

TO: James L. App, City Manager
FROM: Dick McKinley, Director of Public Works
SUBJECT: Solar Power Installations
DATE: December 15, 2015

NEEDS: For City Council to consider holding a public hearing and selecting SunEdison LLC as the solar energy provider pursuant to Government Code section 4217.10 *et seq.*, and adopting a resolution making findings required under Government Code section 4217.10 *et seq.* and directing the City Manager to enter into a Power Purchase Agreement and such other documents as necessary to achieve energy savings.

FACTS:

1. It is the policy of the State of California and the intent of the State Legislature to promote all feasible means of energy conservation and all feasible uses of alternative energy supply sources.
2. SunEdison has provided the City with analysis showing the financial and other benefits of entering into the Power Purchase Agreement, which analysis is attached hereto as Exhibit A and made part hereof by this reference.
3. SunEdison was the selected vendor for School Project for Utility Rate Reduction's ("SPURR") Renewable Energy Aggregated Procurement ("REAP") Program, a competitive statewide solar request for proposals ("RFP") process.
4. Public Resources Code, section 21080.35 (added by Stats.2011, c. 469 (S.B.226), § 3), statutorily exempts from CEQA evaluation the installation of a solar energy system, including associated equipment, on the roof of an existing building or at an existing parking lot. The solar energy systems will be located at City Hall, Centennial Park, Sherwood Park and the Paso Robles Airport, and will, therefore, be exempt from CEQA evaluation.
5. The City will save significant funds annually by having SunEdison own, install and maintain solar systems on City properties.

**ANALYSIS &
CONCLUSION:**

The City has the opportunity to achieve significant financial savings by entering into a Power Purchase Agreement with SunEdison for solar installations at City properties, as well as to use better environmental technology for power generation. Because SunEdison will own, install and maintain the solar installations at its own expense, without any upfront capital contribution from the City, the savings will commence as soon as the installations are complete and producing power. The full complement of solar panels will allow the City to use power aggregation to have larger installations offset power costs at multiple City meters.

Prior to approving award of the Power Purchase Agreement with SunEdison, the City Council must fulfill three requirements under Government Code section 4217.12:

- Hold a regularly scheduled public hearing on the award of the Power Purchase Agreement, public notice of which must be given at least two weeks

prior to the public hearing. Notice of the public hearing was posted on November 30, 2015, which is more than two weeks prior to the hearing.

- Find that the Power Purchase Agreement is on terms serving the City's best interests.
- Find that the anticipated cost to the City for electrical energy provided by the solar photovoltaic facilities will be less than the anticipated cost to the City of electrical or other energy that would have been consumed by the City in the absence of those measures. Based on an analysis performed by SunEdison and provided to the City (included as Exhibit A to attached Resolution No. 15-xx), there is support for this finding.

POLICY

REFERENCE: Government Code section 4217.10 *et seq.*

FISCAL

IMPACT: Significant savings in energy costs over the next twenty (20) years. No capital outlay by City required, as all of the solar equipment will be owned, installed and maintained by SunEdison.

OPTIONS:

- a. Adopt Resolution No. 15-xxx Making Findings on Energy Savings under California Government Code section 4217.12 *et seq.* and Determining Other Matters in Connection with Energy Service Agreements; or
- b. Amend, modify, or reject the above option.

Attachments: Resolution
Exhibit A: Power Purchase Agreement

RESOLUTION NO. 15-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
MAKING FINDINGS ON ENERGY SAVINGS UNDER CALIFORNIA GOVERNMENT CODE
SECTION 4217.10 ET SEQ. AND
DETERMINING OTHER MATTERS IN CONNECTION WITH
ENERGY SERVICE AGREEMENTS

WHEREAS, it is the policy of the State of California and the intent of the State Legislature to promote all feasible means of energy conservation and all feasible uses of alternative energy supply sources; and

WHEREAS, California Government Code Section 4217.10 et seq. authorizes a public agency to utilize an informal procurement process, such as a request for proposals, to contract for energy services if its governing body determines, at a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, that the anticipated cost to the agency for alternative energy project will be less than the anticipated marginal cost to the agency of electrical energy that would have been consumed by the agency in the absence of the energy services contract; and

WHEREAS, the City of El Paso de Robles ("City") desires to reduce the steadily rising costs of meeting the energy needs at its facilities; and

WHEREAS, the City proposes to enter into a power purchase agreement and related contract documents ("Power Purchase Agreement") with SunEdison, LLC ("SunEdison") pursuant to which SunEdison will design, construct, and install on solar photovoltaic facilities on City property and arrange with the local utility for interconnection of the facilities, which will generate energy for the sites on which such facilities are located ("Project"); and

WHEREAS, SunEdison has provided the City with analysis showing the financial and other benefits of implementing certain energy conservation measures through the installation of solar photovoltaic energy generating facilities ("Analysis"), which analysis is attached hereto as Exhibit A and made part hereof by this reference; and

WHEREAS, the Analysis includes data showing that the anticipated cost to the City for the electrical energy provided by the solar photovoltaic facilities will be less than the anticipated cost to the City of electrical energy that would have been consumed by the City in the absence of such measures; and

WHEREAS, SunEdison was the selected vendor for School Project for Utility Rate Reduction's ("SPURR") Renewable Energy Aggregated Procurement ("REAP") Program, a competitive statewide solar request for proposals ("RFP") process, and the City adopts the REAP Program's competitive process as its own.

WHEREAS, the City Council desires to enter into the Power Purchase Agreement, in substantially the form presented at this meeting, subject to such changes, insertions or omissions as the City Manager reasonably deems necessary following the City Council's adoption of this Resolution and as approved by the City Attorney; and

WHEREAS, pursuant to Government Code section 4217.12, on November 30, 2015, the City published public notice of the public hearing at which the City Council would consider this Resolution; and

WHEREAS, the Power Purchase Agreement is in the best interests of the City; and

WHEREAS, the City's proposed approval of the Power Purchase Agreement is a "Project" for purposes of the California Environmental Quality Act ("CEQA"); and

WHEREAS, the Guidelines for CEQA, California Code of Regulations Title 14, Chapter 13 ("State CEQA Guidelines"), exempt certain projects from further CEQA evaluation, including the following: (1) projects consisting of the new construction or conversion of small structures ("Class 3 Exemption"; Cal. Code Regs., tit. 14, § 15303); (2) projects consisting of the construction or placement of minor accessory structures to existing facilities ("Class 11 Exemption"; Cal. Code Regs., tit. 14, § 15311); and (3) projects consisting of minor additions to existing schools ("Class 14 Exemption"; Cal. Code Regs., tit. 14, § 15314), and the Project is categorically exempt under one or more of such exemptions; and

WHEREAS, the Project does not involve any of the following and so is eligible for a categorical exemption as described above under State CEQA Guidelines section 15300.2:

- (a) the cumulative impact of successive projects of the same type in the same place, which over time are significant;
- (b) an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances;
- (c) a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway;
- (d) a hazardous waste site which is included on any list compiled pursuant to Section 65962.5 of the Government Code; and
- (e) a project which may cause a substantial adverse change in the significance of a historical resource; and

WHEREAS, Public Resources Code, section 21080.35 (added by Stats.2011, c. 469 (S.B.226), § 3), statutorily exempts from CEQA evaluation the installation of a solar energy system, including associated equipment, on the roof of an existing building or at an existing parking lot; and

WHEREAS, the Project will be located at City Hall, Centennial Park, Sherwood Park and the Paso Robles Airport, and is, therefore, exempt from CEQA evaluation.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Per California Government Code section 4217.10 *et seq.*, the City Council hereby finds and determines that all of the recitals set forth above are true and correct.

Section 2. Based on the evidence provided by the Analysis, staff report and testimony at the public hearing, the City Council hereby finds that the terms of the Power Purchase Agreement in the form presented at this meeting are in the best interests of the City.

Section 3. In accordance with Government Code section 4217.12, and based on data provided by the Analysis, the City Council finds that the anticipated cost to the City for electrical energy provided by

the Project will be less than the anticipated cost to the City of electrical and other energy that would have been consumed by the City in the absence of the Project.

Section 4. The Project is hereby found to be exempt from the requirements of CEQA pursuant to the Class 3, Class 11 and Class 14 Exemptions, as described above.

Section 5. The Project is hereby found to be exempt from the requirements of CEQA pursuant to Public Resources Code, section 21080.35 (added by Stats.2011, c. 469 (S.B.226), § 3), as described above.

Section 6. The City Council hereby approves award of the Power Purchase Agreement to SunEdison in accordance with Government Code section 4217.12. The City Manager is hereby authorized and directed to negotiate any further changes, insertions and omissions to the Power Purchase Agreement as he reasonably deems necessary, as approved by the City Attorney, and thereafter to execute and deliver the Power Purchase Agreement following the City Council's adoption of this Resolution. The City Manager is further authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this Resolution and said Power Purchase Agreement.

Section 7. The City Clerk is hereby authorized to file and process a Notice of CEQA Exemption for the Project in accordance with CEQA and the State CEQA Guidelines, and the findings set forth in this resolution.

Section 8. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 15th day of December 2015 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Steven W. Martin, Mayor

ATTEST:

Kristen L. Buxkemper, Deputy City Clerk

CONFIDENTIAL AND PROPRIETARY

**GENERAL TERMS AND CONDITIONS OF
SOLAR POWER & SERVICES AGREEMENT**

These General Terms and Conditions (“General Conditions”) are dated as of ___ day of ___, 2015 and are witnessed and acknowledged by SunEdison Government Solutions, LLC (“SunEdison”) or “Provider”) and, The City of El Paso de Robles, California (“Purchaser”), as evidenced by their signature on the last page of this document. These General Conditions are intended to be incorporated by reference into Solar Power & Services Agreements that may be entered into between SunEdison and Purchaser or between their respective affiliates. Except to the extent SunEdison or Purchaser becomes a party to a Solar Power & Purchase Agreement that incorporates these General Conditions, these General Conditions shall have no binding effect upon SunEdison or Purchaser.

1. DEFINITIONS.

1.1 Definitions. In addition to other terms specifically defined elsewhere in the Agreement, where capitalized, the following words and phrases shall be defined as follows:

“Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term, pursuant to Section 4.2.

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling, controlled by or under common control with such specified Person.

“Agreement” means, the Solar Power & Services Agreement.

“Applicable Law” means, with respect to any Person, any constitutional provision, law, statute, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, holding, injunction, registration, license, franchise, permit, authorization, guideline, Governmental Approval, consent or requirement of any Governmental Authority having jurisdiction over such Person or its property, enforceable at law or in equity, including the interpretation and administration thereof by such Governmental Authority.

“Assignment” has the meaning set forth in Section 13.1.

“Bankruptcy Event” means with respect to a Party, that either:

(i) such Party has (A) applied for or consented to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property; (B) admitted in writing its inability, or be generally unable, to pay its debts as such debts become due; (C) made a general assignment for the benefit of its creditors; (D) commenced a voluntary case

under any bankruptcy law; (E) filed a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; (F) failed to controvert in a timely and appropriate manner, or acquiesced in writing to, any petition filed against such Party in an involuntary case under any bankruptcy law; or (G) taken any corporate or other action for the purpose of effecting any of the foregoing; or

(ii) a proceeding or case has been commenced without the application or consent of such Party in any court of competent jurisdiction seeking (A) its liquidation, reorganization, dissolution or winding-up or the composition or readjustment of debts or, (B) the appointment of a trustee, receiver, custodian, liquidator or the like of such Party under any bankruptcy law, and such proceeding or case has continued undefended, or any order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect for a period of sixty (60) days.

“BES” means the Purchaser’s existing building electrical systems that are owned, operated, maintained and controlled by the Purchaser, including the interconnection of these systems with the Local Electric Utility.

“Business Day” means any day other than Saturday, Sunday or any other day on which banking institutions in San Francisco, California are required or authorized by Applicable Law to be closed for business.

“Commercial Operation” and “Commercial Operation Date” have the meaning set forth in Section 3.3(b).

“Confidential Information” has the meaning set forth in Section 15.1.

“Contract Year” means a single calendar year, measured initially from the Commercial Operation Date, and thereafter from each subsequent anniversary of the Commercial Operation Date for the remainder of the Term.

“Covenants, Conditions and Restrictions” or “CCR” means those requirements or limitations related to the Premises as may be set forth in a lease, if applicable, or by any association or other organization, having the authority to impose restrictions.

“Delay Liquidated Damages” means the daily payment of (i) \$0.250/day/kW if the Provider fails to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date.

“Disruption Period” has the meaning set forth in Section 4.3(b).

“Early Termination Date” means any date on which the Agreement terminates other than by reason of expiration of the then applicable Term.

“Early Termination Fee” means the fee payable by Purchaser to Provider under the circumstances described in Section 2.2, Section 2.3, Section 4.3(a) or Section 11.2.

“Effective Date” has the meaning set forth in the Special Conditions.

“Environmental Financial Attributes” shall mean, without limitation, each of the following financial rebates and incentives created under state, local or federal law that are in effect as of the Effective Date or may come into effect in the future: (i) incentive tax credits or other tax benefits, and accelerated depreciation (collectively, “allowances”), howsoever named or referred to, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the use of solar generation or the avoidance of the emission of any gas, chemical or other substance into the air, soil or water attributable to the sale of energy generated by the System; and (ii) all reporting rights with respect to such allowances.

“Estimated Annual Production” has the meaning set forth in Section 5.2.

“Estimated Remaining Payments” means as of any date, the estimated remaining Payments to be made through the end of the then-applicable Term, as reasonably determined and supported by Provider.

“Expiration Date” means the date on which the Agreement terminates by reason of expiration of the Term.

“Fair Market Value” means, with respect to any tangible asset or service, the price that would be negotiated in an arm’s-length, free market transaction, for cash, between an informed, willing seller and an informed, willing buyer, neither of whom is under compulsion to complete the transaction. Fair Market Value of the System will be determined pursuant to Section 2.4 based on the

replacement costs of the System or comparable sales, whichever is less.

“Financing Party” means, as applicable (i) any Person (or its agent) from whom Provider (or an Affiliate of Provider) leases the System, or (ii) any Person (or its agent) who has made or will make a loan to or otherwise provide financing to Provider (or an Affiliate of Provider) with respect to the System.

“Force Majeure Event” has the meaning set forth in Section 10.1.

“General Conditions” means these Terms and Conditions.

“Governmental Approval” means any approval, consent, franchise, permit, certificate, resolution, concession, license, or authorization issued by or on behalf of any applicable Governmental Authority.

