

Power Purchase Agreement

**53.600 kW DC JinkoJKM400M Solar Panels with 40.00 kW AC SolarEdge SE20k480V(2)
Inverter(s), SolarEdge P860 Power Optimizers & Unirac, PanelClaw (or equivalent)
Ballasted Racking**

Xcel SolarRewards

Customer	St. Paul Regional Water Services
Site	1900 Rice Street, St. Paul, MN 55113
Xcel Premise #	303657712

This **POWER PURCHASE AGREEMENT** ("**Agreement**"), dated **March 9, 2021** ("**Effective Date**") is between **Green2 Solar Leasing, LLC**, a Minnesota limited liability company, whose principal place of business is located at **5810 Nicollet Avenue Minneapolis, MN 55419** ("**Tenant**"), and the **Board of Water Commissioners of the City of Saint Paul, DBA St. Paul Regional Water Services ("SPRWS")**, a **Municipal Corporation under the laws of the State of Minnesota**, whose principal place of business is located at **1900 Rice Street, St. Paul, MN 55113** ("**Customer**"). Tenant and Customer are sometimes also referred to in this Agreement jointly as "**Parties**", or individually as a "**Party**".

RECITALS

- A. Tenant leases, operates and maintains Customer's photovoltaic solar electric system ("**Energy System**") located at the Site, as defined in that certain **Purchase Agreement** between Customer and **Ideal Energies, LLC** ("**Seller**") dated December 15, 2020 ("**Purchase Agreement**") pursuant to a Facility Lease Agreement between the Parties of even date herewith ("**Facility Lease Agreement**").
- B. Tenant desires to sell renewable electric power inclusive of all rights to its available environmental attributes to Customer, and Customer desires to purchase from Tenant all such electricity which is produced by the Energy System.
- C. Tenant or its affiliate has, or will, apply for the "**Incentive**" (defined in the Purchase Agreement) on behalf of Customer. Contemporaneous or near the Final Project Completion date for the Energy System (defined in the Purchase Agreement), Customer will enter into an agreement(s) ("**Utility Agreement**") with the local utility ("**Utility**") pursuant to which Customer will convey to the Utility, as may be required by the Utility Agreement, all Renewable Energy Credits ("**RECs**") for electricity produced by the Energy System for the term specified in the Utility Agreement.
- D. Customer may be eligible to participate in the Utility's Net Metering Program. Under this program, the energy generated from the Energy System is available for use and reduces the total amount of energy that needs to be purchased from the Utility. Under this program, for months where the Energy System produces more kWh than the Site consumes, the Utility will compensate Customer at the applicable rate specified in the Utility Agreements.
- E. Pursuant to the Facility Lease Agreement, Tenant may be eligible to receive a Federal Tax Credit from the U.S. Treasury if applicable equal to **26%** of the eligible Installation Cost for Energy Systems that are placed in service or safe-harbored in accordance with the requirements of IRC Revenue Notice 2018-59 during 2021 or 2022, or 22% of the eligible Installation Cost for Energy Systems that are placed in service or safe-harbored in accordance with the requirements of IRC Revenue Notice 2018-59 during 2023 ("**Tax Credit**"). The eligible cost basis for the Tax Credit may differ from the Installation Cost.
- F. Any capitalized term not defined herein will have the meaning given to it in the Purchase Agreement, unless otherwise stated.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual promises of the Parties hereto and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties agree as follows:

1. **Contingency.** The Parties' performance under this Agreement is contingent on Substantial Completion occurring for the Project in accordance with the terms of the Purchase Agreement.
2. **Power Purchase.** Tenant will deliver all power generated from the Energy System to Customer at the point of interconnection shown on Schedule A of the Facility Lease Agreement.
 - a. **Power Payments.** Customer will pay Tenant for all the power generated from the Energy System and delivered to the interconnection point by making the payments specified in **Schedule A ("Power Payments")**.
 - b. **Access to Data.** Customer agrees to provide Tenant with online access to its monthly utility bills and available data downloads from Utility that are permitted to be provided to third parties.
 - c. **Payment Remittance / Sales Tax.** The Power Payments are due monthly beginning on the first day of the first month following the Substantial Completion Date and continuing each month until expiration of the Term (as defined below) of this Agreement. Power Payments do not include any sales tax. Sales tax will be added to the Power Payments based on Customer's applicable sales tax rate. Customer will remit and mail payments to Tenant, or its assignee, to the address below:

