



Solar Panel Lease and Power Purchase Agreement

This Solar Panel Lease and Power Purchase Agreement (“Agreement”) is made and entered into this 1st day of September 2014 by and between Gunnison County Electric Association, Inc. (“GCEA”), with its principal place of business at 37250 West Highway 50, Gunnison, CO, and its mailing address at P.O. Box 180, Gunnison, CO, 81230 and the “MEMBER” identified as follows:

Name: _____

Service Address: _____

City: _____ State: _____ GCEA Account #: _____

NOW THEREFORE, in consideration of the mutual promises made herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions set forth herein, GCEA and MEMBER agree as follows:

1. DEFINITIONS.

- 1.1 “Community Solar Garden” means the solar electric generation facility, which is comprised of multiple solar panels including the Solar Panel(s) leased by MEMBER, and which is located at 801 Butte Avenue, Crested Butte, Colorado.
- 1.2 “Panel Electric Production” means the monthly calculated electric production of the Solar Panel(s) leased to MEMBER.
- 1.3 “Panel Production Credit” means the dollar value of the Panel Electric Production which shall be allocated to the account for the Service Address.
- 1.4 “Repurchase Notice” means GCEA’s notification in writing to MEMBER of GCEA’s election to exercise its right to repurchase the lease of the Solar Panel(s) from MEMBER.
- 1.5 “Service Address” means the address to which the Panel Production Credit will be allocated.
- 1.6 “Service Address Property” is the property to which the Service Address is associated.
- 1.7 “Solar Panel(s)” means the 250-watt solar panel(s) leased by MEMBER under this Agreement.

2. LEASE.

- 2.1 GCEA leases to MEMBER 1 250-watt solar panel(s) for the term set forth in Section 4.
- 2.2 MEMBER acknowledges and agrees that GCEA shall retain sole ownership, possession and control of the Solar Panel(s) during the term of this Agreement and shall have the exclusive right to maintain and operate such Solar Panel(s). MEMBER further acknowledges and agrees that MEMBER shall have no right to possession or control of the Solar Panel(s), no right of access to the Solar Panel(s) or to the Solar Garden unless GCEA agrees, in its sole discretion, to provide access to MEMBER, and no right to remove the Solar Panel(s) from the Solar Garden.

3. LEASE FEE.

- 3.1 Upon execution of this Agreement, MEMBER shall pay GCEA \$1,090.84 in cash or by check payable to Gunnison County Electric Association, Inc., as the lease fee ("Lease Fee") for lease of 1 Solar Panel(s). The amount per panel will be adjusted to the length of the term.

- 4. TERM.** This Agreement shall become effective on the date the Solar Garden becomes operational. If the Solar Garden is already operational the effective date is the first day of the next monthly billing cycle, once the contract is signed. The contract shall continue for a period of 19 years and 10 months thereafter, subject to the length of GCEA's agreement with the Town of Crested Butte early termination or buyout as provided in Section 8. At the end of the term of this Agreement, GCEA shall have no further obligations to MEMBER under this Agreement, and GCEA shall retain ownership of the Solar Panel(s), Solar Garden and the energy output therefrom. GCEA will evaluate the program at the end of the lease. GCEA reserves the right to explore the option of a lease renewal at the end of the term which will occur on June 30, 2034.

5. PANEL ELECTRIC PRODUCTION AND PANEL PRODUCTION.

- 5.1 GCEA shall determine Panel Electric Production by dividing the total monthly electric production of the Solar Garden, as measured in kilowatt hours (kWh), by the total number of solar panels comprising the Solar Garden during that month and then by multiplying the quotient by the number of Solar Panel(s) leased to MEMBER. For example, if the monthly production of the Solar Garden is 1000 kWh, the Solar Garden is comprised of 50 solar panels during that month, and two (2) Solar Panel(s) are leased to MEMBER, then the Panel Electric Production will be 40 kWh.
- 5.2 GCEA shall determine the Panel Production Credit by multiplying the Panel Electric Production by GCEA's Community Solar Garden tariff rate for the

applicable month. For example, if the Panel Electric Production is 50 kWh and the CSG tariff rate is \$.12 per kWh, then the Panel Production Credit will be \$6.00.

- 5.3 The Panel Production Credit shall remain associated with the Service Address regardless of occupancy or ownership changes at the Service Address unless MEMBER changes the Service Address to a different service address served by GCEA pursuant to Section 7.1 or assigns this Agreement to a different member pursuant to Section 7.2.

6. BILLING AND ALLOCATION OF PANEL PRODUCTION.

- 6.1 GCEA shall bill MEMBER for all electric power delivered by GCEA to the Service Address at GCEA's current applicable rate tariff.
- 6.2 The monthly bill shall include GCEA's service availability charge, demand charge, electric energy consumed, and any other applicable charges and fees.
- 6.3 GCEA's rates and tariffs are subject to change from time to time as approved by the Board of Directors and upon notice to GCEA's members.
- 6.4 The monthly bill shall include the allocation of the Panel Production Credit earned in the previous month to the account for the Service Address.
- 6.5 In the event the monthly bill for the Service Address is less than the Panel Production Credit, the net credit balance shall be carried forward to the next billing cycle for the Service Address.

7. CHANGE OF SERVICE ADDRESS AND ASSIGNMENT OF AGREEMENT.

- 7.1 MEMBER, at any time during the term of this Agreement, may change the Service Address to a different service address by completing a Change of Service Address Form provided by GCEA. MEMBER may only change the Service Address to a service address served by GCEA. Upon change of the Service Address to a different service address, the Panel Production shall be allocated to the bill for the different service address.
- 7.2 MEMBER may assign this Agreement to another Member of GCEA with the written consent of GCEA, which consent shall not be unreasonably withheld.
- 7.3 In the event MEMBER sells or transfers the Service Address Property, and does not own property in GCEA's service territory to which the Service Address may be changed, this Agreement shall be automatically assigned to the new owner of the Service Address Property, and GCEA shall have no further obligations to MEMBER under this Agreement.

