

**BRUNSWICK ELECTRIC MEMBERSHIP CORPORATION  
2016 VOLUNTARY COMMUNITY SOLAR AGREEMENT**

This Community Solar Agreement (this "Agreement") is made and entered into as of \_\_\_\_\_, 2016, by and between Brunswick Electric Membership Corporation ("BEMC"), whose mailing address is P.O. Box 826, Shallotte, NC 28459, and the Member identified as follows ("Member"):

Member Name: \_\_\_\_\_

Service Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip Code: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**1. Community Solar Participation.**

1.1. Amount Purchased. Member hereby agrees to purchase the future actual monthly metered production in accordance with the terms of this Agreement from the solar panels erected, installed, maintained and operated, the same being a portion of the capacity of the 230.49 kW (DC) Brunswick Electric Membership Corporation Community Solar Farms owned by Member EMC Solar Three, LLC ("Solar Farm Owner"), located in Brunswick Electric Membership Corporation territory.

1.2. Solar Panel Commitment.

Actual metered output capacity from \_\_\_ panel(s) x 312 watts\* (DC) = \_\_\_\_\_ watts.\*

1.3. Environmental Attributes. Member acknowledges and agrees that BEMC will acquire from Solar Farm Owner under a power purchase agreement all electric energy generated by the Solar Farms and all Environmental Attributes associated with the Solar Farms. Member acknowledges that all Environmental Attributes associated with the Solar Farms shall be retained by BEMC and Member agrees not to assert a position contrary to BEMC's ownership.

"Environmental Attributes" means any and all rights, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the environmental or renewable characteristics or attributes of the Solar Farms or the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water, which are deemed of value by BEMC, in each case now or hereafter created or recognized by any governmental authority or independent certification association or entity generally recognized in the electric power generation industry and generated by or associated with the Solar Farms, including without limitation any renewable energy

\*Rate capacity with actual capacity determined by BEMC in accordance with Section 4.

credits or similar rights arising under the North Carolina Renewable Energy Portfolio Standards, any federal or other state renewable portfolio standard, the Center for Resource Solutions' Green-e program and any credits, offsets or similar rights arising under any federal or state carbon legislation or regulation or any voluntary or government-mandated carbon trading program. Environmental Attributes also include but are not limited to: (a) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (b) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere.

2. **Consideration.** As consideration for Member's right to receive Production Credits pursuant to this Agreement, the Member has paid to BEMC the sum of \$855.00 per 312 watts of rated output capacity (DC) of Member's Allocated Capacity, upon execution of this Agreement (the "Allocated Capacity Fee").
3. **Term.** This Agreement shall be effective beginning on the date of this Agreement, and will continue until December 31, 2035 (the "Term"), subject to early termination as provided in this Agreement.
4. **Solar Energy Credit.** During the Term, Member will receive a Production Credit (calculated as provided below) for Member's actual metered output of Allocated Capacity as a credit on the monthly invoices for electric service provided by BEMC to the Service Address.

The Production Credit for Member's Allocated Capacity applied to each monthly invoice will be determined by multiplying (i) the Solar Facility Energy Rate for the prior calendar month by (ii) the product of the Member's Allocated Capacity Output Percentage multiplied by the total kWh of electric energy delivered by the Solar Farms in the prior calendar month. The Member's Allocated Capacity Output Percentage is determined by dividing the Member's Allocated Capacity by the total kW capacity of the Solar Farms. The Solar Farm Energy Rate is the energy charge specified in the rate schedule under which the Member purchases energy, in accordance with BEMC Rider RNM, Rate 30.

The maximum amount of Production Credits that will be applied to each monthly invoice is the amount of the invoice prior to application of the Production Credits. Any excess Production Credits will be rolled over and applied first to the next monthly invoice, provided that the maximum amount of Production Credits that will be applied to the last monthly invoice during the Term is the amount of the invoice prior to application of the Production Credits.

