



Solar Farm Lease Agreement

A Touchstone Energy® Cooperative 

This agreement is made and entered into this _____ day of _____, 20____ by and between Grand Valley Rural Power Lines, Inc., with its principal place of business at 845 22 Road, Grand Junction, CO, and its mailing address at P. O. Box 190, Grand Junction, CO, 81502 (“Grand Valley Power”) and the “Customer” identified as follows:

Customer: _____

Service Address: _____

City: _____ State: _____ GVP Account #: _____

1. Lease:

1.1 Subject to the terms and conditions set forth in this Agreement, Grand Valley Power hereby grants to Customer a Lease equivalent to the Panel Production Credits (as defined below) allocated to each Solar Panel under this Agreement during the Term.

1.2 Each Solar Panel will be placed in service at Grand Valley Power’s Solar Farm facility located at 714 29 Road in Grand Junction, CO (the “Solar Farm”). Customer acknowledges and agrees that Grand Valley Power will retain sole ownership, possession and control of each Solar Panel, and will have the exclusive right to maintain and operate such Solar Panel.

1.3 During the Term, Customer will receive the Panel Production Credit for each Solar Panel leased on the monthly bill for electricity provided by Grand Valley Power at the above mentioned address (the “Billed Address”) which address must be located within Grand Valley Power’s service territory. Only metered residential and commercial accounts will be permitted to receive the Panel Production Credit. Non-metered and lighting accounts are not allowed to participate in the program. A Lease Agreement with a Customer will be required for each specific account.

2. Consideration: As consideration for each Lease granted to Customer pursuant to this Agreement, the Customer will check the payment option and identify the number of panels desired:

2.1 Pay Grand Valley Power the sum of \$ 850.00 per Solar Panel, due upon execution of this Agreement, (the “Lease Fee”). Such Lease Fee will be made payable to Grand Valley Power.

Check this box for this option. # _____ of Panels desired.

Consideration options continued on next page.

2.2 Pay Grand Valley Power the sum of \$15.00 per month per Solar Panel for a period of five years from the date of execution of this Agreement. The Customer agrees to a monthly charge added to his/her bill for this option. The Customer will also receive a monthly credit on his/her bill for the production from the Solar Panel(s) beginning with the bill following the date of execution of this Agreement. In the event that payment is not received for 60 days, the Customer will forfeit the right of the remaining credits and Grand Valley Power retains the right to re-lease the Panel(s).

Check this box for this option. # _____ of Panels desired.

3. **Term:** Each Lease production shall be effective beginning on the date of this Agreement, and will continue for a period of 23 years or, if earlier subject to early termination as provided in this Agreement.

4. **Grand Valley Power Obligations:** Grand Valley Power agrees to:

4.1 Provide maintenance for each Solar Panel and the Solar Farm. Grand Valley Power shall be responsible for ensuring that the Solar Farm and each of its components meet all applicable codes, standards, and regulatory requirements at the time of installation and throughout the Term of this Agreement. In the event of equipment failure, Grand Valley Power will bring the equipment back to working order as quickly as possible, unless Grand Valley Power elects to repurchase the applicable Lease pursuant to the terms of Section 6.

4.2 Acquire and maintain, at its sole cost, insurance for the Solar Farm and each Solar Panel. Grand Valley Power will be listed as the sole loss payee for such insurance. In the event a Solar Panel is damaged beyond repair, Grand Valley Power may elect, in its sole discretion, to (a) replace such Solar Panel with a solar panel with a similar rated power output, or (b) repurchase such Solar Panel pursuant to Section 6.

5. **Panel Production Credits:** The Panel Production Credit for each Solar Panel will be calculated as follows:

5.1 Unless the purchaser of the Lease Agreement agrees to transfer the Panel Production Credits to another approved address, this "Panel Production" will remain associated with the specific location as identified at the top of this Agreement regardless of occupancy or ownership changes at that location. Separate forms (as made available by Grand Valley Power) must be completed to transfer location or ownership of these Panel Production Credits by the Customer to this Agreement. Transfer of Panel Production Credits will only be allowed for panels that are paid in full.

5.2 The actual electric production for the entire Solar Farm will be recorded on a calendar month basis and applied to Customer's bill the following month after that

production. This electric production will be measured in kilowatt hours and will be considered as the "Farm Power Production". Grand Valley Power will then allocate the Farm Power Production to each Solar Panel by: dividing the Farm Power Production by the number of panels (the "Final Panel Production").