“Governmental Authority” means any federal, state, regional, county, town, city, or municipal government, whether domestic or foreign, or any department, agency, bureau, or other administrative, regulatory or judicial body of any such government.

“Guaranteed Commercial Operation Date” has the meaning set forth in the Special Conditions, which date shall be extended day-for-day for Force Majeure Events and for other events outside of Provider’s reasonable control.

“Host” means Purchaser.

“Indemnified Persons” means the Purchaser Indemnified Parties or the Provider Indemnified Parties, as the context requires.

“Initial Term” has the meaning set forth in Section 2.1 for the time period specified in the Special Conditions.

“Installation Work” means the construction and installation of the System and the start-up, testing and acceptance (but not the operation and maintenance) thereof, all performed by or for Provider at the Premises.

“Invoice Date” has the meaning set forth in Section 6.2.

“kWh Rate” means the price per kWh set forth in Schedule 2 of the Special Conditions.

“Liens” has the meaning set forth in Section 7.1(e).

“Local Electric Utility” means the local electric distribution owner and operator providing electric distribution and interconnection services to Purchaser at the Premises.

“Losses” means all losses, liabilities, claims, demands, suits, causes of action, judgments, awards, damages, cleanup and remedial obligations, interest, fines, fees, penalties, costs and expenses (including all attorneys’ fees and other costs and expenses incurred in defending any such claims or other matters or in asserting or enforcing any indemnity obligation).

“Lost Savings” has the meaning set forth in Section 6.1(b).

“Minimum Guaranteed Output” has the meaning set forth in Section 6.1(b).

“Net Metering” means the process of measuring the difference between electricity delivered by a Local Electric Utility to a customer and electricity generated by a solar system and fed back to the Local Electric Utility, as set forth in the Net Metering Rules.

“Net Metering Credit” shall mean the monetary value of the excess electricity generated by a System, as set forth in the Net Metering Rules, and credited to the Purchaser by the Local Electric Utility.

“Net Metering Rules” means, collectively, and as amended from time to time, the California net metering statutes, including, without limitation, CA Pub. Util. Code Sec. 2827, et seq., 2830, and AB 327, as well as any applicable orders or regulations issued by the California Public Utilities Commission and the associated net metering tariff of the Local Electric Utility.

“Option Price” has the meaning set forth in Section 2.3.

“Party” or “Parties” has the meaning set forth in the preamble to the Solar Power & Services Agreement.

“Payment” has the meaning set forth in Section 6.1.

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, firm, or other entity, or a Governmental Authority.

“Point of Delivery” means the physical location, as set forth on Schedule 1 of the Special Conditions, attached hereto, where the System connects to the BES, at which point custody and control of electricity is transferred from Provider to Host.

“Premises” means the premises described in Schedule 1 of the Special Conditions. For the avoidance of doubt, the Premises includes the entirety of any structures and underlying real property located at the address described in Schedule 1 of the Special Conditions.

“Production Excess” means the amount by which kWh generation by the System exceeds Purchaser’s load during any time period.

“Provider” has the meaning set forth in the Special Conditions.

“Provider Default” has the meaning set forth in Section 11.1(a).

“Provider Indemnified Parties” has the meaning set forth in Section 16.2.

“Purchase Date” means the date that is ninety one (91) days after each successive annual anniversary of the Commercial Operation Date (or, if any such date is not a Business Day, the next Business Day following such date), provided, however, that no Purchase Date shall occur prior to such date that is five (5) years and ninety one (91) days after the Commercial Operation Date.

“Purchaser Default” has the meaning set forth in Section 11.2(a).

“Purchaser Indemnified Parties” has the meaning set forth in Section 16.1.

“Renewal Term” has the meaning set forth in Section 2.1.

“Renewable Energy Credits” means all certificates (including Tradable Renewable Certificates), green-e tags, or other transferable indicia denoting carbon offset credits or indicating generation of a particular quantity of energy from a renewable energy source by a renewable energy facility attributed to the Output during the Term created under a renewable energy, emission reduction, or other reporting program adopted by a governmental authority, or for which a registry and a market exists (which, as of the Effective Date are certificates issued by Green-e in accordance with the Green-e Renewable Electric Certification Program, National Standard Version 1.3 administered by the Center of Resource Solutions) or for which a market may exist at a future time.

“Representative” has the meaning set forth in Section 15.1.

“Security Interest” has the meaning set forth in Section 8.2.

“Solar Insolation” or “Insolation” means the amount of solar kWh per square meter falling on a particular location, as specified by Provider.

“Solar Power & Services Agreement” means the Solar Power & Services Agreement (including the Schedules and Exhibits attached thereto) and these General

Conditions (including the Exhibits attached hereto) to the extent incorporated therein.

“Solar Services” means the supply of electrical energy output from the System and any associated reductions in Purchaser’s peak demand.

“Special Conditions” means the Solar Power and Services Agreement, excluding these General Conditions.

“Stated Rate” means a rate per annum equal to the lesser of (a) the “prime rate” (as reported in The Wall Street Journal) plus two percent (2%) and (b) the maximum rate allowed by Applicable Law.

“System” means the integrated assembly of photovoltaic panels, mounting assemblies, inverters, conduit, converters, metering, lighting fixtures, transformers, ballasts, disconnects, combiners, switches, wiring devices and wiring, more specifically described in Schedule 1 of the Special Conditions.

“System Operations” means the Provider’s operation, maintenance and repair of the System performed in accordance the requirements herein.

“Term” has the meaning set forth in Section 2.1.

“Transfer Time” has the meaning set forth in Section 4.3(a).

1.2 Interpretation. The captions or headings in these General Conditions are strictly for convenience and shall not be considered in interpreting the Agreement. Words in the Agreement that impart the singular connotation shall be interpreted as plural, and words that impart the plural connotation shall be interpreted as singular, as the identity of the parties or objects referred to may require. The words “include,” “includes,” and “including” mean include, includes, and including “without limitation” and “without limitation by specification.” The words “hereof,” “herein,” and “hereunder” and words of similar import refer to the Agreement as a whole and not to any particular provision of the Agreement. Except as the context otherwise indicates, all references to “Articles” and “Sections” refer to Articles and Sections of these General Conditions.

2. TERM AND TERMINATION.

2.1 Term. The term of the Agreement shall commence on the Effective Date and shall continue for the number of years from the Commercial Operations Date specified in the Special Conditions for the Initial Term, unless and until terminated earlier pursuant to the provisions of the Agreement. After the Initial Term, the Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and

sixty five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of the Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term.” During any Renewal Term, either Party may, subject to Section 2.3, terminate the Agreement upon one hundred and eighty (180) days’ prior written notice to the other Party.

2.2 Early Termination. Purchaser may terminate the Agreement prior to any applicable Expiration Date for any reason upon sixty (60) days’ prior written notice. If Purchaser terminates the Agreement prior to the Expiration Date of the Initial Term, Purchaser shall pay, as liquidated damages, the Early Termination Fee set forth on Schedule 3, Column 1 of the Special Conditions, and Provider shall cause the System to be disconnected and removed from the Premises and Provider shall remediate and repair the Premises to the condition preceding the installation of the System as set forth in Section 2.5. Purchaser, however, may terminate the Agreement without penalty as further described in Schedule 2 of the Special Conditions attached hereto. Upon Purchaser’s payment to Provider of the Early Termination Fee, the Agreement shall terminate automatically. Notwithstanding the foregoing, Purchaser may (i) terminate this Agreement with no liability whatsoever if Provider fails to commence construction of the System by the Construction Start Date as specified in the Special Conditions or (ii) if Provider fails to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date, be entitled (as its sole remedy) to Delay Liquidated Damages not to exceed \$15/kW, plus (if Installation Work had commenced at the Premises as of the date of termination) any costs reasonably incurred by Purchaser to return its Premises to its condition prior to commencement of the Installation Work. Further, Purchaser may terminate this Agreement with no liability whatsoever if Provider fails to commence Commercial Operations by the date that is 60 days after the Guaranteed Commercial Operation Date.

2.3 Purchase Option. On any Purchase Date, so long as a Purchaser Default shall not have occurred and be continuing, Purchaser has the option to purchase the System for a purchase price (the “Option Price”) equal to the the Fair Market Value of the System as of the Purchase Date. To exercise its purchase option, Purchaser shall, not less than one hundred and twenty (120) days prior to the proposed Purchase Date, provide written notice to Provider of Purchaser’s intent to exercise its option to purchase the System on such Purchase Date. Within thirty (30) days of receipt of Purchaser’s notice, Provider shall specify the Option Price and provide all calculations and assumptions supporting said Option Price

to Purchaser. Purchaser shall then have a period of thirty (30) days after notification to confirm or retract its decision to exercise the purchase option or to dispute the determination of the Fair Market Value of the System. In the event Purchaser confirms its exercise of the purchase option in writing to Provider and does not dispute the determination of the Fair Market Value determined pursuant to Section 2.4, (i) the Parties shall promptly execute all documents necessary to (A) cause title to the System to pass to Purchaser on the Purchase Date, free and clear of any Liens, and (B) assign all vendor warranties for the System to Purchaser, and (ii) Purchaser shall pay the Option Price to Provider on the Purchase Date, such payment to be made in accordance with any previous written instructions delivered to Purchaser by Provider or Provider's Financing Party, as applicable, for payments under the Agreement. Upon execution of the documents and payment of the Option Price, in each case as described in the preceding sentence, the Agreement shall terminate automatically. For the avoidance of doubt, payment of the Option Price shall be in lieu of and instead of any payments as described in Section 2.2 hereof. In the event Purchaser retracts its exercise of, or does not timely confirm, the purchase option, the provisions of the Agreement shall be applicable as if the Purchaser had not exercised any option to purchase the System.

2.4 Determination of Fair Market Value. If the Purchaser disputes the Fair Market Value within thirty (30) days of receipt of such notice from Provider, then the Parties shall mutually select an independent appraiser with experience and expertise in the solar photovoltaic industry. Such appraiser shall have expertise and experience in valuing photovoltaic systems, including resale markets for such systems and related environmental attributes, and shall act reasonably and in good faith to determine Fair Market Value and shall set forth such determination in a written opinion delivered to the Parties. The cost of the appraisal shall be equally paid for by the Parties. If either Party disagrees with the Fair Market Value determined by said appraiser, the Parties shall each select one additional independent appraiser with experience and expertise in the solar photovoltaic industry. Each Party shall bear their own costs for the appraiser. Fair Market Value shall be derived by disregarding the appraiser's valuation that diverges the greatest from each of the other two appraiser's valuations, and the arithmetic means of the remaining two appraisers' valuations shall be the Fair Market Value of the System which shall be binding upon the Parties in the absence of fraud or manifest error. Provider shall furnish the System, including all components thereof, in good repair, condition and working order, normal wear and tear excepted. All applicable warranty documents and warranties for the System shall be transferred to the Host within thirty (30) days of the Host's payment to the Provider. Provider shall complete all documentation required to transfer any warranties to Host.

2.5 Removal of System at Expiration. Subject to Purchaser's exercise of its purchase option under Section 2.3, upon the expiration or earlier termination of the Agreement, Provider shall, at Provider's expense, remove all of its tangible property comprising the System from the Premises on a mutually convenient date but in no case later than sixty (60) days after the Expiration Date. The Premises shall be returned to its original condition except for ordinary wear and tear. If the System is to be located on a roof, then in no case shall Provider's removal of the System affect the integrity of Purchaser's roof, which shall be as leak proof as it was prior to removal of System (other than ordinary wear and tear). For purposes of Provider's removal of the System, Purchaser's covenants pursuant to Section 7.2 shall remain in effect until the date of actual removal of the System. Provider shall leave the Premises in neat and clean order. If Provider fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser shall have the right, at its option, to (i) remove the System to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Provider's cost or (ii) leave the System in place, receive electricity from the System but without any payment obligation to Provider, notwithstanding any provision to the contrary herein. Provider shall be liable to Host for any and all roof warranties that be may impacted due to the installation of the System. Should Host's roofing warranties be modified or eliminated because of the installation of the System, Host may require, in the Host's sole discretion, that Provider either procure a replacement warranty guaranteeing or insuring the roof or that Provider step in the shoes of the roofing manufacturer and guarantee the roof as originally guaranteed by the roofing manufacturer/installer directly to Host.

2.6 Provider Conditions of the Agreement Prior to Installation. In the event that any of the following events or circumstances occur prior to the Commercial Operation Date, Provider may (at its sole discretion) terminate the Agreement, in which case neither Party shall have any liability to the other except for any such liabilities that may have accrued prior to such termination, including but not limited to restoring the Premises in accordance with the standards set out in Section 2.5:

(a) The Provider determines that the Premises, as is, is insufficient to accommodate the System.

(b) There exist site conditions (including environmental conditions) or construction requirements that were not known as of the Effective Date and that could reasonably be expected to materially increase the cost of Installation Work or would adversely affect the electricity production from the System as designed.

(c) Provider has not received a fully executed (i) either (x) a license in the form of Exhibit A of these

General Conditions from the owner of the Premises, or (y) if requested by Provider, a site lease agreement with Purchaser, and (ii) a release or acknowledgement from any mortgagee of the Premise, if required by Provider's Financing Party, to establish the priority of its security interest in the System, and (iii) such other documentation or as may be reasonably requested by Provider to evidence Purchaser's ability to meet its obligations under Section 7.2(d)(ii) to ensure that Provider will have access to the Premises throughout the Term.

(d) There has been a material adverse change in the rights of Purchaser to occupy the Premises or Provider to construct the System on the Premises.

(e) Provider has not received evidence reasonably satisfactory to it that (x) interconnection services will be available with respect to energy generated by the System at a cost that does not make the Project economically unattractive to Provider and (y) the System will be eligible for Net Metering.

(f) Purchaser has determined that there are easements, CCRs or other liens or encumbrances that would materially impair or prevent the installation, operation, maintenance or removal of the System.

(g) Either (i) Purchaser's S&P or Moody's Sr. Unsecured or Underlying rating falls below BBB- or Baa3, or (ii) Purchaser is not rated by S&P or Moody's and does not meet or exceed the following criteria; *ability to provide* three (3) years audited financial statements; asset to liability ratio of greater than 1:1; minimum five (5) years' operating history; ability to demonstrate sustainable operations with either consistent profitability or consistent cash flow positive fiscal years;

2.7 Purchaser Conditions of the Agreement Prior to Installation. In the event that any of the following events or circumstances occur prior to the commencement of Installation Work at the Premises Purchaser may (at its sole discretion) terminate the Agreement, in which case neither Party shall have any liability to the other:

(a) (a) Host does not obtain all required environmental approvals by [INSERT DATE].