**5. Repurchase/Termination.** In BEMC's sole discretion, BEMC may, at any time and from time to time, elect to repurchase all or any portion of Member's Allocated Capacity and the associated rights to receive Production Credits, and Member is obligated to sell such Allocated Capacity and associated rights to BEMC pursuant to the terms of this Section 5. Such repurchase will occur as follows:

- (a) BEMC will notify Member of BEMC's election to exercise its repurchase right and the kW amount of Member's Allocated Capacity and associated rights to receive Production Credits being repurchased (the "Repurchase Notice").
- (b) The repurchase price for the Member's Allocated Capacity associated with each Production Unit will be equal to the amount set forth in Exhibit A hereto.
- (c) BEMC will repurchase the kW amount of Member's Allocated Capacity identified in the Repurchase Notice within 30 days after sending such Repurchase Notice by sending payment to Member in an amount equal to the sum of (a) the repurchase price as calculated in clause 5(b), plus (b) any earned Production Credits with respect to the amount of kW of Member's Allocated Capacity being repurchased not yet credited to the invoice for the Service Address. On receipt by Member of the payment provided in this Section 5(c), (i) Member's right to receive Production Credits with respect to the amount of kW of Member's Allocated Capacity so repurchased shall terminate, and (ii) BEMC will have no further obligation to Member with regard to such Production Credits.

This Agreement shall terminate effective upon repurchase by BEMC of all of Member's Allocated Capacity and associated rights to receive Production Credits.

**6. Resale/Termination.** At Member's sole discretion, Member may, at any time and from time to time, elect to re-sell all of Member's Allocated Capacity and the associated rights to receive Production Credits to BEMC, and BEMC is obligated to purchase such Allocated Capacity and associated rights from Member pursuant to the terms of this Section. Such resale will occur as follows:

- (a) Member will notify BEMC of Member's election to exercise its resale right and the kW amount of Member's Allocated Capacity and associated rights to receive Production Credits being re-sold (the "Resale Notice").
- (b) The resale price for the Member's Allocated Capacity associated with each Production Unit will be equal to the amount set forth on Exhibit A hereto.
- (c) BEMC will purchase the kW amount of Member's Allocated Capacity associated with the Production Units identified in the Resale Notice within 30 days after receiving such Resale Notice by sending payment to

Member in an amount equal to the sum of (a) the resale price as calculated in clause 6(b), plus (b) any earned Production Credits with respect to the amount of kW of Member's Allocated Capacity being purchased not yet credited to the invoice for the Service Address. On receipt by Member of the payment provided in this Section 6(c), (i) Member's right to receive Production Credits with respect to the Production Units so resold shall terminate, and (ii) BEMC will have no further obligation to Member with regard to such Production Credits.

This Agreement shall terminate effective upon resale to BEMC by Member of all of Member's Allocated Capacity and associated rights to receive Production Credits.

**7. Additional Agreements.** The parties further acknowledge and agree that:

- 7.1. Member will not have access to the Solar Farms for any purpose. Member will have no ownership, possession right or control of the Solar Farms, and will have no rights or obligations with respect to the maintenance or operation of the Solar Farms. This Agreement does not convey to Member any right, title or interest in or to any portion of any property (tangible or intangible, real or personal) underlying or comprising any portion of the Solar Farms.
- 7.2. Member is not relying on any representation, warranty or promise with respect to the Brunswick Electric Membership Corporation Community Solar Farms or the Solar Farms made by or on behalf of BEMC, except to the extent specifically stated in this Agreement. MEMBER ACKNOWLEDGES AND AGREES THAT THE SOLAR FARM IS BEING USED IN THE Brunswick Electric Membership Corporation Community Solar Farms AS IS, WHERE IS, AND WITHOUT WARRANTY. ANY WARRANTIES, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE ARE HEREBY DISCLAIMED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.
- 7.3. Nothing in this Agreement shall be deemed to alter or modify any rate, charge, term or condition of the electric service provided by BEMC to Member or to modify in any way Member's rights and obligations as a member of BEMC. All of BEMC's rates, charges, terms and conditions of electric service shall remain subject to change in accordance with applicable law at any time.

**8. Transfer/Assignment.** Member may request that BEMC: (a) permit Member to change the Service Address for which the Production Credits will apply to another Service Address within BEMC's service territory for which Member is obligated to pay BEMC for electric service, or (b) permit Member to assign this Agreement to another individual or entity provided such assignee's Service Address is located within BEMC's service territory. Member must notify BEMC of such proposed change or assignment in writing at least 30 days prior to the proposed effective date of such change or assignment, which notice must include:

1. Member's name and mailing address;
2. The current Service Address;
3. The new Service Address (if applicable);
4. The name of the individual or entity to whom Member is requesting to assign this Agreement (if applicable) and the consideration (if any) proposed to be provided to Member for such assignment; and
5. The proposed effective date of such proposed change or assignment.