Green2 Solar Leasing, LLC
5810 Nicollet Avenue
Minneapolis, MN 55419

3. **Ownership of Renewable Energy Credits.** If required by the Utility Agreements, Customer will convey to the Utility all Renewable Energy Credits ("RECs") generated by the Energy System for the term specified in the Utility Agreements. Subject to any required assignment to the Utility, Customer owns all RECs. For purposes of this Agreement, RECs include all attributes of an environmental or other nature that are created or otherwise arise from the Energy System, including without limitation, tags, certificates or similar projects or rights associated with solar energy as a "green" or "renewable" electric generation resource. RECs will also include any other environmental attribute intended to be transferred to the Utility under the Utility Agreements.
4. **Term.** The term of this Agreement will begin on the Substantial Completion Date and will terminate on the 20th anniversary thereafter ("**Term**").
5. **Late Charge / Costs of Collection.** In the event Customer fails to make any Power Payment when due, Customer agrees that Tenant may charge as a late charge: the greater of (i) \$50 or (ii) interest due based on an interest rate not to exceed the lesser of one and one-half percent (1 1/2%) per month or the highest rate permitted by law for commercial transactions, on a monthly basis on the amount of any Power Payment remaining unpaid more than ten (10) days from the due date until paid in full.
6. **Grant of Security Interest.** To secure the payment and performance of all of Customer's liabilities, obligations and covenants under this Agreement or the Facility Lease Agreement, Customer hereby grants to Tenant a continuing security interest in all RECs, in the Energy System, together with all attachments, accessories or replacement parts placed upon the Energy System, and in all proceeds of each of the foregoing. Upon the request of Tenant, Customer will promptly obtain a subordination agreement in favor of Tenant from any third-party lienholder who may have a lien or security interest in any of the foregoing. Tenant's security interest and other rights under this Section 6 will be extinguished upon the later of termination of this Agreement and the Facility Lease Agreement and performance of all of Customer's obligations hereunder and thereunder, and Tenant will execute and file any evidence of such extinguishment reasonably requested by Customer.
7. **Insurance.** Customer will comply with insurance requirements as required by the Facility Lease Agreement. The loss, injury or destruction of the Energy System shall not release Customer from making all Power Payments.
8. **Events of Default.** Each of the following constitute an event of default ("**Event of Default**"):
 - a. Customer fails to make any payment to Tenant when due hereunder, Tenant has notified Customer of such failure, and the failure has continued without cure by Customer or written waiver by Tenant for a period of thirty (30) days after the notice of failure;
 - b. Customer breaches in any material respect any representation, warranty or covenant contained in any Transaction Documents (as defined in the Purchase Agreement), Tenant has notified Customer of the breach, and the breach has continued without cure by Customer or written waiver by Tenant for a period of thirty (30) days after the notice of breach;
 - c. Customer ceases to do business, becomes insolvent, makes an assignment for the benefit of creditors or files any petition under bankruptcy, reorganization, insolvency or moratorium law, or any other law for the relief of debtors;

- d. Any involuntary petition filed under any bankruptcy statute against Customer or any receiver, trustee, or similar official appointed to take possession of the properties of Customer unless such petition or appointment ceases to be in effect within thirty (30) days of such filing or appointment;
- e. The Customer fails to comply with any of its obligations under any of Customer's agreements with the Utility; or
- f. The Customer's failure or refusal to repair and recommission an Energy System following a casualty loss.