(b) There is a material adverse change in the regulatory environment, including, but not limited to the Net Metering Rules, incentive program or federal or state tax code that could reasonably be expected to adversely affect the economics of the installation for Purchaser.

(c) There has been a material adverse change in the rights of Purchaser to occupy the Premises or Provider to construct the System on the Premises.

(d) Purchaser has not received evidence satisfactory to it, in its sole discretion, that

(x) interconnection services will be available with respect to energy generated by the System and (y) the System will be eligible for Net Metering.

2.8 Environmental Compliance. Provider shall assist the Host in complying with any and all applicable environmental laws, including but not limited to, the California Environmental Quality Act ("CEQA"), and either Provider shall retain the services of qualified consultants to provide all required research and documentation required for such compliance or Host may complete the CEQA analysis using Host employees, in Host's sole discretion. Either Party, following the completion of such initial study, may terminate this Agreement by written notice to the other Party should environmental compliance measures or unforeseen site conditions render the construction of the System economically disadvantageous for the terminating Party or the time required to implement any environmental compliance measures or remediation exceed the terminating Party's reasonable expectations. Nothing set forth herein shall be interpreted to require either Party to undertake environmental remediation at the Premises if mandated by law, regulation or as a condition of regulatory approval prior to the construction of the System. The governing board of the Host shall be the lead agency for the purposes of filing any and all required documents and obtaining the relevant approvals. Host shall bear its own costs incurred as the lead agency and for review of environmental compliance. If this Agreement is terminated pursuant to this Section, neither Party shall be liable to the other Party for any costs; each Party shall bear their own costs up to the point of termination.

2.9 Removal of System Upon Termination Pursuant to Sections 2.6, 2.7 and/or 2.8. Notwithstanding anything to the contrary herein, in the event that Provider and/or Host terminates this Agreement pursuant to this Sections 2.6, 2.7 and/or 2.8, within sixty (60) calendar days of the notice of termination, Provider shall remove any and all materials and equipment brought to the Premises and the System and any components thereof at Provider's sole cost. If the materials, equipment, System or portions thereof are located on a roof, then in no case shall Provider's removal affect the integrity of Host's roof, which shall be as leak proof as it was prior to removal of System (other than ordinary wear and tear). Provider shall leave the Premises in neat and clean order. If Provider fails to remove or commence substantial efforts to remove the System by such agreed upon date, Host shall have the right, at its option, to remove such materials equipment, System or portions thereof, to a public warehouse and restore the Premises to its original condition at Provider's sole cost.

2.10 Failure to Remove System. In addition to any other remedies available to Host hereunder, in the event that Provider fails to remove the System as specified

under either Sections 2.5 or 2.9, Provider shall pay to Host a license fee of \$500 per day for each calendar day past the date upon which the System should have been removed pursuant to either Section 2.5 or 2.9. Additionally, Host shall not be obligated to pay Provider for any electricity generated by the System past the date upon which the System should have been removed in its entirety in accordance with the applicable Section 2.5 or 2.9.

3. CONSTRUCTION, INSTALLATION AND TESTING OF SYSTEM.

3.1 Installation Work. Provider will cause the System to be designed, engineered, installed and constructed substantially in accordance with Schedule 1 of the Special Conditions and Applicable Law. All construction of the System, including but not limited to, any site preparation, landscaping or utility installation, shall be performed only by Provider or by competent and financially responsible independent contractors, with demonstrated competence and experience in the construction of the various improvements and components contemplated by the System, and duly licensed as such under the laws of the State of California, and shall be performed pursuant to written contracts with such contractors. The Provider must obtain the Host's written approval, which shall not be unreasonably withheld, conditioned or delayed, of the System's designs, plans and specifications prior to undertaking construction of the System. The Host shall have the right, but not the obligation, to inspect all construction for the purpose of confirming that the Provider is adhering to the approved plans and specifications. Provider shall perform the Installation Work at the Premises between the hours of 7:00 a.m. and 7:00 p.m. in a manner that minimizes inconvenience to and interference with the use of the Premises to the extent commercially practical. This provision may be altered by a letter amendment signed by both Parties hereto. In connection with the Installation Work, Provider shall comply or cause its contractor to comply with the "Requirements Applicable to the Installation Work" specified in Exhibit B to this Agreement.

3.2 Approvals; Permits. Purchaser shall assist Provider in obtaining all necessary approvals and permits including but not limited to those related to the Local Electric Utility, any Governmental Authority, and any waivers, approvals or releases required pursuant to any applicable CCR. Host shall bear no liability for Provider's failure to obtain any such permit or approval. Host will cooperate with Provider in obtaining such permits; provided, however, that this covenant to cooperate shall not be deemed or construed as a waiver of any right or obligation of the Host acting in its governmental capacity.

3.3 System Acceptance Testing.

(a) Provider shall conduct testing of the System in accordance with such methods, acts, guidelines, standards and criteria reasonably accepted or followed by photovoltaic solar system integrators in the United States. Provider shall inform Purchaser when the testing is scheduled to take place and will allow for Purchaser or Purchaser representative to observe testing. Host shall accept delivery of test energy, prior to the Commercial Operation Date. There shall be no charge imposed upon Host for Provider's provision of this test electricity prior to the Commercial Operation Date.

(b) Commercial Operation shall occur when the results of such testing indicate that the System is capable of generating electric energy for four (4) continuous hours, using such instruments and meters as have been installed for such purposes, and the System has been approved for interconnected operation by the Local Electric Utility, then Provider shall send a written notice and supporting documentation to Purchaser to that effect, and the date of such notice shall be the Commercial Operation Date.

3.4 Connection. Provider shall provide all necessary wiring requirements from the System to the Point of Delivery. Provider is responsible for the interconnection of the System to the BES within the Premises and is solely responsible for all equipment, maintenance and repairs associated with such interconnection equipment in accordance with the terms and conditions of this Agreement.

4. SYSTEM OPERATIONS.

4.1 Provider as Owner and Operator. The System will be owned by Provider or Provider's Financing Party and will be operated and maintained and, as necessary, repaired by Provider at its sole cost and expense; provided, that any repair or maintenance costs incurred by Provider as a result of Purchaser's negligence or breach of its obligations hereunder shall be reimbursed by Purchaser.

4.2 Metering. Provider shall install and maintain a utility grade kilowatt-hour (kWh) meter for the measurement of electrical energy provided by the System and may, at its election, install a utility grade kilowatt-hour (kWh) meter for the measurement of electrical energy delivered by the Local Electric Utility and consumed by Host at the Premises. Measurement of electrical energy provided by the System shall be at 15 minute intervals.

(a) Installation. Provider shall maintain and test the meter in accordance with but not limited to Applicable Law and as provided herein. Provider shall ensure that the meter is installed and calibrated correctly to

manufacturer and/or utility specifications during commissioning of the System.

(b) Measurements. Readings of the meter shall be conclusive as to the amount of electric energy delivered to Purchaser; provided, that if the meter is out of service, is discovered to be inaccurate pursuant to Section 4.2(c), or registers inaccurately, measurement of energy shall be determined in the following sequence: (a) by estimating by reference to quantities measured during periods of similar conditions when meter was registering accurately; or (b) if no reliable information exists as to the period of time during which such meter was registering inaccurately, it shall be assumed for correction purposes hereunder that the period of such inaccuracy for the purposes of the correction under Section 4.2(c) was equal to (i) if the period of inaccuracy can be determined, the actual period during which inaccurate measurements were made; or (ii) if the period of inaccuracy cannot be determined, one-half of the period from the date of the last previous test of such meter through the date of the adjustments, provided, however, that, in the case of clause (ii), the period covered by the correction under Section 4.2(c) shall not exceed six months.

(c) Testing and Correction.

(i) Purchaser's Right to Conduct Tests. Each Party shall have the right to witness each test conducted by or under the supervision of Provider to verify the accuracy of the measurements and recordings of the meter. Provider shall provide at least twenty (20) days prior written notice to Purchaser of the date upon which any such test is to occur. Provider shall prepare a written report setting forth the results of each such test, and shall provide Purchaser with copies of such written report and the underlying supporting documentation not later than thirty (30) days after completion of such test. Provider shall bear the cost of the annual testing of the meter and the preparation of the meter test reports.

(ii) Standard of Meter Accuracy; Resolution of Disputes as to Accuracy. The following steps shall be taken to resolve any disputes regarding the accuracy of the meter:

(A) If either Party disputes the accuracy or condition of the meter, such Party shall so advise the other Party in writing.

(B) Provider shall, within thirty (30) days after receiving such notice from Purchaser, or Purchaser shall, within such time after having received such notice from Provider, advise the other Party in writing as to its position concerning the accuracy of such meter and state reasons for taking such position.

(C) If the Parties are unable to resolve the dispute through reasonable negotiations, then either Party

may cause the meter to be tested by an agreed upon and disinterested third party.

(D) If the meter is found to be inaccurate by not more than two percent (2%), any previous recordings of the meter shall be deemed accurate, and the Party disputing the accuracy or condition of the meter under Section 4.2(c)(ii)(A) shall bear the cost of inspection and testing of the meter.

(E) If the meter is found to be inaccurate by more than 2% or if such meter is for any reason out of service or fails to register, then (1) Provider shall promptly cause any meter found to be inaccurate to be: (x) replaced or (y) adjusted to correct, to the extent practicable, such inaccuracy, (2) the Parties shall estimate the correct amounts of energy delivered during the periods affected by such inaccuracy, service outage or failure to register as provided in Section 4.2(b), and (c) Provider shall bear the cost of inspection and testing of the meter and reimburse or credit Purchaser if Purchaser was the disputing Party under 4.2(c)(ii)(A). If as a result of such adjustment the quantity of energy for any period is decreased (such quantity, the "Electricity Deficiency Quantity"), Provider shall reimburse or credit Purchaser, at Purchaser's election, for the amount paid by Purchaser in consideration for the Electricity Deficiency Quantity, and shall bear the cost of inspection and testing of the meter. If as a result of such adjustment the quantity of energy for any period is increased (such quantity, the "Electricity Surplus Quantity"), Purchaser shall pay for the Electricity Surplus Quantity at the price applicable during the applicable period.

(d) No Duty on Purchaser. Notwithstanding the foregoing, the Parties acknowledge and agree that the Purchaser is under no responsibility or duty to ascertain, to inspect or to otherwise determine whether the meter or any other part of the System is out of service, is discovered to be inaccurate or registers inaccurate readings; is malfunctioning or is otherwise defective, it being agreed that at all times such responsibility or duty shall remain with the Provider.

4.3 System Disruptions.

(a) Substitution of Premises. If, for reasons other than Provider's breach of its obligations hereunder, Provider ceases to have access rights to the Premises as necessary to operate the System prior to the Expiration Date, then Purchaser shall either (i) provide Provider with a mutually agreeable substitute premises in a location with similar Solar Insolation, or (ii) terminate the Agreement pursuant to Section 2.2. Purchaser shall provide at least one hundred and eighty (180) days' written notice prior to the date on which it desires to effect such substitution. In connection with such substitution, Purchaser and Provider shall amend the Agreement to specify the substitute premises. Purchaser

shall also provide any new owner, lessor, or mortgagee consents or releases required by Provider's Financing Party in connection with the substitute Premises. If Purchaser is unable to obtain such consents and releases for a substitute Premises, the substitution shall not be allowed and Purchaser shall terminate the Agreement pursuant to Section 2.2. Purchaser shall pay all costs associated with relocation of the System including all costs and expenses incurred by or on behalf of Provider in connection with removal of the System from the existing Premises and repair or maintenance of the Premises, if applicable, and installation and testing of the System at such substitute premises and all applicable interconnection fees and expenses at the substitute premises, as well as costs of new title search and other out of pocket expenses connected to preserving and refile the security interest of Provider's Financing Party in the System. Provider shall make commercially reasonable efforts to remove all of its tangible property comprising the System from the vacated Premises prior to the termination of Purchaser's rights to use such Premises. Upon removal of the tangible property comprising the System from the Premises, the Premises shall be returned to its original condition, except for ordinary wear and tear. If the System is to be located on a roof, then in no case shall Provider's removal of the System affect the integrity of the roof of the Premises, which shall be as leak proof as it was prior to removal of System. In connection with any substitution of Premises, Purchaser shall continue to make all payments for the Solar Services, and Purchaser shall reimburse Provider for any lost revenue during any transfer or construction time period (the "Transfer Time"), including any lost revenue associated with Payments, any reduced sales of Environmental Financial Attributes and any reduced Renewable Energy Credits during the Transfer Time. For the purpose of calculating Payments and lost revenue for such Transfer Time, Solar Services for each month of said Transfer Time shall be deemed to have been produced at the average rate over the same month for which data exists (or, if the substitution occurs within the first twelve (12) months of operation, the average over such period of operation).

(b) Roof Repair and Other System Disruptions.

Given that the duration of the term of this Agreement is for twenty (20) years, the Parties agree and expect that the Host shall undertake roof repairs and/or replacement during the term of this Agreement. As such, the parties agree that during the term of this Agreement Host shall be afforded a total of twenty (20) business days ("Roof Repair Time") during which Host may repair and/or replace the roof of the Premises and during which the System shall be removed and/or rendered non-operational as safety may so require in order for Host to effectuate the roof repair and/or replacement. Such Roof Repair Time shall not include Provider's time incurred to partially or completely disassemble and/or move the System as may be required by Host to repair/replace the roof. Provider

shall not charge Host for any work required by Provider to disassemble or move the System for repairs/replacement work undertaken by Host during the Roof Repair Time. Further, Host shall not be obligated to make payments to Provider for electricity not received during the Roof Repair Time nor shall Host be required to reimburse Provider for any other lost revenue during the Roof Repair Time, including any lost revenue associated with any reduced sales of Environmental Financial Attributes and any reduced Renewable Energy Credits during the Disruption Period. In addition, in the event that (x) Host requires more time beyond the Roof Repair Time to repair/replace the roof, (y) the owner or lessee of the Premises repairs the Premises' roof for any reason not directly related to damage caused by the System, and such repair requires the partial or complete temporary disassembly or movement of the System, or (z) any act or omission of Purchaser or Purchaser's employees, Affiliates, agents or subcontractors (collectively, a "Purchaser Act") results in a disruption or outage in System production, then, in either case, Purchaser shall (i) pay Provider for all work required by Provider to disassemble or move the System and (ii) continue to make all payments for the Solar Services during such period of System disruption (the "Disruption Period"), and (iii) reimburse Provider for any other lost revenue during the Disruption Period, including any lost revenue associated with any reduced sales of Environmental Financial Attributes and any reduced Solar Incentives during the Disruption Period. For the purpose of calculating Payments and lost revenue for such Disruption Period, Solar Services for each month of said months shall be deemed to have been produced at the average rate of the preceding twelve (12) months (or, if the disruption occurs within the first twelve (12) months of operation, the average over such period of operation). Notwithstanding the preceding, incidental maintenance by Host of the Premises, including the roof, which results in a disruption of the System of less than six (6) hours in the aggregate during any calendar year, shall not be deemed a "Disruption Period" or otherwise require Host to compensate Provider for lost revenues or lost Solar Services Payments. Host shall take commercially reasonable steps to minimize any disruptions the System.