BEMC may, in connection with its consideration of such a request, elect, in its sole discretion, to repurchase all or any portion of Member's Allocated Capacity and associated rights to receive Production Credits as provided in Section 5.

The value of any consideration to be provided to Member for assignment of this Agreement shall not exceed the purchase price that would apply if BEMC were repurchasing Member's Allocated Capacity and related rights to receive Production Credits as determined under Section 5(b).

BEMC's determination as to whether to repurchase all or any portion of Member's Allocated Capacity and associated rights to receive Solar Energy Production credits or consent to any proposed change of Service Address or assignment of this Agreement shall be made in accordance with the then current Brunswick Electric Membership Corporation Community Solar Farms policies as established by BEMC's Board of Directors from time to time.

Upon any assignment of this Agreement pursuant to this Section 8, the Member surrenders all right, title and interest in and to this Agreement. No assignment will extend the Term of this Agreement.

Except as provided above in this Section 8, Member shall not assign, gift, bequeath or otherwise transfer any of its rights or obligations under this Agreement to any other individual or entity for any purpose, including without limitation as security for any debt or obligation. Any attempted assignment in violation of this Section 8 shall be null and void.

**9. Notices.** All notices, requests, consents, and other communications to a party under this Agreement must be in writing, delivered to the mailing address for such party stated above, and will be deemed delivered upon the earlier of (a) three business days after being deposited in certified or registered mail, return receipt requested, postage prepaid, (b) the following business day after being delivered to a reputable overnight courier service, or (c) by electronic means upon being to Member's electronic address. Member shall provide BEMC his current address and shall notify BEMC of all changes of address. Notice to the last provided address shall be deemed sufficient legal notice with Member waiving lack of notice upon Member's failure to notify BEMC of change of address.

**10. Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, whether oral or written, negotiations, representations, commitments, writings and all other communications between the parties. This Agreement may not be released, discharged, or

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

**11. Disputes /Arbitration/Governing Law.** This Agreement shall be interpreted under the laws of the State of North Carolina and subject to the Arbitration clause contained below. Any claim must be asserted and/or filed in the court of proper jurisdiction in Brunswick or Columbus Counties and shall be decided by a judge. In all proceedings, each party waives the right of a jury trial. Prior to filing any lawsuit, any controversy or claim between the parties hereto arising or related to this Agreement or breach thereof, shall be submitted to Arbitration in accordance with the North Carolina Arbitration Rules. It is specifically agreed that a retired Superior Court or District Court Judge shall be appointed as the Arbitrator with the Arbitration being conducted in Brunswick County or Columbus County, North Carolina. Notice and Demand for Arbitration may be submitted by either party to the other side at the addresses indicated above. The award rendered by the Arbitrator shall be final and the judgment shall be entered in accordance with the applicable law.

**12. Miscellaneous.**

- (a) Failure of either party to insist on performance of any provision within this Agreement shall not be construed as a waiver of that provision.
- (b) Force Majeure. Neither BEMC nor its affiliates or subsidiaries, agents, principals, and/or assigns, shall not be liable in any way for delay, failure in performance, loss or damage to the extent such delay or failure is caused by any of the following Force Majeure conditions: fire, strike, embargo, power blackout, earthquake, volcanic action, flood, war, water, labor disputes, acts of God, or other causes beyond BEMC’s reasonable control, provided, however, each party shall notify the other of the occurrence of a Force Majeure.
- (c) This Agreement may be executed in separate counterparts, each of which being so executed shall be deemed an original. Such counterparts shall together constitute and shall be one and the same instrument. Delivery of executed signature pages by facsimile or other electronic transmission shall constitute an effective and binding execution and delivery.

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

**BRUNSWICK ELECTRIC  
MEMBERSHIP CORPORATION:**

**MEMBER:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**REPURCHASE OR RESALE PRICE**

**CONTRACT YEAR PRICE PER PANEL**

<b>During Calendar Year</b>	<b>Price</b>
2016	\$808
2017	\$762
2018	\$716
2019	\$669
2020	\$623
2021	\$577
2022	\$531
2023	\$486
2024	\$440
2025	\$395
2026	\$349
2027	\$306
2028	\$272
2029	\$237
2030	\$200
2031	\$163
2032	\$124
2033	\$84
2034	\$43
2035	\$0