9. **Remedies.**

- a. If an Event of Default occurs, Tenant may, at its option, exercise any one or more of the following remedies:
 - i. Declare all amounts due or to become due under this Agreement immediately due and payable;
 - ii. Recover any additional damages and expenses sustained by Tenant by reason of the Event of Default;
 - iii. Enforce the security interest granted hereunder, in which event Customer agrees to make the Energy System available to Tenant at a place or places acceptable to Tenant and Tenant will have the right to take possession of the Energy System. provided that in such case the fair market value of the Energy System will offset any amounts due under this Agreement;
 - iv. Retain all payments made by Customer as liquidated damages for the non-performance of this Agreement, for use of the Energy System and for depreciation thereof;
 - v. Exercise any other remedies available under law, including those under Article 9 of the UCC.
- b. In the event the Energy System is sold, foreclosed on, or repossessed in the manner provided herein or by law, and the fair market value of the Energy System as determined by a qualified independent third party appraiser is not sufficient to pay the amount due under this Agreement, Customer agrees to pay immediately to Tenant such deficiency. In the event the Energy System is sold, foreclosed on, or repossessed in the manner provided herein or by law and the fair market value of the Energy System exceeds the amount that Customer is required to pay Tenant under this Agreement, Tenant agrees to pay immediately to Customer such excess.
- c. The remedies provided herein will be cumulative and may be exercised singularly, concurrently or successively with and in addition to all other remedies in law or equity. If either Party fails to perform any of its obligations under this Agreement, the other Party may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith will be payable in full by the nonperforming Party upon demand. In addition, the nonperforming Party agrees to pay the other Party's reasonable attorney's fees and costs of collection in pursuing any remedies.

10. **Annual Energy Production Not Guaranteed.** THE PARTIES UNDERSTAND AND AGREE THE ANNUAL ENERGY PRODUCTION FROM THE ENERGY SYSTEM MAY VARY FROM ANNUAL PROJECTIONS FOR REASONS BEYOND THE PARTIES CONTROL INCLUDING WITHOUT LIMITATION SEASONAL WEATHER VARIATIONS, ROUTINE AND NON-ROUTINE MAINTENANCE CAUSING DOWNTIME, EQUIPMENT PERFORMANCE, PROCESSING ANY EQUIPMENT WARRANTIES FOR MALFUNCTIONING EQUIPMENT, FORCE MAJEURE, ETC. THE PARTIES UNDERSTAND THAT THE UTILITY BILL CREDITS, [INCENTIVES/RECS], NET METERING CREDITS, AND UTILITY BILL SAVINGS THAT ARE RECOGNIZED BY THE PROJECT WILL VARY WITH UTILITY RATES, THE ENERGY SYSTEM'S ENERGY PRODUCTION, ACTUAL SITE ENERGY DEMAND OR CONSUMPTION PROFILES, OR SIMILAR, AND THAT THE ACTUAL AMOUNTS RECOGNIZED OR RECEIVED BY THE PARTIES WILL VARY ACCORDINGLY. TENANT DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, THAT PRODUCTION WILL MATCH PROJECTIONS, AND CUSTOMER AND TENANT ASSUME THE VARIABILITY OF POTENTIAL OUTCOMES AT THEIR SOLE RISK.

- 11. **Utility Bill & Net Metering Credits.** The Utility Bill Credits and Net Metering Program (as described in the Purchase Agreement), are owned by, and for the exclusive use of Customer or their tenant. In the event the actual Utility Bill Credits or Net Metering Credits received are greater or less than the expected, there will be no adjustment to the terms of this Agreement, and each Party waives its right to recover any surplus or deficiency from the other Party.
- 12. **Customer's Maximum Payment Obligation.** Customer's maximum power payment obligation to Tenant under this Agreement is the sum of all the Power Payments listed in **Schedule A**.

