Memorandum of Understanding Between

Global Resource Options, Inc. and the Town of Ferrisburgh

This Memorandum of Understanding (the "MOU"), dated as of the 5th of September, 2017, sets forth the terms of an agreement between Global Resource Option, Inc. (dba "groSolar") and the Town of Ferrisburgh, Vermont ("the Town"), collectively the "Parties," in connection with groSolar's designing, permitting, and constructing an approximately 5 MW AC solar installation and battery storage project in the Town of Ferrisburgh at the corner of Greenbush Road and Route 7 (the "Project").

WHEREAS, groSolar intends to file with the Vermont Public Utility Commission ("PUC") a petition and associated prefiled testimony and exhibits (the "248 Petition") requesting a Certificate of Public Good ("CPG") pursuant to 30 V.S.A. § 248 for the construction, operation, and maintenance of the Project; and

WHEREAS, the Parties believe the proposed Project can provide benefits to the Town, while at the same time be constructed and operated in a manner that does not cause undue adverse impacts; and

WHEREAS, the Parties, having had an opportunity to review and assess the parameters of the proposed Project, have resolved all outstanding issues between them related to the Project.

THEREFORE, in consideration of the above premises and the agreements and covenants set forth below, the Parties hereby agree as follows:

- 1. groSolar will use its best efforts to design, permit, and construct the Project by December 31, 2019.
- 2. groSolar will submit this MOU to the PUC in conjunction with the 248 Petition as an exhibit to groSolar's direct prefiled testimony and will request that it be made part of the evidentiary record and that any CPG issued by the PUC shall be subject to its terms.
- 3. So long as the provisions of this MOU are implemented as conditions to the Project CPG, the Parties agree that the Project will not unduly interfere with the orderly development of the region or cause an undue adverse effect on the aesthetics or natural beauty of the area, and the Project is otherwise consistent with the Town Plan.
- 4. <u>Project Landscaping</u>: The Parties agree to work together in good faith to design a Landscaping Plan that provides visual mitigation of the Project from Route 7. The purpose of such mitigation is to soften the view of the Project from public vantage points by partially screening it. The Parties agree that complete screening is neither possible nor necessary. The landscaping mitigation areas are shown in the Project simulations attached hereto as Attachment A. The Landscaping Plan shall take account of existing vegetation in the area and the distance from Route 7 to the Project. The agreed-upon Landscaping Plan shall be included in the 248 Petition. The Parties acknowledge that any Landscaping Plan submitted

to the PUC with the Petition is subject to PUC approval and input from the Vermont Department of Public Service and other potential intervenors, but shall include, at a minimum, the obligation to maintain the health of any vegetative screening for the life of the Project.

- 5. <u>Underground Utility Line</u>: The proposed interconnection of the Project to the electric utility grid along Greenbush Road and/or Route 7 shall be installed underground up to the point where the Project parcel intersects with Greenbush Road and/or Route 7.
- 6. <u>Training for Emergency Services Providers</u>: groSolar shall provide the emergency service providers serving the Town with appropriate training on responding to potential emergencies that may rise during operation of the Project. Training shall be coordinated with the Town Clerk and the Chief of the Ferrisburgh Fire Department.
- 7. <u>Town Installation</u>: groSolar shall develop, permit, and construct, at its own expense, a net metering installation up to 15 kW to be owned by the Town (the "Town Installation"), so long as the total combined development, design, and construction costs collectively do not exceed \$40,000.
 - a. groSolar shall use its best efforts to file a net-metered application for the Town Installation under 30 V.S.A § 248 concurrently with its filing for the Project.
 - b. Prior to commencement of construction of the Project, the Parties will agree on a location for the Town Installation. Suggested locations for the Town Installation include land behind the Town Hall, the roof of the Ferrisburgh Fire Station, or surrounding lands. The Parties shall work together in good faith to finalize a location(s) for the Town Installation, taking into consideration environmental site conditions, structural condition of any roof, ease and feasibility of interconnection to the utility, and the overall cost cap referenced above, among others. In the event that siting the Town Installation on Town-owned land is impossible or impractical due to utility interconnection issues or otherwise, groSolar shall install the Town Installation on a different parcel of land in GMP's service territory that is owned or leased at groSolar's expense.
 - c. groSolar will use best efforts to begin construction of the Town Installation within four (4) months of the start of construction of the Project, subject to seasonal construction constraints and any required state and/or local approvals for the Town Installation. In the event that groSolar is unable to develop the Town Installation according to one of the arrangements set forth in the prior paragraph by December 31, 2019, groSolar shall make a one-time payment of \$40,000 to the Town of Ferrisburgh, and groSolar's obligations under this Paragraph 7 shall be deemed satisfied in full.