- 7.4 In the event the Service Address is removed from service and/or is no longer active or in service, MEMBER must change the Service Address to a different service address or assign this Agreement to another member. Until such change or assignment, the Panel Electric Production shall be provided to the utility grid system and utilized by the entire membership of GCEA.
- 7.5 MEMBER may not require GCEA to repurchase the lease of the Solar Panel(s) under this Agreement. In the event MEMBER desires to assign this Agreement, GCEA may provide reasonable assistance to MEMBER in finding an assignee, but GCEA is under no obligation to provide such assistance, to find an assignee, or to permit MEMBER to assign a Solar Panel lease other than in compliance with this Agreement.
- 7.6 Except as expressly provided in this Agreement, MEMBER may not assign, gift, bequeath or otherwise transfer this Agreement to any other individual or entity.

8. SOLAR PANEL(S) LEASE REPURCHASE.

- 8.1 MEMBER agrees that, at any time and in GCEA's sole discretion, GCEA may repurchase the lease of the Solar Panel(s) from MEMBER, and MEMBER shall sell such lease to GCEA pursuant to the terms of this Section.
- 8.2 GCEA shall notify MEMBER in writing of GCEA's election to exercise its repurchase right (the "Repurchase Notice").
- 8.3 The repurchase price for the lease of the Solar Panel(s) shall be determined as of the date of the Repurchase Notice and shall be calculated by decreasing the Lease Fee by five percent (5%) for each year the Solar Garden has been in service and by a pro rata percentage of five percent (5%) for any partial year the Solar Garden has been in service. At the end of the 20-year term the repurchase price shall be zero dollars (\$0.00). In the event this Agreement is assigned to another Member, GCEA may repurchase the lease of the Solar Panel(s) from that Member as set forth in this Section.
- 8.4 GCEA shall repurchase the lease of the Solar Panel(s) within thirty (30) days after sending the Repurchase Notice by sending payment to MEMBER in the amount of the repurchase price for the lease of the Solar Panel(s) and any earned Panel Production not yet credited to the account for the Service Address.
- 8.5 Upon MEMBER'S receipt of the payments provided in this Section, this Agreement shall terminate, and GCEA shall have no further obligations to MEMBER under this Agreement.

9. MAINTENANCE.

- 9.1 GCEA shall maintain the Solar Garden and each solar panel within the Solar Garden.
- 9.2 GCEA shall ensure that the Solar Garden and each of its components meet all applicable codes, standards, and regulatory requirements at the time of installation and throughout the term of this Agreement.
- 9.3 In the event of equipment failure, GCEA shall bring the equipment back to working order as quickly as reasonably possible, unless GCEA elects to repurchase the MEMBER'S lease pursuant to the terms of Section 8.
- 9.4 In the event any solar panel is damaged beyond repair, GCEA will replace the damaged solar panel with a solar panel having similar rated power output.

10. NO WARRANTY.

- 10.1 GCEA does not warrant that the Solar Panel(s) or Solar Garden will meet any particular performance standards or will produce a particular amount of energy or that the Panel Production will be any particular amount. GCEA FURTHER DISCLAIMS ANY IMPLIED WARRANTIES INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

11. PROPERTY INSURANCE.

- 11.1 GCEA shall acquire and maintain, at its sole cost, insurance for the Solar Garden and each solar panel within the Solar Garden, including the Solar Panel(s).
- 11.2 GCEA shall be listed as the sole loss payee for such insurance.

12. RENEWABLE ENERGY CREDITS.

- 12.1 GCEA shall retain, for GCEA's sole use, all Renewable Energy Credits associated with the Solar Panel(s) leased pursuant to this Agreement.

13. MISCELLANEOUS PROVISIONS.

- 13.1 NOTICE. All notices, requests, consents, and other communication under this Agreement shall be in writing to the mailing address for each party stated above.
- 13.2 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 amended or modified except by an

instrument in writing signed by a duly authorized representative of each of the parties.

- 13.3 GOVERNING LAW/JURISDICTION/VENUE. This Agreement shall be deemed to have been made in, and shall be construed under, the laws of the State of Colorado, without regard to the principles of conflicts of laws thereof. The parties acknowledge and agree that a court of competent jurisdiction located in Gunnison County, Colorado shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement and that the venue for any such action or proceeding shall only be proper in Gunnison County District Court.
- 13.4 NO PRESUMPTIONS. The parties waive any statutory or common law presumption, which would serve to have this Agreement or any provision of this Agreement construed in favor or against MEMBER or GCEA in the event any dispute arises concerning the interpretation of this Agreement.
- 13.5 CAPTIONS. The captions are inserted in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of this Agreement, or any provision hereof, nor in any way affect the interpretation of this Agreement.
- 13.6 ATTORNEY FEES. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs.
- 13.7 BINDING ON ASSIGNEES. This Agreement shall be binding on permitted assignees.
- 13.8 SEVERABILITY. If any provision of this Agreement is declared unenforceable or invalid for any reason, such declaration shall have no effect on the other provisions of this Agreement. If such provision is declared unenforceable or invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

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

Business name (Please Print)

MEMBER name (please print)

GUNNISON COUNTY ELECTRIC ASSOCIATION

MEMBER Signature

Michael McBride
Chief Executive Officer