13. **Power Payment Production Adjustment.** Except where the reimbursement due under this Section is caused by Customer's breach of this Agreement, or the Energy System being non-operational during periods of Customer's Maintenance performed in accordance with Section 13 of the Facility Lease Agreement, if the Energy System does not produce at least 900 kWh per KW DC of nameplate capacity in any twelve month period on a calendar year basis, Tenant will reimburse Customer within sixty (60) days after the end of that calendar year as follows:
- Total payments made over the then applicable 12-month period * (1 - (actual kWh/kWDC / 900 kWh/kWDC)).
 - For example, an Energy System produces 850 kWh/kWDC and power payments totaling \$1,000.00 are paid during a calendar year. A \$55.55 cash reimbursement will be paid to Customer that is calculated as follows: $\$1,000.00 * (1 - 850/900) = \55.55 .
14. **Miscellaneous.**
- Relationship of the Parties.** The Parties will for all purposes be considered independent contractors with respect to each other, and neither will be considered an employee, employer, agent, principal, partner or joint venturer of the other.
 - Entire Agreement.** This Agreement and all schedules, exhibits and attachments hereto, together with any agreement reference herein, constitute the entire agreement and understanding of the Parties relative to the subject matter hereof. The Parties have not relied upon any promises, representations, warranties, agreements, covenants or undertakings, other than those expressly set forth or referred to herein. This Agreement replaces and supersedes any and all prior oral or written agreements, representations and discussions relating to such subject matter.
 - Survival of Representations.** All representations, warranties, covenants and agreements of the Parties contained in this Agreement, or in any instrument, certificate, exhibit or other writing provided for in it, will survive the execution of this Agreement and the consummation of the transactions contemplated herein.
 - Amendment.** This Agreement may be amended or modified only in writing and executed by the Parties to this Agreement. No custom or practice of the Parties at variance with the terms hereof will have any effect.
 - Notices.** All notices to be given under this Agreement will be in writing and will be effectively given upon personal delivery, facsimile or email transmission (with confirmation of receipt), delivery by overnight delivery service or three days following deposit in the United States Mail (certified or registered mail, postage prepaid, return receipt requested).
 - No Delay.** No delay or failure on the part of any Party hereto to exercise any right, power or privilege hereunder will operate as a waiver thereof.
 - Force Majeure.** Neither Party will be liable to the other Party for any delay, error, failure in performance or interruption of performance resulting from causes beyond its reasonable control, including without limitation fires, flood, accidents, explosions, sabotage, strikes or other labor disturbances, civil commotion, riots, invasions, wars, acts of God, acts of government, terrorism, delayed governmental process, international tariffs, inability to timely obtain a permit, inability to obtain sufficient qualified labor, or any cause (whether similar or dissimilar to the foregoing) beyond the reasonable control of the Party.
 - Governing Law / Venue.** This Agreement will be governed by and construed in accordance with the laws of the state of Minnesota without regard to its conflict of laws principals. Any legal action may only be commenced and proceed in the relevant district court in Ramsey County, Saint Paul, Minnesota.
 - Severability.** The provisions of this Agreement are severable. If any part of this Agreement is rendered void, invalid or unenforceable, such rendering will not affect the validity and enforceability of the remainder of this Agreement.
 - Successors and Assigns.** This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Neither Party will assign this Agreement, or any portion thereof, without the prior written consent of the other Party. Any attempted assignment or transfer without such prior written consent of the other Party shall be of no force or effect. As to any permitted assignment: (i) reasonable prior notice of any such assignment shall be given to the other Party; and (ii) any assignee shall expressly assume the assignor's obligations hereunder, unless otherwise agreed to by the other Party in writing. Notwithstanding the foregoing, as may be required for Tenant to comply with Minnesota Statutes Chapter 216B.02, subd. 4, or to leverage tax benefits as tax owner, Tenant may, at its sole discretion, assign and/or sublease all or part of its full interest under this Agreement to a controlled affiliate of Tenant.
 - UCC Terms.** All terms in this Agreement that are defined in the Minnesota Uniform Commercial Code, as amended from time to time ("UCC") will have the meanings set forth in the UCC and such meanings will

automatically change at the time that any amendment to the UCC, which changes such meanings, becomes effective.