5. DELIVERY OF SOLAR SERVICES.

5.1 Purchase Requirement. Purchaser agrees to purchase one hundred percent (100%) of the Solar Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Section 5.2. While the Solar Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of the Special Conditions, they represent a package of services and benefits.

5.2 Estimated Annual Production. The annual estimate of electricity generated by the System for any given year as determined pursuant to this Section shall be the “Estimated Annual Production.” The Estimated Annual Production for each year of the Initial Term is set as forth in Schedule 4 of the Special Conditions.

5.3 Environmental Financial Attributes and Renewable Energy Credits. Purchaser’s purchase of Solar Services includes Environmental Financial Attributes, but does not include Renewable Energy Credits. Renewable Energy Credits shall be owned by Provider or Provider’s Financing Party for the duration of the System’s operating life. Purchaser disclaims any right to Renewable Energy Credits based upon the installation of the System at the Premises, and shall, at the request of Provider, execute any document or agreement reasonably necessary to fulfill the intent of this Section 5.3.

5.4 Title to System. Throughout the duration of the Agreement, Provider or Provider’s Financing Party shall be the legal and beneficial owner of the System at all times, and the System shall remain the personal property of Provider or Provider’s Financing Party and shall not attach to or be deemed a part of, or fixture to, the Premises. The System shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code. Purchaser covenants that it will use reasonable commercial efforts to place all parties having an interest in or lien upon the real property comprising the Premises on notice of the ownership of the System and the legal status or classification of the System as personal property. If there is any mortgage or fixture filing against the Premises which could reasonably be construed as attaching to the System as a fixture of the Premises, Purchaser shall provide, at Provider’s request, a disclaimer or release from such lien holder. If Purchaser is the fee owner of the Premises, Purchaser consents to the filing by Provider, on behalf of Purchaser, of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction of the Premises. If Purchaser is not the fee owner, Purchaser will, at Provider’s request, use commercially reasonable efforts to obtain such consent from such owner.

5.5 Net Metering. The Parties will work cooperatively and in good faith to meet all Net Metering requirements under Applicable Law and Local Electric Utility tariffs, including applicable interconnection and metering requirements. In the event that the System produces a Production Excess, then the Parties agree that (a) Purchaser shall be entitled to the associated Net Metering Credits and (b) Provider shall transmit such Production Excess into the Local Electric Utility system on behalf of and for the account of Purchaser, and (c) Purchaser (or its designee) shall be entitled to any and all Net Metering Credits issued by the Local Electric Utility resulting from such transmission.

6. PRICE AND PAYMENT.

6.1 Consideration. Purchaser shall pay to Provider a monthly payment (the “Payment”) for the Solar Services generated by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

6.2 Invoice. Provider shall invoice Purchaser on or about the first day of each month (each, an “Invoice Date”), commencing on the first Invoice Date to occur after the Commercial Operation Date, for the Payment in respect of the immediately preceding month. The last invoice shall include production only through the Expiration Date of this Agreement.

6.3 Time of Payment. Purchaser shall pay all undisputed amounts due hereunder within the time specified in the Special Conditions.

6.4 Method of Payment. Purchaser shall make all payments under the Agreement by electronic funds transfer in immediately available funds to the account designated by Provider from time to time. If Purchaser does not have electronic funds transfer capability, the Parties shall agree to an alternative method of payment. All payments that are not paid when due shall bear interest accruing from the date becoming past due until paid in full at a rate equal to the Stated Rate. Except for billing errors or as provided in Section 6.5 below, all payments made hereunder shall be non- refundable, be made free and clear of any tax, levy, assessment, duties or other charges and not subject to reduction, withholding, set-off, or adjustment of any kind.

6.5 Disputed Payments. If a dispute arises with respect to any invoice, Purchaser shall not be deemed in default under the Agreement and the Parties shall not suspend the performance of their respective obligations hereunder, including payment of undisputed amounts owed hereunder. If an amount disputed by Purchaser is subsequently deemed to have been due pursuant to the applicable invoice, interest shall accrue at the Stated Rate on such amount from the date becoming past due under such invoice until the date paid.

6.6 Minimum Guaranteed Output. If the System fails to generate at least ninety percent (90%) of the Estimated Annual Production set forth in Schedule 4 of the Special Conditions with respect to the System for a full Contract Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser (including, without limitation, pursuant to Section 4.3) or the Local Electric Utility, or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s “Lost Savings” on the next invoice or invoices, (as defined herein) during the following Contract Year. The formula for calculating

Lost Savings for the applicable Contract Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) * \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for System for the applicable Contract Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Contract Year.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Contract Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Contract Year by the total amount of delivered electricity by the electric utility during such Contract Year.

kWh Rate = the kWh Rate in effect for the applicable Contract Year(s), measured in \$/kWh.

If the rate variance (“RV”) is zero or less, then no Lost Savings payment is due to Purchaser. Such payment shall occur no later than sixty (60) days after the end of the Contract Year during which such Lost Savings occurred.

7. GENERAL COVENANTS.

7.1 Provider’s Covenants. Provider covenants and agrees to the following:

(a) Notice of Damage or Emergency. Provider shall (x) promptly notify Purchaser if it becomes aware of any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System, (y) immediately notify Purchaser it becomes aware of any event or circumstance that poses an imminent risk to human health, the environment, the System or the Premises.

(b) System Condition. Provider shall take all actions reasonably necessary to ensure that the System is capable of operating at a commercially reasonable continuous rate.

(c) Governmental Approvals. While providing the Installation Work, Solar Services, and System Operations, Provider shall obtain and maintain and secure all Governmental Approvals required to be obtained and maintained and secured by Provider and to enable Provider to perform such obligations.

(d) Health and Safety /Security. Provider shall take all necessary and reasonable safety precautions with respect to providing the Installation Work, Solar Services, and System Operations that shall comply with all Applicable Laws pertaining to the health and safety of persons and real and personal property. All work shall be performed by licensed professionals, as may be required by Applicable Law, and in accordance with such methods, acts, guidelines, standards and criteria reasonably accepted or followed by a majority of photovoltaic solar system integrators in the United States. In the event that the Premises are secured by Host with fencing, security cameras and limited access, Host shall not be responsible or liable for ensuring the security of the System, which shall be the sole responsibility of Provider.

(e) Liens. Other than a Financing Party’s security interest in or ownership of the System, Provider shall not directly or indirectly cause, create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics’, labor or materialman’s lien), charge, security interest, encumbrance or claim of any nature (“Liens”) on or with respect to the Premises or any interest therein, in each case to the extent such Lien arises from or is related to Provider’s performance or non-performance of its obligations hereunder. If Provider breaches its obligations under this Section, it shall (i) immediately notify Purchaser in writing, (ii) promptly cause such Lien to be discharged and released of record without cost to Purchaser, and (iii) defend and indemnify Purchaser against all costs and expenses (including reasonable attorneys’ fees and court costs at trial and on appeal) incurred in discharging and releasing such Lien.

(f) Interconnection Fees. Provider shall be responsible for all costs, fees, charges and obligations required to connect the System to the Local Electric Utility distribution system, including but not limited to fees associated with system upgrades and operation and maintenance carrying charges (“Interconnection Obligations”). In no event shall Purchaser be responsible for any Interconnection Obligations.

7.2 Purchaser’s Covenants. Purchaser covenants and agrees as follows:

(a) Notice of Damage or Emergency. Purchaser shall (x) promptly notify Provider if it becomes aware of any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System, (y) immediately notify Provider it becomes aware of any event or circumstance that poses an imminent risk

to human health, the environment, the System or the Premises. In the event of damage to Purchaser's premises caused by, or as the result of, the System, Provider shall, at its sole cost, repair said premises to the condition existing prior to such damage.

(b) Liens. Purchaser shall not directly or indirectly cause, create, incur, assume or suffer to exist any Liens on or with respect to the System or any interest therein. If Purchaser breaches its obligations under this Section, it shall immediately notify Provider in writing, shall promptly cause such Lien to be discharged and released of record without cost to Provider, and shall indemnify Provider against all costs and expenses (including reasonable attorneys' fees and court costs at trial and on appeal) incurred in discharging and releasing such Lien.

(c) Consents and Approvals. Purchaser shall ensure that any authorizations required of Purchaser under this Agreement are provided in a timely manner. To the extent that only Purchaser is authorized to request, obtain or issue any necessary approvals, permits, rebates or other financial incentives, Purchaser shall cooperate with Provider to obtain such approvals, permits, rebates or other financial incentives.

(d) Access to Premises, Grant of License. In exchange for consideration in the amount of one dollar (\$1.00) per month, which amount Provider and Purchaser agree and acknowledge is incorporated in the kWh Rate set forth in Schedule 2 of the Special Conditions, Purchaser hereby grants to Provider a commercial license coterminous with the Term, containing all the rights necessary for Provider to use and occupy portions of the Premises for the installation, operation and maintenance of the System pursuant to the terms of this Agreement, including ingress and egress rights to the Premises for Provider and its employees, contractors and subcontractors and access to electrical panels and conduits to interconnect or disconnect the System with the Premises' electrical wiring. Such access shall be mindful of the Host's operations at the Premises and shall not disrupt the Host's operations activities at the Premises during either Host's normal working hours or Host's after hours operations. Such access shall be further delineated and described in Section 1 of the Special Conditions.

(i) Regardless of whether Purchaser is owner of the Premises or leases the Premises from a landlord, Purchaser hereby covenants that (x) Provider shall have access to the Premises and System during the Term of this Agreement and for so long as needed after termination to remove the System pursuant to the applicable provisions herein, and (y) neither Purchaser nor Purchaser's landlord will interfere or handle any Provider equipment or the System without written authorization from Provider; provided, however, that Purchaser and Purchaser's landlord shall at all times have access to and the right to observe the Installation Work or System removal.

(ii) If Purchaser is a lessee of the Premises, Purchaser further covenants that it shall deliver to Provider, a license from Purchaser's landlord in substantially the form attached hereto as Exhibit A of these General Conditions.

(iii) If Purchaser is the owner of the Premises, then, if requested by Provider, Provider shall enter into a site lease with Purchaser, on such terms and conditions as the parties may reasonably agree.

(e) Temporary storage space during installation or removal. Purchaser shall use its best efforts to provide for sufficient space at the Premises for the temporary storage and staging of tools, materials and equipment and for the parking of construction crew vehicles and temporary construction trailers and facilities reasonably necessary ("Temporary Installation/Removal Areas") during the Installation Work, System Operations or System removal, and access for rigging and material handling. Such Temporary Installation/Removal Areas shall be further delineated and described in Section 1 of the Special Conditions.

(f) Sunlight Easements. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.

8. REPRESENTATIONS & WARRANTIES.

8.1 Representations and Warranties Relating to Agreement Validity. In addition to any other representations and warranties contained in the Agreement, each Party represents and warrants to the other as of the Effective Date that:

(a) it is duly organized and validly existing and in good standing in the jurisdiction of its organization;

(b) it has the full right and authority to enter into, execute, deliver, and perform its obligations under the Agreement;

(c) it has taken all requisite corporate or other action to approve the execution, delivery, and performance of the Agreement;

(d) the Agreement constitutes its legal, valid and binding obligation enforceable against such Party in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

(e) there is no litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened before any court or other Governmental Authority by, against, affecting or involving any of its

business or assets that could reasonably be expected to adversely affect its ability to carry out the transactions contemplated herein; and

(f) its execution and performance of the Agreement and the transactions contemplated hereby do not constitute a breach of any term or provision of, or a default under, (i) any contract or agreement to which it or any of its Affiliates is a party or by which it or any of its Affiliates or its or their property is bound, (ii) its organizational documents, or (iii) any Applicable Laws.

8.2 Representations Regarding Security Interest. Purchaser has been advised that part of the collateral securing the financial arrangements for the System may be the granting of a first priority perfected security interest (the “Security Interest”) in the System to a Financing Party. In connection therewith, Purchaser represents and warrants as follows:

(a) To Purchaser’s knowledge, the granting of the Security Interest will not violate any term or condition of any covenant, restriction, lien, financing agreement, or security agreement affecting the Premises.

(b) Purchaser is aware of no existing lease, mortgage, security interest or other interest in or lien upon the Premises that could attach to the System as an interest adverse to Provider’s Financing Party’s Security Interest therein.

(c) To Purchaser’s knowledge, there exists no event or condition which constitutes a default, or would, with the giving of notice or lapse of time, constitute a default under this Agreement.

Any Financing Party shall be an intended third-party beneficiary of this Section 8.2.

8.3 EXCLUSION OF WARRANTIES. EXCEPT AS EXPRESSLY SET FORTH IN SECTIONS 3.1, 4.1, AND 7.1 AND THIS SECTION 8, THE INSTALLATION WORK, SYSTEM OPERATIONS AND PERFORMANCE, AND SOLAR SERVICES PROVIDED BY PROVIDER TO PURCHASER PURSUANT TO THIS AGREEMENT SHALL BE “AS- IS WHERE-IS.” NO OTHER WARRANTY TO PURCHASER OR ANY OTHER PERSON, WHETHER EXPRESS, IMPLIED OR STATUTORY, IS MADE AS TO THE INSTALLATION, DESIGN, DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS, USEFUL LIFE, FUTURE ECONOMIC VIABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE SYSTEM, THE SOLAR SERVICES OR ANY OTHER SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY PROVIDER.

