

Summary of Key Terms

Contract Cross-References

<p>What are we buying?</p> <p>The RSU is agreeing to purchase from Camden Solar <u>33.95%</u> of the total amount of electricity generated by a Solar Farm, at a rate of <u>9.0 cents</u> per kilowatt-hour (kWh) in order to take advantage of the Net Energy Billing credits generated by this purchase that can be applied against the RSU’s CMP bill.</p> <ul style="list-style-type: none"> – 33.95% equals 2,272,350 kWh of electricity – roughly 75% of the RSU’s historical usage. <u>Exhibit 1</u> of the School Board Vote explains how we arrived at this percentage. – The \$0.090/kWh cost escalates by 1.5% starting in Year 3 (so, in year 25, the cost is \$0.1268/kWh). 	<ul style="list-style-type: none"> · Exhibit 2, Section 10 (page 4) – lists the Purchaser’s Percentage. · Exhibit 1 (page 2) – table shows how the \$/kWh price will increase each year.
<p>Where is the Solar Farm going to be located?</p> <p>The Solar Farm is to be located on the Souther Farm in Livermore Falls.</p>	<ul style="list-style-type: none"> · Exhibit 2, section 1 (page 4).
<p>For how long are we obligated to buy the solar electricity and Net Energy Billing credits?</p> <p>The initial term of the contract is 20 years. But the RSU must continue to purchase the electricity for another 5 years so long as Net Energy Billing remains in effect after the first 20 years, and if the Net Energy Billing credits retain at least 80% of their value. After 25 years, the RSU and Camden Solar may extend the contract by written agreement for up to another 10 years.</p>	<ul style="list-style-type: none"> · Exhibit 1, sections 1 and 2 (page 2) – set the Initial Term and Additional Terms. · Exhibit 4, Section 4.b (page 7-8) – commits the RSU to the additional 5-year term; explains how to extend the contract term.
<p>What are RECs and why would we want to buy them?</p> <p>RECs are renewable energy credits or certificates (also known as Green tags). These are tradable energy commodities that represent proof that electricity was generated from a renewable energy resource and fed into the grid. RECs can be sold and traded on the open market. Owners of RECs use them to (1) comply with regulatory requirements to buy “green” energy, (2) publicly claim that they’re “carbon-neutral,” or (3) resell the REC on the market.</p> <ul style="list-style-type: none"> – Under the contract, the RSU has the option to buy the RECs associated with its solar energy, at an additional cost of \$0.05/kWh (for a total cost of <u>9.5 cents</u> per kWh). – If the RSU buys and retires the RECs associated with its solar electricity purchase, it can claim that 80% of its electricity usage is now “green,” “renewable,” or “carbon-neutral.” If it does not buy the RECs, it cannot make these assertions. Note that any press releases related to the contract must be pre-approved by Camden Solar in order to comply with fair trade rules. 	<ul style="list-style-type: none"> · Exhibit 1, section 3 and 4 (page 2) – gives option to buy RECs, table lists the price. · Exhibit 4, section 3 (page 7) – commits RSU to pay the additional charge if it opts to buy the RECs. · Exhibit 4, section 6.b (page 8-9) requires the RSU to get press release approval from Camden Solar.

<p>When will we start seeing Net Energy Billing credits on our CMP bill?</p> <p>Around December 31, 2020 – this is the date that Camden Solar expects to notify the RSU that the Solar Farm is constructed and generating electricity. But it could be as late as December 31, 2021 – the “outside” commercial operation date, if construction delays occur beyond Camden Solar’s control.</p>	<ul style="list-style-type: none"> · Exhibit 1, sections 6 and 8 (page 2-3) and Exhibit 4, section 4.a (page 7) – set and define the commercial and outside commercial operation dates.
<p>Are there any educational benefits built into the contract?</p> <p>Yes. Camden Solar will provide the RSU with real time access to the Solar Farm’s remote meters and data logging for use in its curriculum. Camden Solar has also agreed to provide the RSU with opportunities for classroom instruction and field tours of the Solar Farm.</p>	<ul style="list-style-type: none"> · Exhibit 4, section 9.d (page 11) – discusses the educational opportunities.
<p>Under what circumstances could the contract be terminated?</p> <p>This is a firm contract, meaning the RSU must “stay the course” for 25 years, unless one of the following events occur:</p> <ul style="list-style-type: none"> – If the Solar Farm is not built by December 31, 2021. (Note that this “outside commercial operation date” is extended if construction delays occur that are beyond of Camden Solar’s control.) – If Camden Solar fails to get necessary permits from local zoning/planning boards and from CMP, then Camden Solar can terminate the contract. – If the Net Energy Billing credits purchased under the contract exceed 95% of the RSU’s CMP bill over a 12-month period, and if another credit-worthy entity can be recruited to buy a portion of the Solar Farm’s electricity that has been assigned to the RSU. – If there is a change to the Net Energy Billing law such that the RSU or the Solar Farm is not eligible to participate in net energy billing, then the parties can terminate the contract. Also, if any change in law has a material adverse effect on Camden Solar’s costs, and if the parties cannot renegotiate the contract, then Camden Solar may terminate the contract. – If there is a nonappropriation event. – After 20 years, if Net Energy Billing is no longer in effect, the RSU may terminate the contract. – After 20 years, if the value of the Net Energy Billing credits falls below 80% of the value in contract year 20, the RSU may terminate the contract. 	<ul style="list-style-type: none"> · Exhibit 4, section 4.a and 7.d (page 7, 10). · Exhibit 4, section 7.a (page 9-10). · Exhibit 4, section 2 (page 7). · Exhibit 4, section 10 (page 11-12). · Exhibit 4, section 22 (page 18-19). · Exhibit 4, section 9.c, sub-section i (page 11). · Exhibit 4, section 9.c., sub-section ii (page 11).