- d. The scope of work to be accomplished by groSolar to develop, permit, and construct the Town Installation shall be as set forth on Attachment B, which is incorporated herein by reference.
- e. All equipment warranties for equipment used in the Town Installation (Inverters 20 years), (photovoltaic modules 25 year warranty to 80% of original capacity), (Racking 20 years), to the extent transferrable, shall be transferred to the Town upon completion of Town Installation construction.
- f. groSolar may retain properly licensed subcontractors for the performance of portions of the Work. The Town shall not be responsible or liable for any work performed by, or any acts or omissions, of any subcontractor. groSolar shall fully and promptly pay, when due under the applicable subcontracts, all undisputed amounts payable to its subcontractors. groSolar shall cause its subcontractors not to create or place any liens, security interests, or other encumbrances on the Town Installation, other than mechanic's liens or similar liens or security interests arising by operation of law for the sole purpose of securing groSolar's obligation to pay a subcontractor for work performed hereunder. The Town shall not be deemed by virtue of this MOU to have any contractual obligation to, or relationship with, any subcontractor.
- g. groSolar understands that the Town will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers' compensation, or other benefits or services ordinarily available to Town employees.
- h. In all aspects of its obligations to construct the Town Installation under this MOU, groSolar shall function as an independent contractor and not an employee or agent of the Town and no employee-employer relationship between groSolar and the Town shall be deemed created as a result of this MOU.
- i. Prior to the filing of any permit application related to the Town Installation, groSolar shall submit to the Town for review a complete set of permit application materials for the Town's review and comment.
- j. Environmental attributes associated with the Town Installation shall be transferred to GMP in order to qualify for the highest possible net metering "solar adder," pursuant to PUC Rule 5.100.
- k. Decommissioning costs of the Town Installation, if any, shall be borne by the Town.
- 8. <u>Municipal Taxes</u>: groSolar shall pay all municipal taxes that are due under state law for the Project as an electric generation facility. For every tax year in which the Project's municipal

tax bill is less than \$40,000 per year, groSolar shall provide a supplemental non-tax payment to the Town so that the total annual amount paid by groSolar to the Town is equal to \$40,000; <u>provided</u>, <u>however</u>, that groSolar shall not be relieved of paying municipal taxes levied on the system in excess of \$40,000. This MOU sets neither the tax rate nor the Project value in a manner that affects the Town's grand list and thus shall not constitute, and shall not be interpreted by any person to constitute, a tax stabilization agreement as that term is defined in 24 V.S.A. § 2741, 32 V.S.A. § 5404a, or in any other provision of the Vermont Statutes Annotated.

- 9. <u>Pollinator Habitat</u>: groSolar shall design and plant a seed mix for use in the Project area that is suitable for and supports pollinator-friendly habitat.
- 10. <u>24-Hour Emergency Contact Number</u>: groSolar shall arrange for and make public a 24-hour emergency contact number for the facility so that any emergency issues at the facility may be promptly reported.
- 11. groSolar's obligations under this MOU shall be contingent upon the issuance of a Certificate of Public Good for the Project in such a timeframe and containing such conditions that the Project is commercially feasible, and, groSolar chooses in its sole discretion to go forward and construct the Project.
- 12. Assignment
 - a. groSolar shall have the right to freely assign this MOU to an entity that files the 248 Petition with the PUC, or to the holder of the CPG for the Project, so long as the assignee assumes all of groSolar's rights and obligations under this MOU as of the effective date of the assignment and the assignee has the demonstrated financial ability to honor the MOU's terms and conditions. groSolar shall notify the Town thirty days prior to the effective date of any such assignment, but otherwise consent of the Town shall not be required. Any assignment in violation of this provision shall be void *ab initio*.
 - b. Any assignment other than as provided in subsection a. above shall require the prior consent of the Town, which shall not be unreasonably withheld.
- 13. The MOU may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
- 14. The MOU shall be governed by Vermont law. Any disputes arising under this MOU shall be resolved by the PUC.
- 15. The MOU may be modified only upon mutual written agreement of the Parties.

- 16. Each party to the MOU has the legal authority to execute and deliver the MOU and to perform the undertakings entered into hereunder. Each signatory below is duly authorized by all necessary corporate or Town action, as the case may be, to enter into the MOU.
- 17. groSolar shall defend, indemnify, and hold harmless the Town from any and all claims, disputes, and legal or regulatory actions that may be brought against the Town by any contractor, subcontractor, or other firm or person alleging nonpayment for services rendered or materials furnished to groSolar or for any claims that may be brought against the Town based upon groSolar's negligent acts or omissions, or groSolar's willful misconduct. Notwithstanding the foregoing, groSolar will not indemnify the Town for any claim resulting from the Town's negligent acts or omissions or the Town's willful misconduct or for any actions by the Town that are in derogation of the Town's obligations under law or this MOU.
- 18. groSolar shall work with consulting engineers to ensure that the Project is built and operated in a safe and commercially sound manner. In addition, during project construction, groSolar shall carry liability insurance in an amount no less than \$5,000,000, shall name the Town as an additional insured, and will ensure that its general contractor carries sufficient liability insurance to cover property damage claims. Proof of such insurance shall be provided to the Town, prior to commencement of Project construction.
- 19. At the end of the Project's useful life, groSolar shall decommission the Project in accordance with the rules of the PUC and any orders of the PUC approving the Project. Prior to commencement of construction, groSolar shall post a decommissioning financial security in accordance with such PUC rules and orders.
- 20. This MOU pertains only to the Project as it is proposed at the effective date of this MOU. If Petitioner makes any changes to the Project prior to the Commission's issuance of a CPG, or if the Commission orders changes to the Project that could materially impact any of the Parties' rights, the Parties shall negotiate in good faith to amend this MOU as necessary. Should the Parties fail to reach an agreement to amend this MOU, this MOU shall, at the option of any party, be deemed null and void and without effect, shall not constitute any part of the record in this proceeding, and shall not be used for any other purpose. Should any party so elect to deem this MOU null and void and without effect, the Parties shall be placed in the position that they enjoyed in this proceeding before entering this MOU.
- 21. This MOU shall not be construed as a waiver as to jurisdiction or otherwise having precedential impact on any future proceeding involving either Party, except as necessary to implement this MOU or to enforce an order of the PUC resulting from this MOU.
- 22. The Parties have each made specific compromises to reach this MOU. This MOU is expressly conditioned upon the PUC's acceptance of all of its provisions, without material change or condition. If the PUC does not accept this MOU in its entirety, the MOU shall, at the option of any party, be deemed null and void and without effect, shall not constitute