9. TAXES AND GOVERNMENTAL FEES.

9.1 Purchaser Obligations. Purchaser shall reimburse and pay for any documented sales taxes, fees or charges imposed or authorized by any Governmental Authority and paid by Provider due to Provider’s sale of Solar Services to Purchaser (other than income taxes imposed upon Provider) up to a maximum of \$500 per year. Provider shall notify Purchaser in writing with a detailed statement of such amounts, which shall be invoiced by Provider and payable by Purchaser. Purchaser shall timely report, make filings for, and pay any and all sales, use, income, gross receipts or other taxes, and any and all franchise fees or similar fees assessed against it due to its purchase of the Solar Services. This Section 9.1 excludes taxes specified in Section 9.2.

9.2 Provider Obligations. Subject to Section 9.1 above, Provider shall be responsible for all income, gross receipts, ad valorem, personal property or real property or other similar taxes and any and all franchise fees or similar fees assessed against it due to its ownership of the System or possessory interest, if any, in the Premises. Provider shall not be obligated for any taxes payable by or assessed against Purchaser based on or related to Purchaser’s overall income or revenues.

10. FORCE MAJEURE.

10.1 Definition. “Force Majeure Event” means any act or event that prevents the affected Party from performing its obligations in accordance with the Agreement, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party had been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing conditions, “Force Majeure Event” shall include without limitation the following acts or events: (i) natural phenomena, such as storms, hurricanes, floods, lightning, volcanic eruptions and earthquakes; (ii) explosions or fires arising from lightning or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, terrorist acts, or rebellion; (iv) strikes or labor disputes (except strikes or labor disputes caused solely by employees of the Provider or as a result of such party’s failure to comply with a collective bargaining agreement); (v) action or inaction by a Governmental Authority (unless Purchaser is a Governmental Authority and Purchaser is the Party whose performance is affected by such action nor inaction). A Force Majeure Event shall not be based on the economic hardship of either Party. Natural phenomena shall not be considered a Force Majeure Event unless such event causes physical damage to the System.

10.2 Excused Performance. Except as otherwise specifically provided in the Agreement, neither Party shall be considered in breach of the Agreement or liable for any delay or failure to comply with the Agreement (other than the failure to pay amounts due hereunder), if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; provided that the Party claiming relief under this Section 10 shall immediately (i) notify the other Party in writing of the existence of the Force Majeure Event, (ii) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) notify the other Party in writing of the cessation or termination of said Force Majeure Event and (iv) resume performance of its obligations hereunder as soon as practicable thereafter; provided, however, that Purchaser shall not be excused from making any payments and paying any unpaid amounts due in respect of Solar Services delivered to Purchaser prior to the Force Majeure Event performance interruption.

10.3 Termination in Consequence of Force Majeure Event. If a Force Majeure Event shall have occurred that has affected Provider's performance of its obligations hereunder and that has continued for a continuous period of one hundred eighty (180) days, then Purchaser shall be entitled to terminate the Agreement upon ninety (90) days' prior written notice to Provider. If at the end of such ninety (90) day period such Force Majeure Event shall still continue, the Agreement shall automatically terminate. Upon such termination for a Force Majeure Event, neither Party shall have any liability to the other (other than Provider's obligation to remove said system in accordance with Section 2.5 and any such liabilities that have accrued prior to such termination), and the provisions of Section 2.2 (Early Termination) shall be inapplicable.

11. DEFAULT.

11.1 Provider Defaults and Purchaser Remedies.

(a) Provider Defaults. The following events shall be defaults with respect to Provider (each, a "Provider Default"):

(i) A Bankruptcy Event shall have occurred with respect to Provider;

(ii) Provider fails to pay Purchaser any undisputed amount owed under the Agreement within thirty (30) days from receipt of notice from Purchaser of such past due amount; and

(iii) Provider breaches any material term of the Agreement and (A) if such breach can be cured within thirty (30) days after Purchaser's written notice of such breach and Provider fails to so cure, or (B) Provider fails

to commence and pursue a cure within such thirty (30) day period if a longer cure period is needed.

(b) Purchaser's Remedies. If a Provider Default described in Section 11.1(a) has occurred and is continuing, in addition to other remedies expressly provided herein, and subject to Section 12, Purchaser may terminate the Agreement and exercise any other remedy it may have at law or equity or under the Agreement.

(c) No Early Termination Fee. Section 2.2 of the Agreement shall not apply to any termination of the Agreement by Purchaser pursuant to this Section 11.1.

11.2 Purchaser Defaults and Provider's Remedies.

(a) Purchaser Default. The following events shall be defaults with respect to Purchaser (each, a "Purchaser Default"):

(i) A Bankruptcy Event shall have occurred with respect to Purchaser;

(ii) Purchaser breaches any material term of the Agreement if (A) such breach can be cured within thirty (30) days after Provider's notice of such breach and Purchaser fails to so cure, or (B) Purchaser fails to commence and pursue said cure within such thirty (30) day period if a longer cure period is needed; and

(iii) Purchaser fails to pay Provider any undisputed amount due Provider under the Agreement within thirty (30) days from receipt of notice from Provider of such past due amount.

(b) Provider's Remedies. If a Purchaser Default described in Sections 11.2(a) has occurred and is continuing, in addition to other remedies expressly provided herein, and subject to Section 12, Provider may terminate this Agreement and upon such termination, (A) Provider shall be entitled to receive from Purchaser the Early Termination Fee pursuant to Section 2.2, and (B) Provider may exercise any other remedy it may have at law or equity or under the Agreement. In addition to the foregoing, Provider shall be entitled to operate and maintain the System on the Premises as contemplated by Section 7.2(d), and Purchaser shall execute such documents as may be reasonably requested by Provider to memorialize such right. Further, if requested by Provider, Purchaser shall cooperate with Provider to establish a new metered account with the Local Electric Utility at Premises, or (as applicable) to transfer Purchaser's existing account to Provider or its designee.

11.3 Removal of System. Upon any termination of the Agreement pursuant to this Section 11, Provider will remove the System pursuant to Section 2.5 hereof, absent any purchase of the System by Purchaser pursuant to Section 2.2 hereof.

12. LIMITATIONS OF LIABILITY.

12.1 Except as expressly provided herein, neither Party shall be liable to the other Party or its Indemnified Persons for any special, punitive, exemplary, indirect, or consequential damages, losses or damages for lost revenue or lost profits, whether foreseeable or not, arising out of, or in connection with the Agreement.

12.2 A Party's maximum liability to the other Party under the Agreement, shall be limited to the aggregate Estimated Remaining Payments as of the date of the events giving rise to such liability, provided, however, the limits of liability under this Section 12.2 shall not apply with respect to (i) indemnity obligations hereunder in respect of personal injury, intellectual property infringement claims, (ii) any obligation of Purchaser to pay the Early Termination Fee, (iii) any obligation of Provider to pay for Lost Savings in accordance with Section 6.6, and (ii) any obligation of Provider to remove or restore the System as provided herein.

12.3 Notwithstanding the foregoing in Section 12.1 and 12.2, the limitations of liability shall not apply for damages that occur after the expiration or termination of the Agreement, including but not limited to damages occurring from the removal of the System by the Provider.

13. ASSIGNMENT.

13.1 Assignment by Provider. Provider shall not sell, transfer or assign (collectively, an "Assignment") the Agreement or any interest therein, without the prior written consent of Purchaser, which shall not be unreasonably withheld, conditioned or delayed; provided, however, that, without the prior consent of Purchaser, Provider may (i) assign this Agreement to an Affiliate provided such assignment occurs no later than 90 days after the Commercial Operation Date, and that Affiliate has the financial wherewithal and ability to perform Provider's obligations at least equal to Provider; (ii) assign this Agreement as collateral security in connection with any financing of the System (including, without limitation, pursuant to a sale-leaseback transaction). In the event that Provider identifies such secured Financing Party in Schedule 5 of the Special Conditions, or in a subsequent notice to Purchaser, then Purchaser shall comply with the provisions set forth in Exhibit C of these General Terms and Conditions. Any Financing Party shall be an intended third-party beneficiary of this Section 13.1. Any assignment by Provider without any required prior written consent of Provider shall not release Purchaser of its obligations hereunder.

13.2 Acknowledgment of Collateral Assignment. In the event that Provider identifies a secured Financing

Party in Schedule 5 of the Special Conditions, or in a subsequent notice to Purchaser, then Purchaser hereby:

(a) acknowledges the collateral assignment by Provider to the Financing Party, of Provider's right, title and interest in, to and under the Agreement, as consented to under Section 13.1 of the Agreement.

(b) acknowledges that the Financing Party as such collateral assignee shall be entitled to exercise any and all rights of lenders generally with respect to the Provider's interests in this Agreement.

(c) acknowledges that it has been advised that Provider has granted a first priority perfected security interest in the System to the Financing Party and that the Financing Party has relied upon the characterization of the System as personal property, as agreed in this Agreement in accepting such security interest as collateral for its financing of the System.

Any Financing Party shall be an intended third-party beneficiary of this Section 13.2.

13.3 Assignment by Purchaser. Purchaser shall not assign the Agreement or any interest therein, without Provider's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any assignment by Purchaser without the prior written consent of Provider shall not release Purchaser of its obligations hereunder.

14. NOTICES.

14.1 Notice Addresses. Unless otherwise provided in the Agreement, all notices and communications concerning the Agreement shall be in writing and addressed to the other Party (or Financing Party, as the case may be) at the addresses set forth in Schedule 6 of the Special Conditions, or at such other address as may be designated in writing to the other Party from time to time.

14.2 Notice. Unless otherwise provided herein, any notice provided for in the Agreement shall be hand delivered, sent by registered or certified U.S. Mail, postage prepaid, or by commercial overnight delivery service, or transmitted by facsimile and shall be deemed delivered to the addressee or its office when received at the address for notice specified above when hand delivered, upon confirmation of sending when sent by facsimile (if sent during normal business hours or the next Business Day if sent at any other time), on the Business Day after being sent when sent by overnight delivery service (Saturdays, Sundays and legal holidays excluded), or five (5) Business Days after deposit in the mail when sent by U.S. mail.

14.3 Address for Invoices. All invoices under the Agreement shall be sent to the address provided by Purchaser. Invoices shall be sent by regular first class mail postage prepaid.

15. CONFIDENTIALITY.

15.1 Confidentiality Obligation. If either Party provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copyrighted or trademarked information, and/or technical information regarding the financing, design, operation and maintenance of the System or of Purchaser's business ("Confidential Information") to the other or, if in the course of performing under the Agreement or negotiating the Agreement a Party learns Confidential Information regarding the facilities or plans of the other, the receiving Party shall (a) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (b) refrain from using such Confidential Information, except in the negotiation and performance of the Agreement. Notwithstanding the above, a Party may provide such Confidential Information to its officers, directors, members, managers, employees, agents, contractors and consultants, and Affiliates, lenders, and potential assignees of the Agreement or acquirers of Provider or its Affiliates (provided and on condition that such potential assignees be bound by a written agreement restricting use and disclosure of Confidential Information) (collectively, "Representatives"), in each case whose access is reasonably necessary. Each such recipient of Confidential Information shall be informed by the Party disclosing Confidential Information of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. In any event, each Party shall be liable (with respect to the other Party) for any breach of this provision by any entity to whom that Party improperly discloses Confidential Information. The terms of the Agreement (but not its execution or existence) shall be considered Confidential Information for purposes of this Article, except as set forth in Section 15.3. All Confidential Information shall remain the property of the disclosing Party and shall be returned to the disclosing Party or destroyed after the receiving Party's need for it has expired or upon the request of the disclosing Party.

15.2 Permitted Disclosures. Notwithstanding any other provision herein, neither Party shall be required to hold confidential any information that:

(a) becomes publicly available other than through the receiving Party;

(b) is required to be disclosed by a Governmental Authority, under Applicable Law or pursuant to a validly issued subpoena or required filing, but a receiving Party

subject to any such requirement shall promptly notify the disclosing Party of such requirement;

(c) is independently developed by the receiving Party; or

(d) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality.

Notwithstanding anything to the contrary herein, Provider understands that as a public agency, the Host is subject to the California Public Records Act, and, as such, this Agreement and any and all records related to this Agreement are discloseable, public records. If the records are created or maintained by the Provider pursuant to this Agreement, Provider shall provide timely access to such documents to the Host for reproduction, upon request. Should Provider refuse to provide access to any documents requested by the Host pursuant to a Public Records Act request, notwithstanding the indemnification provision of this Agreement, Provider shall bear all legal costs in responding to the Public Records Act request and shall indemnify the Host, its officers, employees, volunteers and assigns against any and all claims related to such Public Records Act request.

15.3 Goodwill and Publicity. Neither Party shall use the name, trade name, service mark, or trademark of the other Party in any promotional or advertising material without the prior written consent of such other Party. The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of the Agreement, and each Party shall have the right to promptly review, comment upon, and approve any publicity materials, press releases, or other public statements by the other Party that refer to, or that describe any aspect of, the Agreement; provided that no such publicity releases or other public statements (except for filings or other statements or releases as may be required by Applicable Law) shall be made by either Party without the prior written consent of the other Party. At no time will either Party acquire any rights whatsoever to any trademark, trade name, service mark, logo or other intellectual property right belonging to the other Party. Notwithstanding the foregoing, Purchaser agrees that Provider may, at its sole discretion, take photographs of the installation process of the System and/or the completed System, and Provider shall be permitted to use such images (regardless of media) in its marketing efforts, including but not limited to use in brochures, advertisements, websites and news outlet or press release articles. The images shall not include any identifying information without Purchaser permission and the installation site shall not be disclosed beyond the type of establishment (such as "Retail Store," "Distribution Center," or such other general terms), the city and state.

15.4 Enforcement of Confidentiality Obligation. Each Party agrees that the disclosing Party would be irreparably injured by a breach of this Article by the receiving Party or its Representatives or other Person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, in the event of any breach of the provisions of this Article. To the fullest extent permitted by Applicable Law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Article, but shall be in addition to all other remedies available at law or in equity.

16. INDEMNITY.

16.1 Provider's Indemnity. Subject to Section 12, to the extent permitted by Applicable Law, Provider agrees that it shall indemnify and hold harmless Purchaser, its permitted successors and assigns and their respective directors, officers, members, shareholders and employees (collectively, the "Purchaser Indemnified Parties") from and against any and all Losses incurred by the Purchaser Indemnified Parties to the extent arising from or out of the following: (a) any claim for or arising out of any injury to or death of any Person or loss or damage to property of any Person to the extent arising out of Provider's negligence or willful misconduct or (b) any infringement of patents or the improper use of other proprietary rights by Provider or its employees or representatives that may occur in connection with the performance of the Installation Work, System Operations or Solar Services and the ownership and use of the System. Provider shall not, however, be required to reimburse or indemnify any Purchaser Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of any Purchaser Indemnified Party.

