right to temporarily suspend electric generation at the Solar Park Facility at any time if Community Energy Options LLC determines it is reasonably required for operation of the Solar Park Facility or by the terms of the Community Energy Options LLC-City of East Lansing Lease Agreement, including without limitation for the relocation of the Solar Park Facility for any reason or in order to conduct maintenance and repairs on the Solar Park Facility.

10.3 **Lessee or Community Energy Options LLC Termination.** The Lessee may terminate the Lease as of January 1st of any year provided that the Lessee provides written notice of the termination no later than September 30th of the prior year. In the event the Lessee terminates the Lease under this paragraph, the Lessee shall not be entitled to a refund of any prior payments. Upon termination, all rights of the Lessee to Solar Park Credits shall be assigned to Community Energy Options LLC unless and until Lessee's Solar Panels are re-leased. Community Energy Options LLC may terminate this Lease at any time, in its sole discretion, upon written notice thereof to Lessee prior to the Commencement Date. Further, this Lease may be terminated by Community Energy Options LLC immediately, at any time, upon giving written notice to Lessee, if: (a) the Solar Park Site cannot continue under the terms of the Community Energy Options LLC-City of East Lansing Lease Agreement or the



PPA, for any reason; (b) Community Energy Options LLC cannot lawfully continue the Solar Park at the Solar Park Site, for any reason, including the inability to obtain, or the lapse, cancellation, or termination, of any necessary governmental certificates, permits, variances, leases or other and/or any easements required for the installation and operation of the Solar Park at the Solar Park Site; (c) the Solar Park Facility or Leased Property, in part or in whole, are condemned, damaged or destroyed to an extent sufficient to render the Solar Park Site and/or the solar panels unusable.

11. **Insurance.** To the extent available, Community Energy Options LLC shall maintain during the Term 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 Solar Park Facility and the Solar Park Site, including Leased Property.
12. **Taxes.** Community Energy Options LLC shall promptly pay all personal property and real estate taxes due that are associated with the Solar Park Site and Facility and the solar installation.
13. **No Cash Expectation and No Security Interest.**
 - 13.1. **No Cash Expectation.** Lessee acknowledges and agrees that this Lease is not an investment and the Lessee has not been promised or led to expect any profit from the Lease of the solar panel(s). This Lease is not a security agreement and has not been registered as a security with any state or federal governmental authority. *Lessee acknowledges and agrees that Lessee's purpose for entering into this Lease is to help advance renewable energy in Michigan and to support and participate in generating greener energy in the city of East Lansing.*
 - 13.2. **No Security Interest.** Although the parties specifically intend that the solar panel(s) are being leased only and do not intend to sell or purchase the solar panel(s) now or later, if there is any claim that the Lease actually is a sale, then Lessee grants Community Energy Options LLC the complete security interest in the solar panel(s) and solar park equipment.
14. **Reporting and Marketing.** Lessee authorizes Community Energy Options LLC and Community Energy Options LLC' project participants, including Michigan Energy Options and BWL, to use Lessee's name, address, the number of leased panels, and solar energy credit information for reporting and marketing purposes, including reporting to governmental authorities and marketing materials promoting the project or the organizations. Except as required by law and as otherwise provided in this Lease, Community Energy Options LLC and its project participants will not be deemed to be given Lessee's authority to release or otherwise publish any other information collected from Lessee.
15. **Disclaimer.** BWL is not a party to this Lease, an affiliate of Community Energy Options LLC, an owner, participant, nor involved in any way with the construction, operation, maintenance, or administration of the Solar Park or Solar Park Facility. Nothing herein



shall be construed as imposing any obligations, duties, standard of care, or any liability upon BWL. Rather, BWL is identified herein solely to inform Lessee how the Solar Lease Credit will be provided to Lessee pursuant to the PPA. Lessee acknowledges that BWL will not indemnify Lessee if Community Energy Options LLC defaults under this Lease or its obligations to Lessee and hereby releases BWL from any claim or liability related in any way to this Lease, including but not limited to the Solar Lease Credit, Leased Property, Solar Park, or Solar Facilities.

16. **Assignment.** Community Energy Options LLC may assign its rights and obligations under this Lease to its successor in interest in without the prior consent of Lessee, provided that the Lessee's rights under this Lease shall continue for the full Term and the sale, lease, or transfer of Community Energy Options LLC' interest or any part thereof, and the granting of any easement encumbering or interest in and to the Solar Park or any part thereof, shall during the Term and any renewal term be subject to this Lease and Lessee's rights and options hereunder and shall not adversely affect the use of the Solar Park Site by Lessee or Lessee's agents, contractors, and invitees.
17. **Notices.** Any notice specified in this Lease shall be deemed properly given if delivered in writing personally or by certified mail to the parties at their addresses listed above, or at any other addresses that may be communicated by the parties to each other in writing, including an electronic mail address.
18. **Indemnification.** Community Energy Options LLC and Lessee each agree to indemnify and hold harmless the other party, as well as BWL, from and against any and all claims, losses, liabilities, obligations, damages, cost and expenses, including reasonable attorney fees (collectively, the "**Losses**"), to the extent caused by or arising out of the negligent acts or omissions of the indemnifying party, or (b) a breach of or default by the indemnifying party under this Lease that has not been cured in accordance with the terms hereof. Notwithstanding the foregoing, this indemnification shall not extend to Losses exclusively arising from the negligence or intentional misconduct of the indemnified party.
19. **Miscellaneous.** This Lease shall be binding upon and shall inure to the benefit of Lessee and Community Energy Options LLC and their respective heirs, administrators, successors, and assigns, subject to the provisions on assignment. This Lease constitutes the entire agreement between the parties with respect to this subject matter and may only be amended in a writing signed by the Lessee and all parties affected by the amended term. If any provisions of this Lease 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 Lease is governed by the laws of Michigan and venue for any dispute arising out of or related to this Lease shall be proper in Ingham County, Michigan. This Lease 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.

SIGNATURE PAGE FOLLOWS



The parties agree to the foregoing:

LESSEE

Date: _____

Signature: _____

Printed Name: _____

Organization (if applicable): _____

Title (if applicable): _____

Community Energy Options LLC

Date: _____

Signature: _____

Printed Name: _____

Title: _____