- l. **Definitions.** Any capitalized term not defined herein will have the meaning given to it in the Purchase Agreement, unless otherwise stated.
- m. **Marketing and Promotion.** Tenant will not use Customer's name, image or likeness in connection with advertising and promoting the Project or the Energy System without Customer's approval, which will not be unreasonably withheld.
- n. **Subordination to Utility Agreements.** No portion of this Agreement is intended to conflict with any Utility Agreements to which Seller, Tenant, Customer or Customer's tenant (if any) are a party. In the case of a conflict between the terms or conditions of this Agreement and the Utility Agreements, the terms and conditions of the Utility Agreements will control. Utility, or its successors and assigns, is a third-party beneficiary of the provision of this paragraph. Nothing in this Agreement will prevent Utility, from fully enforcing the terms and conditions of the Utility Agreements.
- o. **Data Practices.** Tenant considers the information contained in this Agreement related to the programs, methods, techniques and processes utilized by Tenant to offer and implement the Energy System to be trade secret information of Tenant as defined in the Minnesota Government Data Practices Act Ch. 13 .37 Subd. 1 (b) GENERAL NONPUBLIC DATA. To the extent permitted by the Minnesota Data Practices Act, unless otherwise ordered by a duly authorized court, this information will not be shared or disclosed with any person or third party without the prior written approval of Tenant.

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The Parties hereto have caused this Agreement to be duly signed in their respective names as of the Effective Date.

Tenant
Green2 Solar Leasing, LLC

By: _____
Rich Ragatz, its Vice President
Dated: _____

Approved as to form:

**BOARD OF WATER COMMISSIONERS OF THE CITY
OF SAINT PAUL**

By: _____
Stephen P. Schneider, General Manager
Saint Paul Regional Water Services

By: _____
Mara Humphrey, President

Date: _____

Date: _____

By: _____
Lisa Veith
Assistant City Attorney

By: _____
Mollie Gagnelius
Secretary

Date: _____

Date: _____

By: _____
John McCarthy
Director, Office of Financial Services

Date: _____

SCHEDULE A**Power Purchase Payment Schedule**

53.600 kW DC JinkoJKM400M Solar Panels with
 40.00 kW AC SolarEdge SE20k480V(2) Inverter(s)(s), SolarEdge P860 Power Optimizers &
 Unirac, PanelClaw (or equivalent) Ballasted Racking

Xcel SolarRewards

Green2 Solar Leasing, LLC Utility Bill Expense		
Year	(Power Purchase Expense)	
	(\$/year)	(\$/month)
1	\$ 4,784.64	\$ 398.72
2	\$ 4,951.20	\$ 412.60
3	\$ 5,123.52	\$ 426.96
4	\$ 5,301.84	\$ 441.82
5	\$ 5,486.40	\$ 457.20
6	\$ 5,677.20	\$ 473.10
7	\$ 5,874.84	\$ 489.57
8	\$ 6,079.20	\$ 506.60
9	\$ 6,290.76	\$ 524.23
10	\$ 6,509.64	\$ 542.47
11	\$ 6,736.20	\$ 561.35
12	\$ 6,970.68	\$ 580.89
13	\$ 7,213.20	\$ 601.10
14	\$ 7,464.24	\$ 622.02
15	\$ 7,724.04	\$ 643.67
16	\$ 7,992.84	\$ 666.07
17	\$ 1,190.00	\$ 99.17
18	\$ 1,190.00	\$ 99.17
19	\$ 1,190.00	\$ 99.17
20	\$ 1,190.00	\$ 99.17
21	\$	\$
22	\$	\$
23	\$	\$
24	\$	\$
25	\$	\$
Total	\$ 104,940.44	