16.2 Purchaser's Indemnity. Subject to Section 12, to the extent permitted by applicable law, Purchaser agrees that it shall indemnify and hold harmless Provider, its permitted successors and assigns and their respective directors, officers, members, shareholders and employees (collectively, the "Provider Indemnified Parties") from and against any and all Losses incurred by the Provider Indemnified Parties to the extent arising from or out of any claim for or arising out of any injury to or death of any Person or loss or damage to property of any Person to the extent arising out of Purchaser's negligence or willful misconduct. Purchaser shall not, however, be required to reimburse or indemnify any Provider Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of any Provider Indemnified Party.

17. INSURANCE.

17.1 Generally. Purchaser and Provider shall each maintain the following insurance coverages in full force and effect throughout the Term either through insurance policies or acceptable self-insured retentions: (a) Workers' Compensation Insurance as may be from time to time required under applicable federal and state law, (b) Commercial General Liability Insurance with limits of not less than \$2,000,000 general aggregate, \$1,000,000 per occurrence, and (c) automobile insurance with commercially reasonable coverages and limits. Additionally, Provider shall carry adequate property loss insurance on the System which need not be covered by the Purchaser's property coverage. The amount and terms of insurance coverage will be determined at Provider's sole discretion. Commencing on the fifteenth (15th) anniversary of the Commercial Operation Date, Provider shall either (x) provide a guaranty of Sun Edison LLC with respect to Provider's System removal and restoration obligations hereunder, or (y), secure a bond in an amount specified in the Special Conditions to secure removal of the System and restoration of the Premises upon termination of this Agreement.

17.2 Certificates of Insurance. Each Party, upon request, shall furnish current certificates evidencing that the insurance required under Section 17.1 is being maintained. Each Party's insurance policy provided hereunder shall contain a provision whereby the insured agrees to give the other Party thirty (30) days' written notice before the insurance is cancelled or materially altered.

17.3 Additional Insureds. Each Party's insurance policy shall be written on an occurrence basis and shall include the other Party as an additional insured as its interest may appear.

17.4 Insurer Qualifications. All insurance maintained hereunder shall be maintained with companies either rated no less than A- as to Policy Holder's Rating in the current edition of Best's Insurance Guide (or with an association of companies each of the members of which are so rated) or having a parent company's debt to policyholder surplus ratio of 1:1.

18. MISCELLANEOUS.

18.1 Integration; Exhibits. The Agreement, together with the Exhibits and Schedules attached thereto and hereto, constitute the entire agreement and understanding between Provider and Purchaser with respect to the subject matter thereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits and Schedules attached thereto and hereto are integral parts hereof and are made a part of the Agreement by reference. In the event of a conflict between the provisions of these General Conditions and any applicable Special

Conditions, the provisions of the Special Conditions shall prevail.

18.2 Amendments. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Provider and Purchaser.

18.3 Cumulative Remedies. Except as set forth to the contrary herein, any right or remedy of Provider or Purchaser shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.

18.4 Limited Effect of Waiver. The failure of Provider or Purchaser to enforce any of the provisions of the Agreement, or the waiver thereof, shall not be construed as a general waiver or relinquishment on its part of any such provision, in any other instance or of any other provision in any instance.

18.5 Survival. The obligations under Sections 2.2 (Early Termination), 2.5 (Removal of System), Section 7.1(d) (Provider Covenant), Sections 7.2(d), (e), (f) and (g) (Purchaser Covenants), Section 8.3 (Exclusion of Warranties), Article 9 (Taxes and Governmental Fees), Article 12 (Limitation of Liability), Article 14 (Notices), Article 15 (Confidentiality), Article 18 (Miscellaneous), or pursuant to other provisions of this Agreement that, by their sense and context, are intended to survive termination of this Agreement shall survive the expiration or termination of this Agreement for any reason.

18.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to any choice of law principles. The Parties agree that the courts of California and the Federal Courts sitting therein shall have jurisdiction over any action or proceeding arising under the Agreement to the fullest extent permitted by Applicable Law. The Parties waive to the fullest extent permitted by Applicable Law any objection it may have to the laying of venue of any action or proceeding under this Agreement any courts described in this Section 18.8.

18.7 Severability. If any term, covenant or condition in the Agreement shall, to any extent, be invalid or unenforceable in any respect under Applicable Law, the remainder of the Agreement shall not be affected thereby, and each term, covenant or condition of the Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law and, if appropriate, such invalid or unenforceable provision shall be modified or replaced to give effect to the underlying intent of the Parties and to the intended economic benefits of the Parties.

18.8 Relation of the Parties. The relationship between Provider and Purchaser shall not be that of

partners, agents, or joint ventures for one another, and nothing contained in the Agreement shall be deemed to constitute a partnership or agency agreement between them for any purposes, including federal income tax purposes. Provider and Purchaser, in performing any of their obligations hereunder, shall be independent contractors or independent parties and shall discharge their contractual obligations at their own risk.

18.9 Subcontracting. In the execution of the Agreement, Provider may subcontract part of the work to others. Provider shall notify Purchaser of each material subcontractor it utilizes at the Premises in performance of its obligations under this Agreement. The Provider shall require energy management service or electrical subcontractors to be MA Division of Capital Asset Management (DCAM) certified and have specialized training in Solar Photovoltaic design and installation. The Provider shall be fully responsible to the Purchaser for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by the Provider, as he is for the acts and omissions of persons directly employed by him. Nothing contained in this Agreement shall create any contractual relation between any subcontractor and the Purchaser.

18.10 Successors and Assigns. This Agreement and the rights and obligations under the Agreement shall be binding upon and shall inure to the benefit of Provider and Purchaser and their respective successors and permitted assigns.

18.11 Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument

18.12 Facsimile Delivery. This Agreement may be duly executed and delivered by a Party by execution and facsimile or electronic, "pdf" delivery of the signature page of a counterpart to the other Party.

18.13 Attorneys' Fees. 18.14Attorneys' Fees. If any legal action, arbitration, or other proceeding is brought for the enforcement of the Agreement or because of an alleged dispute, default, misrepresentation, or breach in connection with any of the provisions of the Agreement, except as expressly excluded in the Agreement, the successful or prevailing Party shall be entitled to recover reasonable attorneys' fees, expenses expert witness fees, and other costs incurred in that action or proceeding in addition to any other relief to which it may be entitled.

18.14 Liquidated Damages Not Penalty. Purchaser acknowledges that the Early Termination Fee constitutes liquidated damages, and not penalties, in lieu of Provider's actual damages resulting from the early termination of the Agreement. Purchaser further acknowledges that Provider's actual damages may be

impractical and difficult to accurately ascertain, and in accordance with Purchaser's rights and obligations under the Agreement, the Early Termination Fee constitutes fair and reasonable damages to be borne by Purchaser in lieu of Provider's actual damages.

[Remainder of page intentionally left blank.]

These General Terms and Conditions are witnessed and acknowledged by SunEdison and Purchaser below. For the avoidance of doubt, neither SunEdison nor Purchaser shall have any obligations or liability resulting from its witnessing and acknowledging these General Terms and Conditions.

“SUNEDISON”: SUNEDISON GOVERNMENT SOLUTIONS, LLC

By: _____

Name: _____

Title: _____

Date: _____

“PURCHASER”: [THE CITY OF PASO ROBLES]

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A
of General Conditions

[PURCHASER'S LETTERHEAD]

[Landlord's Address]

Attn: Authorized Representative

Re: Proposed Solar Power Installation at [Address of Premises]

Lease dated [] between [PURCHASER] and [LANDLORD] (the "Lease")

Dear Authorized Representative:

As has been discussed with you, [PURCHASER] and an affiliate of SunEdison Origination1, LLC ("SunEdison") have entered into a Solar Power & Services Agreement, pursuant to which SunEdison will install, finance, operate, and maintain a solar photovoltaic system at the above-referenced premises which [PURCHASER] leases from you pursuant to the Lease. By signing below and returning this letter to us, you confirm that:

1. The solar photovoltaic system and the renewable energy (including environmental credits and related attributes) produced by the system are personal property, and shall not be considered the property (personal or otherwise) of [LANDLORD] upon installation of the system at the premises.
2. SunEdison or its designee (including finance providers) shall have the right without cost to access the premises in order to install, operate, inspect, maintain, and remove the solar photovoltaic system. [LANDLORD] will not charge Purchaser or Provider any rent for such right to access the premises.
3. [LANDLORD] has been advised that the finance providers for the solar photovoltaic system have a first priority perfected security interest in the system. SunEdison and the finance providers for the solar photovoltaic system (including any system lessor or other lender) are intended beneficiaries of [LANDLORD]'s agreements in this letter.
4. [LANDLORD] will not take any action inconsistent with the foregoing.

We thank you for your consideration of this opportunity and we look forward to working with you in our environmental campaign to increase the utilization of clean, renewable energy resources.

Very truly yours,

[PURCHASER]

By: _____

Name:

Title: Authorized Representative

Acknowledged and agreed by:

[LANDLORD]

By: _____

Name:

Title: Authorized Representative

EXHIBIT B
of General Conditions

REQUIREMENTS APPLICABLE TO THE INSTALLATION WORK

Section B.1 Prohibition Against Use of Tobacco.

(a) *Purchaser Tobacco-Free Policy.* All properties and facilities owned, leased or operated by the Purchaser are tobacco-free work places. No person on, at or in any Purchaser-controlled property or facility, including, without limitation, the Premises, may smoke, chew or otherwise use tobacco products. The Provider shall be responsible for: (i) informing any and all persons present on or at the Premises on account of the Installation Work about the Purchaser's tobacco-free policy; and (ii) strictly enforcing such policy with respect to the Premises. The Purchaser, the Provider, and each subcontractor shall require that any person present on or at the Premises on account of the Installation Work who violates such policy must permanently leave the Premises, and shall prohibit such person from thereafter being present or performing any of the Installation Work on or at the Premises.

Section B.2 Prohibition Against Use of Drugs.

(a) *Purchaser Drug-Free Policy.* All properties and facilities owned, leased or operated by the Purchaser are drug-free work places. No person on, at or in any Purchaser-controlled property or facility, including, without limitation, the Premises, may: (i) engage in the unlawful manufacture, dispensation, possession or use, including being under the influence, of any controlled substance, (ii) possess or use any alcoholic beverage, or (iii) use any substance which may cause significant impairment of normal abilities. The Provider shall be responsible for: (i) informing any and all persons present on or at the Premises on account of the Installation Work about the Purchaser's drug-free policy; and (ii) strictly enforcing such policy with respect to the Premises. The Purchaser, the Provider, and each subcontractor shall require that any person present on or at the Premises on account of the Installation Work who violates such policy must permanently leave the Premises, and shall prohibit such person from thereafter being present or performing any of the Installation Work on or at the Premises.

(b) *Drug-Free Workplace Certification.* The Provider is hereby made subject to the requirements of Government Code Sections 8350 *et seq.*, the Drug-Free Workplace Act of 1990.

Section B.3 Compliance with Labor Requirements. The Installation Work is a "public works" project as defined in Section 1720 of the California Labor Code ("Labor Code") and made applicable pursuant to Section 1720.6 of the Labor Code. Therefore, the Installation Work is subject to applicable provisions of Part 7, Chapter 1, of the Labor Code and Title 8 of the California Code of Regulations, Section 16000 *et seq.* (collectively, "Labor Law"). The Provider acknowledges that, as provided by Senate Bill 854 (Stats. 2014, Ch. 28), the Project is subject to labor compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR").

Section B.4 Compliance with Labor Code Requirements. The Provider must be, and shall be deemed and construed to be, aware of and understand the requirements of the Labor Law that require the payment of prevailing wage rates and the performance of other requirements on public works projects. The Provider, at no additional cost to the Purchaser, must: (i) comply with any and all applicable Labor Law requirements, including, without limitation, requirements for payment of prevailing wage rates, inspection and submittal (electronically, as required) of payroll records, interview(s) of workers, *et cetera*; (ii) ensure that its subcontractors are aware of and comply with the Labor Law requirements; (iii) in connection with Labor Law compliance matters, cooperate with the DIR, the Purchaser and other entities with competent jurisdiction; and (iv) post all job-site notices required by law in connection with the Installation Work, including, without limitation, postings required by DIR regulations. A subcontractor that has been debarred in accordance with the Labor Code, including, without limitation, pursuant to Sections 1777.1 or 1777.7, is not eligible to bid on, perform, or contract to perform any portion of the Installation Work. Wage rates for the Installation Work shall be in accordance with the general prevailing rates of per-diem wages determined by the Director of Industrial Relations pursuant to Labor Code Section 1770. The following Labor Code sections are by this reference incorporated into and are a fully operative part of the Contract, and Provider shall be responsible for compliance therewith:

- (i) Section 1735: Anti-Discrimination Requirements;
- (ii) Section 1775: Penalty for Prevailing Wage Rate Violations;
- (iii) Section 1776: Payroll Records;
- (iv) Sections 1777.5, 1777.6 and 1777.7: Apprenticeship Requirements;
- (v) Sections 1810 through 1812: Working Hour Restrictions;
- (vi) Sections 1813 and 1814: Penalty for Failure to Pay Overtime; and
- (vii) Section 1815: Overtime Pay.

Section B.5 Requirements for Payroll Records. The Provider must comply with all applicable provisions of Labor Code Sections 1776 and 1812, which relate to preparing and maintaining accurate payroll records, and making such payroll records available for review and copying by the Purchaser, the DIR Division of Labor Standards Enforcement, and the DIR Division of Apprenticeship Standards. The payroll records must be certified and made available as required by Labor Code Section 1776.

Section B.6 Contractor Registration. Pursuant to Labor Code Sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Provider certifies that it possesses active and current registration with the Department of Industrial Relations as a public works contractor and shall maintain such registration until completion of all work under the Agreement.

Section B.7 Permits and Licenses. Without limiting anything set forth in Section B.7 of this Exhibit B, the Provider, its subcontractors, and all of their respective employees and agents: (i) shall secure and maintain in force at all times during the performance of the Installation Work such licenses and permits as are required by law; and (ii) shall comply with all federal and State, and County laws and regulations, and other governmental requirements applicable to the System or the Installation Work. The Provider or its subcontractors shall obtain and pay for all permits and licenses required for the performance of, or necessary in connection with, the Installation Work, and shall give all necessary notices and deliver all necessary certificates to the Purchaser, and shall pay all royalties and license fees arising from the use of any material, machine, method or process used in performing the Installation Work. The Provider shall be solely responsible for all charges, assessments and fees payable in connection with any such licenses, permits, materials, machines, methods, and processes.