5.3 The Customer shall be billed all electric power and energy delivered by Grand Valley Power at the applicable rate. Grand Valley Power will credit kilowatt hours to the monthly bill at the Billed Address for the applicable calendar month in an amount equal to the Final Panel Production for each Solar Panel leased by Customer pursuant to this Agreement. In the event that Remote Net Metering (difference between kilowatt hours consumed on the account and kilowatt hours credited by the Lease) is negative in any month, the energy as credited will be carried forward, and in the event that a negative balance remains at year's end following the effective date of the Lease Agreement, Grand Valley Power will pay the Customer pursuant to tariff GEN-1 for such negative balance, which shall be from contract date to December 31 of same year, all succeeding periods shall be from January 1 to December 31. The Customer will be billed monthly under Grand Valley Power's applicable rate tariff for the customer access charge, demand charge, electric energy consumed, and any other charges and fees as may be applicable. The rates and tariffs are subject to change from time to time as approved by the Board of Directors.

5.4 In the event the applicable service location associated with this Agreement is removed and/or not in service, the Customer must contact Grand Valley Power to determine where these Panel Production Credits will be assigned. During this time, the electricity produced by these panels will be provided to the utility grid system and utilized by the entire membership of Grand Valley Power.

6. **Solar Panel Buyout:** Customer agrees that, at any time and in Grand Valley Power's sole discretion, Grand Valley Power may elect to repurchase the Lease for one or more of the Solar Panels, and Customer will sell such Lease to Grand Valley Power pursuant to the terms of this Section 6. Such repurchase will occur as follows:

6.1 Grand Valley Power will notify Customer of Grand Valley Power's election to exercise its repurchase right (the "Repurchase Notice").

6.2 The purchase price for each Lease will be calculated as follows: The original purchase price will be decreased at a level of 4% for every year the panel has been in service. At the end of the 23 year term this repurchase price will be \$0. In the event this Lease is transferred to another Customer, that subsequent Customer will be eligible for repurchase.

6.3 Grand Valley Power will repurchase the Lease for the applicable Solar Panels within 30 days after sending such Repurchase Notice by sending payment to Customer in the amount of (a) the Purchase Price for each Lease as calculated above, and (b) any

earned Panel Production Credits not yet credited to the bill for the Billed Address. On receipt by Customer of the payments provided in this Section 6.3, (i) such Lease will terminate, and (ii) Grand Valley Power will have no further obligations to Customer with regard to such Lease.

6.4 At such time as every Customer Lease for a Solar Panel has terminated, and Grand Valley Power has made all payments to Customer required by this Section 6, if applicable, this Agreement will terminate and Grand Valley Power will have no further obligations to Customer.

7. **Additional Acknowledgements:** The parties further acknowledge and agree that:
 - 7.1 Customer will not have access to the Solar Farm or any Solar Panel, for any purpose, unless otherwise agreed to in advance by Grand Valley Power in its sole discretion. Grand Valley Power will have sole ownership, possession and control of each Solar Panel, and will have the exclusive right to maintain and operate such Solar Panel.
 - 7.2 Customer may lease multiple Solar Panels, provided, however, that the Billed Address cannot receive more than: (a) if a residential account, 10 kilowatts of total Final Power Production, or (b) if a commercial account, 25 kilowatts of total Final Power Production.
 - 7.3 Customer may not require Grand Valley Power to repurchase the Lease for any Solar Panel. In the event Customer desires to assign the Lease for one or more Solar Panels (paid in full), Grand Valley Power may provide Customer with reasonable assistance in finding an assignee for such Lease, but Grand Valley Power is under no obligation to provide such assistance, to find an assignee, or to permit Customer to assign a Lease other than in compliance with this Agreement.
 - 7.4 Except as expressly provided in this Agreement, Customer may not assign, gift, bequeath or otherwise transfer any Lease for a Solar Panel to any other individual or entity.
 - 7.5 Grand Valley Power will retain, for Grand Valley Power's sole use, all Renewable Energy Credits associated with each Solar Panel leased pursuant to this Agreement.
8. **Notice:** All notices, requests, consents, and other communication under this Agreement will be in writing to the mailing address for each party stated above.
9. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the parties. This Agreement may not be released, discharged, or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.
10. **Governing Law/Jurisdiction/Venue:** This Agreement shall be deemed to have been made in, and shall be construed under, the internal laws of the State of Colorado, without regard to the principles of conflicts of laws thereof. The parties acknowledge

and agree that a court of competent jurisdiction located in Mesa County, Colorado shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement.

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

___ (# of panels) x \$850.00 (one-time lease fee) = \$_____ (total due today)

___ (# of panels) x \$15.00 (lease fee per month) = \$_____ (per month charge for 5 years)

Customer name (please print)

GRAND VALLEY RURAL POWER LINES, INC.

Customer Signature

Thomas M. Walch
General Manager and Executive Vice President