Section B.8 Jobsite Obligations. Provider shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Work including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); local ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

Provider shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Provider's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Provider shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Provider shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a "living document" that changes as necessary to meet the conditions and requirements of the job site as it progresses through difference

phases of construction and is subject to different weather conditions. It shall be Provider's sole responsibility to update the SWPPP as necessary to address conditions at the project site. Failure to comply with the Permit is a violation of federal and state law. Pursuant to the indemnification provisions of the Agreement, Provider hereby agrees to defend, indemnify and hold harmless the Purchaser and its officials, officers, employees, volunteers and agents for any alleged violations.

Provider must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Although CARB limits and requirements are more broad, Provider shall specifically be aware of their application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Provider shall indemnify Purchaser against any fines or penalties imposed by CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Provider, its subcontractors, or others for whom Provider is responsible under its indemnity obligations provided for in this Agreement.

Section B.9 Jobsite Conditions. If the work governed by the Agreement entails excavation of any trench or trenches five (5) feet or more in depth, Provider shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Provider shall submit for Purchaser's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

As required by California Public Contract Code Section 7104, if this Agreement involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Provider shall promptly, and prior to disturbance of any conditions, notify Purchaser of: (1) any material discovered in excavation that Provider believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by Purchaser; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, Purchaser shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Provider shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Agreement, but shall retain all rights provided by the Agreement or by law for making protests and resolving the dispute.

To the extent required by Section 4215 of the California Government Code, Purchaser shall compensate Provider for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Provider to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Provider shall not be assessed liquidated damages for delay caused by failure of Purchaser to provide for removal or relocation of such utility facilities.

Section B.10 Claims; Government Code Claim Compliance. In addition to any and all contract requirements pertaining to extra work, disputed work, claims and/or changed conditions, Provider must comply with the claim procedures set forth in Government Code sections 900 *et seq.* prior to filing any lawsuit against the Purchaser. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Provider. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Provider shall be barred from bringing and maintaining a valid lawsuit against Purchaser.

Section B.11 Labor Certifications. By its signature hereunder, Provider certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work.

Provider represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all

activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

By executing this Agreement, Provider verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

Section B.11 State License Board Notice/License Certification. Provider certifies that as of the date of execution of the Agreement, Provider has a current contractor's license of the classification required to perform the work under the Agreement.

Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

Exhibit C
of General Conditions

Certain Agreements for the Benefit of the Financing Parties

Purchaser acknowledges that Provider will be financing the installation of the System either through a lessor, lender or with financing accommodations from one or more financial institutions and that the Provider may sell or assign the System and/or may secure the Provider's obligations by, among other collateral, a pledge or collateral assignment of this Agreement and a first security interest in the System. In order to facilitate such necessary sale, conveyance, or financing, and with respect to any such financial institutions of which Provider has notified Purchaser in writing Purchaser agrees as follows:

(a) **Consent to Collateral Assignment.** Purchaser consents to either the sale or conveyance to a lessor or the collateral assignment by Provider to the a lender that has provided financing of the System, of the Provider's right, title and interest in and to this Agreement.

(b) **Notices of Default.** Purchaser will deliver to the Financing Party, concurrently with delivery thereof to Provider, a copy of each notice of default given by Purchaser under the Agreement, inclusive of a reasonable description of Provider default. No such notice will be effective absent delivery to the Financing Party. Purchaser will not mutually agree with Provider to terminate the Agreement without the written consent of the Financing Party.

(c) **Rights Upon Event of Default.** Notwithstanding any contrary term of this Agreement:

i. The Financing Party, as collateral assignee, shall be entitled to exercise, in the place and stead of Provider, any and all rights and remedies of Provider under this Agreement in accordance with the terms of this Agreement and only in the event of Provider's or Host's default, the Financing Party shall also be entitled to exercise all rights and remedies of secured parties generally with respect to this Agreement and the System.

ii. The Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty or obligation required of Provider thereunder or cause to be cured any default of Provider thereunder in the time and manner provided by the terms of this Agreement. Nothing herein requires the Financing Party to cure any default of Provider under this Agreement or (unless the Financing Party has succeeded to Provider's interests under this Agreement) to perform any act, duty or obligation of Provider under this Agreement, but Purchaser hereby gives it the option to do so.

iii. Upon the exercise of remedies under its security interest in the System, including any sale thereof by the Financing Party, whether by judicial proceeding or under any power of sale contained therein, or any conveyance from Provider to the Financing Party (or any assignee of the Financing Party) in lieu thereof, the Financing Party shall give notice to Host of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a default under this Agreement.

iv. Upon any rejection or other termination of this Agreement pursuant to any process undertaken with respect to Provider under the United States Bankruptcy Code, at the request of the Financing Party made within ninety (90) days of such termination or rejection, Host shall enter into a new agreement with the Financing Party or its assignee having the same terms and conditions as this Agreement.

(d) **Right to Cure.**

i. Purchaser will not exercise any right to terminate or suspend this Agreement unless it shall have given the Financing Party prior written notice by sending notice to the Financing Party (at the address provided by Provider) of its intent to terminate or suspend this Agreement, specifying the condition giving rise to such right, and the Financing Party shall not have caused to be cured the condition giving rise to the right of termination or suspension within thirty (30) days after such notice or (if longer) the periods provided for in this Agreement. The Parties respective obligations will otherwise remain in effect during any cure period; provided that if such Provider default reasonably cannot be cured by the Financing Party within such period and the Financing Party commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed additional ninety (90) days.

ii. If the Financing Party (including any purchaser or transferee), pursuant to an exercise of remedies by the Financing Party, shall acquire title to or control of Provider's assets and shall, within the time periods described in Sub-section (c)(i) above, cure all defaults under this Agreement existing as of the date of such change in title or control in the manner required by this Agreement and which are capable of cure by a third person or entity, then such person or entity shall no longer be in default under this Agreement, and this Agreement shall continue in full force and effect.

*

SOLAR POWER & SERVICES AGREEMENT

SPECIAL CONDITIONS

This Solar Power & Services Agreement is made and entered into as of this ____ day of ____, 2015 (the “Effective Date”), between SunEdison Government Solutions, LLC, a Delaware limited liability company (“Provider”), and The City of Paso Robles, a California municipality (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

WITNESSETH:

WHEREAS, Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises described on Schedule 1 for the purpose of providing Solar Services (as hereafter defined), and Provider is willing to do the same;

WHEREAS, Provider and Purchaser acknowledged those certain General Terms and Conditions of Solar Power & Services Agreement dated as of [], 20[] (“General Conditions”), which are incorporated by reference as set forth herein; and

WHEREAS, the terms and conditions of this Solar Power & Services Agreement, excluding the General Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Conditions.

NOW THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. INCORPORATION OF GENERAL CONDITIONS. The General Conditions are incorporated herein as if set forth in their entirety.
2. Schedules. The following Schedules hereto are the respective Schedules to the Special Conditions referenced in the General Conditions:

Schedule 1	Description of the Premises & System
Schedule 2	kWh Rate
Schedule 3	Early Termination Fee
Schedule 4	Estimated Annual Production
Schedule 5	Notice Information
Schedule 6	Time of Payment
Schedule 7	Term

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

SUNEDISON GOVERNMENT SOLUTIONS, LLC

CITY OF PASO ROBLES

By: _____

By: _____

Name:

Name:

Title:

Title:

Date:

Date:

SCHEDULES

I. Schedule 1 – Description of Premises and System

Solar System Premises: City Hall – 1000 Spring St, Paso Robles, CA

Anticipated Rebate or Subsidy: \$0

Solar System Size: 289.44 kW (DC) (representing an initial estimate, which may vary depending on the final design of the System)

Scope: Design and supply grid-interconnected, ground mounted or rooftop solar electric (PV) system.

Module: MEMC 335 or equivalent

Inverter: IEEE 1547 qualified

Performance Guarantee: Ninety percent (90%) of Estimated Annual Production
Annual Degradation: shall not exceed 0.5%

Construction Start Date: 180 days from Effective Date

Effective Date: []

Guaranteed Commercial Operation Date: 180 days from the Construction Start Date

II. Schedule 2 – kWh Rate

The kWh Rate with respect to the System under the Agreement is set forth in the table below.

Year of System Term	kWh Rate[*] (\$/kWh)	Year of System Term	\$/kWh Rate[*] (\$/kWh)
1	0.135	11	0.135
2	0.135	12	0.135
3	0.135	13	0.135
4	0.135	14	0.135
5	0.135	15	0.135
6	0.135	16	0.135
7	0.135	17	0.135
8	0.135	18	0.135
9	0.135	19	0.135
10	0.135	20	0.135

*Calculated based on the year 1 kWh Rate multiplied by 0% inflation factor each year.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under the Agreement shall be calculated in accordance with the following:

Early Termination Occurs in Year:	Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal)
1*	\$ 4.82
2	\$ 4.29
3	\$ 4.02
4	\$ 3.67
5	\$ 3.30
6	\$ 2.91
7	\$ 2.84
8	\$ 2.76
9	\$ 2.67
10	\$ 2.57
11	\$ 2.46
12	\$ 2.34
13	\$ 2.21
14	\$ 2.06
15	\$ 1.97
16	\$ 1.81
17	\$ 1.63
18	\$ 1.43
19	\$ 1.22
20	\$ 0.98

Purchase Date Occurs on the 91st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date)	Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal)*
	--
	--
	--
	--
	--
5 th Anniversary	\$ 2.41
6 th Anniversary	\$ 2.34
7 th Anniversary	\$ 2.26
8 th Anniversary	\$ 2.17
9 th Anniversary	\$ 2.07
10 th Anniversary	\$ 1.96
11 th Anniversary	\$ 1.84
12 th Anniversary	\$ 1.71
13 th Anniversary	\$ 1.56
14 th Anniversary	\$ 1.47
15 th Anniversary	\$ 1.31
16 th Anniversary	\$ 1.13
17 th Anniversary	\$ 0.93
18 th Anniversary	\$ 0.72
19 th Anniversary	\$ 0.48

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).
 *Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under the Agreement shall be as follows:

Year of System Term	Estimated Production (kWh)	Year of System Term	Estimated Production (kWh)
1	471,335	11	448,291
2	468,978	12	446,050
3	466,633	13	443,820
4	464,300	14	441,601
5	461,979	15	439,393
6	459,669	16	437,196
7	457,370	17	435,010
8	455,084	18	432,835
9	452,808	19	430,670
10	450,544	20	428,517

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System.

V. Schedule 5 – Notice Information

Purchaser:

[The City of Paso Robles]
 []

With a copy to:

[]

Provider:

SunEdison Government Solutions, LLC
 c/o Sun Edison LLC
 12500 Baltimore Avenue
 Beltsville, MD 20705
 1-888-786-3347

With a copy to:

General Counsel
 12500 Baltimore Avenue
 Beltsville, MD 20705-6375
 Tel. (443) 909-7200
 Fax (443) 909-7121

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Time of Payment

Purchaser shall pay all undisputed amounts due hereunder thirty (30) days after the date of the applicable Invoice Date.

VII. Schedule 7 – Initial Term

The Initial Term of the Agreement shall commence on the Effective Date and shall continue for twenty (20) years from the Commercial Operations Date, unless and until terminated earlier pursuant to the provisions of the Agreement.

SOLAR POWER & SERVICES AGREEMENT

SPECIAL CONDITIONS

This Solar Power & Services Agreement is made and entered into as of this ____ day of ____, 2015 (the “Effective Date”), between SunEdison Government Solutions, LLC, a Delaware limited liability company (“Provider”), and The City of Paso Robles, a California municipality (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

WITNESSETH:

WHEREAS, Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises described on Schedule 1 for the purpose of providing Solar Services (as hereafter defined), and Provider is willing to do the same;

WHEREAS, Provider and Purchaser acknowledged those certain General Terms and Conditions of Solar Power & Services Agreement dated as of [], 20[] (“General Conditions”), which are incorporated by reference as set forth herein; and

WHEREAS, the terms and conditions of this Solar Power & Services Agreement, excluding the General Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Conditions.

NOW THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. INCORPORATION OF GENERAL CONDITIONS. The General Conditions are incorporated herein as if set forth in their entirety.
2. Schedules. The following Schedules hereto are the respective Schedules to the Special Conditions referenced in the General Conditions:

Schedule 1	Description of the Premises & System
Schedule 2	kWh Rate
Schedule 3	Early Termination Fee
Schedule 4	Estimated Annual Production
Schedule 5	Notice Information
Schedule 6	Time of Payment
Schedule 7	Term

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

SUNEDISON GOVERNMENT SOLUTIONS, LLC

CITY OF PASO ROBLES

By: _____

Name:

Title:

Date:

By: _____

Name:

Title:

Date:

SCHEDULES

I. Schedule 1 – Description of Premises and System

Solar System Premises: Centennial Park – 600 Nickerson Dr, Paso Robles, CA

Anticipated Rebate or Subsidy: \$0

Solar System Size: 126.63 kW (DC) (representing an initial estimate, which may vary depending on the final design of the System)

Scope: Design and supply grid-interconnected, ground mounted or rooftop solar electric (PV) system.

Module: MEMC 335 or equivalent

Inverter: IEEE 1547 qualified

Performance Guarantee: Ninety percent (90%) of Estimated Annual Production
Annual Degradation: shall not exceed 0.5%

Construction Start Date: 180 days from Effective Date

Effective Date: []

Guaranteed Commercial Operation Date: 180 days from the Construction Start Date

II. Schedule 2 – kWh Rate

The kWh Rate with respect to the System under the Agreement is set forth in the table below.

Year of System Term	kWh Rate[*] (\$/kWh)	Year of System Term	\$/kWh Rate[*] (\$/kWh)
1	0.159	11	0.159
2	0.159	12	0.159
3	0.159	13	0.159
4	0.159	14	0.159
5	0.159	15	0.159
6	0.159	16	0.159
7	0.159	17	0.159
8	0.159	18	0.159
9	0.159	19	0.159
10	0.159	20	0.159

*Calculated based on the year 1 kWh Rate multiplied by 0% inflation factor each year.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under the Agreement shall be calculated in accordance with the following:

Early Termination Occurs in Year:	Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal)
1*	\$ 5.69
2	\$ 5.07
3	\$ 4.75
4	\$ 4.33
5	\$ 3.90
6	\$ 3.43
7	\$ 3.36
8	\$ 3.26
9	\$ 3.16
10	\$ 3.03
11	\$ 2.91
12	\$ 2.76
13	\$ 2.61
14	\$ 2.43
15	\$ 2.33
16	\$ 2.14
17	\$ 1.92
18	\$ 1.69
19	\$ 1.44
20	\$ 1.16

Purchase Date Occurs on the 91st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date)	Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal)*
	--
	--
	--
	--
	--
5 th Anniversary	\$ 2.93
6 th Anniversary	\$ 2.86
7 th Anniversary	\$ 2.76
8 th Anniversary	\$ 2.66
9 th Anniversary	\$ 2.53
10 th Anniversary	\$ 2.41
11 th Anniversary	\$ 2.26
12 th Anniversary	\$ 2.11
13 th Anniversary	\$ 1.93
14 th Anniversary	\$ 1.83
15 th Anniversary	\$ 1.64
16 th Anniversary	\$ 1.42
17 th Anniversary	\$ 1.19
18 th Anniversary	\$ 0.94
19 th Anniversary	\$ 0.66

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).
 *Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under the Agreement shall be as follows:

Year of System Term	Estimated Production (kWh)	Year of System Term	Estimated Production (kWh)
1	219,703	11	208,962
2	218,605	12	207,917
3	217,512	13	206,877
4	216,424	14	205,843
5	215,342	15	204,814
6	214,265	16	203,790
7	213,194	17	202,771
8	212,128	18	201,757
9	211,067	19	200,748
10	210,012	20	199,744

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System.

V. Schedule 5 – Notice Information

Purchaser:

[The City of Paso Robles]
 []

With a copy to:

[]

Provider:

SunEdison Government Solutions, LLC
 c/o Sun Edison LLC
 12500 Baltimore Avenue
 Beltsville, MD 20705
 1-888-786-3347

With a copy to:

General Counsel
 12500 Baltimore Avenue
 Beltsville, MD 20705-6375
 Tel. (443) 909-7200
 Fax (443) 909-7121

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Time of Payment

Purchaser shall pay all undisputed amounts due hereunder thirty (30) days after the date of the applicable Invoice Date.

VII. Schedule 7 – Initial Term

The Initial Term of the Agreement shall commence on the Effective Date and shall continue for twenty (20) years from the Commercial Operations Date, unless and until terminated earlier pursuant to the provisions of the Agreement.

SOLAR POWER & SERVICES AGREEMENT

SPECIAL CONDITIONS

This Solar Power & Services Agreement is made and entered into as of this ____ day of ____, 2015 (the “Effective Date”), between SunEdison Government Solutions, LLC, a Delaware limited liability company (“Provider”), and The City of Paso Robles, a California municipality (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

WITNESSETH:

WHEREAS, Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises described on Schedule 1 for the purpose of providing Solar Services (as hereafter defined), and Provider is willing to do the same;

WHEREAS, Provider and Purchaser acknowledged those certain General Terms and Conditions of Solar Power & Services Agreement dated as of [], 20[] (“General Conditions”), which are incorporated by reference as set forth herein; and

WHEREAS, the terms and conditions of this Solar Power & Services Agreement, excluding the General Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Conditions.

NOW THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. INCORPORATION OF GENERAL CONDITIONS. The General Conditions are incorporated herein as if set forth in their entirety.
2. Schedules. The following Schedules hereto are the respective Schedules to the Special Conditions referenced in the General Conditions:

Schedule 1	Description of the Premises & System
Schedule 2	kWh Rate
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IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

SUNEDISON GOVERNMENT SOLUTIONS, LLC

CITY OF PASO ROBLES

By: _____

Name:

Title:

Date:

By: _____

Name:

Title:

Date:

SCHEDULES

I. Schedule 1 – Description of Premises and System

Solar System Premises: Sherwood Park – 1860 Creston Road, Paso Robles, CA

Anticipated Rebate or Subsidy: \$0

Solar System Size: 289.44 kW (DC) (representing an initial estimate, which may vary depending on the final design of the System)

Scope: Design and supply grid-interconnected, ground mounted or rooftop solar electric (PV) system.

Module: MEMC 335 or equivalent

Inverter: IEEE 1547 qualified

Performance Guarantee: Ninety percent (90%) of Estimated Annual Production
Annual Degradation: shall not exceed 0.5%

Construction Start Date: 180 days from Effective Date

Effective Date: []

Guaranteed Commercial Operation Date: 180 days from the Construction Start Date

II. Schedule 2 – kWh Rate

The kWh Rate with respect to the System under the Agreement is set forth in the table below.

Year of System Term	kWh Rate[*] (\$/kWh)	Year of System Term	\$/kWh Rate[*] (\$/kWh)
1	.135	11	.135
2	.135	12	.135
3	.135	13	.135
4	.135	14	.135
5	.135	15	.135
6	.135	16	.135
7	.135	17	.135
8	.135	18	.135
9	.135	19	.135
10	.135	20	.135

*Calculated based on the year 1 kWh Rate multiplied by 0% inflation factor each year.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under the Agreement shall be calculated in accordance with the following:

Early Termination Occurs in Year:	Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal)
1*	\$ 4.55
2	\$ 4.05
3	\$ 3.80
4	\$ 3.46
5	\$ 3.11
6	\$ 2.74
7	\$ 2.68
8	\$ 2.60
9	\$ 2.52
10	\$ 2.42
11	\$ 2.32
12	\$ 2.20
13	\$ 2.08
14	\$ 1.94
15	\$ 1.86
16	\$ 1.71
17	\$ 1.53
18	\$ 1.35
19	\$ 1.15
20	\$ 0.93

Purchase Date Occurs on the 91st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date)	Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal)*
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5 th Anniversary	\$ 2.24
6 th Anniversary	\$ 2.18
7 th Anniversary	\$ 2.10
8 th Anniversary	\$ 2.02
9 th Anniversary	\$ 1.92
10 th Anniversary	\$ 1.82
11 th Anniversary	\$ 1.70
12 th Anniversary	\$ 1.58
13 th Anniversary	\$ 1.44
14 th Anniversary	\$ 1.36
15 th Anniversary	\$ 1.21
16 th Anniversary	\$ 1.03
17 th Anniversary	\$ 0.85
18 th Anniversary	\$ 0.65
19 th Anniversary	\$ 0.43

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).
 *Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under the Agreement shall be as follows:

Year of System Term	Estimated Production (kWh)	Year of System Term	Estimated Production (kWh)
1	477,576	11	454,227
2	475,188	12	451,956
3	472,812	13	449,696
4	470,448	14	447,448
5	468,096	15	445,211
6	465,755	16	442,985
7	463,427	17	440,770
8	461,109	18	438,566
9	458,804	19	436,373
10	456,510	20	434,191

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System.

V. Schedule 5 – Notice Information

Purchaser:

[The City of Paso Robles]
 []

With a copy to:

[]

Provider:

SunEdison Government Solutions, LLC
 c/o Sun Edison LLC
 12500 Baltimore Avenue
 Beltsville, MD 20705
 1-888-786-3347

With a copy to:

General Counsel
 12500 Baltimore Avenue
 Beltsville, MD 20705-6375
 Tel. (443) 909-7200
 Fax (443) 909-7121

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Time of Payment

Purchaser shall pay all undisputed amounts due hereunder thirty (30) days after the date of the applicable Invoice Date.

VII. Schedule 7 – Initial Term

The Initial Term of the Agreement shall commence on the Effective Date and shall continue for twenty (20) years from the Commercial Operations Date, unless and until terminated earlier pursuant to the provisions of the Agreement.

SOLAR POWER & SERVICES AGREEMENT

SPECIAL CONDITIONS

This Solar Power & Services Agreement is made and entered into as of this ____ day of ____, 2015 (the "Effective Date"), between SunEdison Government Solutions, LLC, a Delaware limited liability company ("Provider"), and The City of Paso Robles, a California municipality ("Purchaser"; and, together with Provider, each, a "Party" and together, the "Parties").

WITNESSETH:

WHEREAS, Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises described on Schedule 1 for the purpose of providing Solar Services (as hereafter defined), and Provider is willing to do the same;

WHEREAS, Provider and Purchaser acknowledged those certain General Terms and Conditions of Solar Power & Services Agreement dated as of [], 20[] ("General Conditions"), which are incorporated by reference as set forth herein; and

WHEREAS, the terms and conditions of this Solar Power & Services Agreement, excluding the General Conditions incorporated herein, constitute the "Special Conditions" referred to in the General Conditions.

NOW THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. INCORPORATION OF GENERAL CONDITIONS. The General Conditions are incorporated herein as if set forth in their entirety.
2. Schedules. The following Schedules hereto are the respective Schedules to the Special Conditions referenced in the General Conditions:

Schedule 1	Description of the Premises & System
Schedule 2	kWh Rate
Schedule 3	Early Termination Fee
Schedule 4	Estimated Annual Production
Schedule 5	Notice Information
Schedule 6	Time of Payment
Schedule 7	Term

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

SUNEDISON GOVERNMENT SOLUTIONS, LLC CITY OF PASO ROBLES

By: _____ By: _____
Name: Name:
Title: Title:
Date: Date:

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SCHEDULES

I. Schedule 1 – Description of Premises and System

Solar System Premises: Airport – 3401 Taxi Way, Paso Robles, CA

Anticipated Rebate or Subsidy: \$0

Solar System Size: 3,926.16 kW (DC) (representing an initial estimate, which may vary depending on the final design of the System)

Scope: Design and supply grid-interconnected, ground mounted or rooftop solar electric (PV) system.

Module: MEMC 335 or equivalent

Inverter: IEEE 1547 qualified

Performance Guarantee: Ninety percent (90%) of Estimated Annual Production
Annual Degradation: shall not exceed 0.5%

Construction Start Date: 180 days from Effective Date

Effective Date: []

Guaranteed Commercial Operation Date: 180 days from the Construction Start Date

Provider understands and agrees that this System shall be subject to the terms and conditions of the Renewable Energy Self-Generation Bill Credit Transfer program adopted pursuant to Public Utilities Code section 2830 and other relevant provisions of the Net Metering Rules. Under the Net Metering Rules, Purchaser may allocate Net Metering Credit to real property owner or leased by Purchaser beyond the Premises. Provider shall execute any documentation or provide any information required by the Local Electric Utility to ensure that Purchaser may utilize any Net Metering Credits as it wishes in compliance with the Net Metering Rules. Provider shall further comply with all applicable requirements of the Net Metering Rules.

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II. Schedule 2 – kWh Rate

The kWh Rate with respect to the System under the Agreement is set forth in the table below.

Year of System Term	kWh Rate[*] (\$/kWh)	Year of System Term	\$/kWh Rate[*] (\$/kWh)
1	.078	11	.078
2	.078	12	.078
3	.078	13	.078
4	.078	14	.078
5	.078	15	.078
6	.078	16	.078
7	.078	17	.078
8	.078	18	.078
9	.078	19	.078
10	.078	20	.078

*Calculated based on the year 1 kWh Rate multiplied by 0% inflation factor each year.

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III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under the Agreement shall be calculated in accordance with the following:

Early Termination Occurs in Year:	Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal)
1*	\$ 3.26
2	\$ 2.90
3	\$ 2.72
4	\$ 2.48
5	\$ 2.23
6	\$ 1.97
7	\$ 1.92
8	\$ 1.87
9	\$ 1.81
10	\$ 1.74
11	\$ 1.67
12	\$ 1.58
13	\$ 1.49
14	\$ 1.39
15	\$ 1.33
16	\$ 1.23
17	\$ 1.10
18	\$ 0.97
19	\$ 0.82
20	\$ 0.67

Purchase Date Occurs on the 91 st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date)	Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal)*
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	--
	--
5 th Anniversary	\$ 1.47
6 th Anniversary	\$ 1.42
7 th Anniversary	\$ 1.37
8 th Anniversary	\$ 1.31
9 th Anniversary	\$ 1.24
10 th Anniversary	\$ 1.17
11 th Anniversary	\$ 1.08
12 th Anniversary	\$ 0.99
13 th Anniversary	\$ 0.89
14 th Anniversary	\$ 0.83
15 th Anniversary	\$ 0.73
16 th Anniversary	\$ 0.60
17 th Anniversary	\$ 0.47
18 th Anniversary	\$ 0.32
19 th Anniversary	\$ 0.17

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At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).
 *Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under the Agreement shall be as follows:

Year of System Term	Estimated Production (kWh)	Year of System Term	Estimated Production (kWh)
1	8,193,896	11	7,793,297
2	8,152,926	12	7,754,331
3	8,112,162	13	7,715,559
4	8,071,601	14	7,676,981
5	8,031,243	15	7,638,597
6	7,991,087	16	7,600,404
7	7,951,131	17	7,562,402
8	7,911,376	18	7,524,590
9	7,871,819	19	7,486,967
10	7,832,460	20	7,449,532

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System.

V. Schedule 5 – Notice Information

Purchaser:

[The City of Paso Robles]
 []

With a copy to:

[]

Provider:

SunEdison Government Solutions, LLC
 c/o Sun Edison LLC
 12500 Baltimore Avenue
 Beltsville, MD 20705
 1-888-786-3347

With a copy to:

General Counsel
 12500 Baltimore Avenue
 Beltsville, MD 20705-6375
 Tel. (443) 909-7200
 Fax (443) 909-7121

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Time of Payment

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Purchaser shall pay all undisputed amounts due hereunder thirty (30) days after the date of the applicable Invoice Date.

VII. Schedule 7 – Initial Term

The Initial Term of the Agreement shall commence on the Effective Date and shall continue for twenty (20) years from the Commercial Operations Date, unless and until terminated earlier pursuant to the provisions of the Agreement.

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PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that on December 15, 2015, or as soon thereafter as practicable, at a regularly scheduled public meeting of the City Council of the City of El Paso de Robles, which will be held at Paso Robles Library/City Hall Conference Center, the City Council will consider entering into an energy service contract with SunEdison Origination, LLC, for the installation of certain energy savings measures on the property of the City. At said meeting, the City Council will hold a public hearing on and consider a resolution to adopt findings required by Government Code section 4217.12 regarding anticipated energy cost savings and other benefits the City may receive if the City Council decides to enter into the energy service contract. The resolution, agreement and supporting documents will be included with the City Council's regular public agenda for the December 15, 2015 meeting.

James L. App
City Manager
City of El Paso de Robles