any part of the record in this proceeding, and shall not be used for any other purpose. Should either Party so elect to deem this MOU null and void and without effect, the Parties shall be placed in the position that they enjoyed in this proceeding before entering this MOU.

23. <u>Further Assurances</u>: Each Party hereto agrees to promptly to execute, deliver, file, or record such agreements, instruments, testimony, certificates, or other documents and to do and perform such other and further acts and things as may be reasonably necessary or proper to consummate the transactions contemplated hereby and to carry out the provisions of this MOU.

[Signature page follows]

The Parties have caused this Memorandum of Understanding to be executed as of this 5th day of September, 2017.

Town of Ferrisburgh By: Loretta Lawrence Name: Loretta Lawrence Title: Chairperson

Global Resource Options, Inc. (dba "groSolar")

KID By: Name: Ras KENS Title: EUP



Prepared By:





VIEW LOOKING WEST FROM THE INTERSECTION OF ROUTE 7 AND GREENBUSH ROAD TOWARDS PROJECT SITE

Ferrisburgh, VT | Greenbush Solar VIEW 1_VISUAL SIMULATION | Figure 3

April 2017

groSolar - Town of Ferrisburgh MOU (DATE)

Attachment B - Scope of Work for Town Installation

The scope of work with respect to the Town Installation includes all permits, materials, equipment, labor and services necessary to permit and construct the Town Installation at a location to be agreed by the Parties in good faith. groSolar will provide all services hereunder in a first-class, workmanlike manner utilizing sound engineering and design principles, project management procedures, construction procedures and supervisory procedures, all in accordance with applicable laws, permits, and applicable industry standards.

The Town Installation will be a turn-key project contract. groSolar will provide the following permits, materials, equipment, labor, and services pursuant to the MOU.

The scope of groSolar's work related to the Town Installation covers all activities, including but not limited to all required studies, reports, drafting of testimony, and/or completion of an application for a Certificate of Public Good ("CPG") from the Vermont Public Utility Commission, engineering and expenses associated with securing the necessary permits for the project, specifically shall include:

1. Permitting

1.1. Fill out application and apply for CPG and any other required permits on the Town's behalf

1.2. Wetlands Delineation

1.3. Design package for permitting submittals

1.4. Participate in reasonable public outreach to promote the Town Installation as requested by the Town; such outreach may include meetings with Town Installation neighbors, town officials, the Vermont Public Service Department, the Vermont Agency of Natural Resources, or other Vermont agencies.

1.5. Utility interconnection application and interconnection fees, including the cost of any required Feasibility Study, or similar interconnection study, required by GMP.

- 2. System Design
 - 2.1. System one-line
 - 2.2. System Layout
 - 2.3. Bill of Materials

3. Equipment Procurement – The following equipment is included with groSolar's design and installation of the Town Installation

3.1. Photovoltaic modules/panels Qty. TBD. Photovoltaic modules/panels shall be Tier 1 equipment (REC Solar, Canadian Solar, Renesola, Hanwha, Trina, Yingli or similar. Panel warranties shall be at least 25 years.

3.2. Inverter(s) Qty. TBD. Inverters shall be Tier 1 equipment (Solectria, Solar Edge, Fronius, or similar). Inverter Extended Warranty – 20 Years

3.3. PV Racking and associated hardware (may include pile driven, roof mounting, or earth screw foundations)

3.4. Electrical AC distribution system up to the utility point of interconnection

3.5. Transformer and transformer pad

3.6. PV combiner boxes with integrated string level monitoring and all DC distribution and wiring

3.7. Utility meter

3.8. All necessary hardware for assembly of system

3.8.1. Inverter Manufacturers Data Acquisition System and Data connection for monitoring solar array remotely

3.8.1.1. Web-based, real-time solar power generation virtual kiosk for customer website and public viewing of system performance

4. groSolar shall be responsible for managing logistics and shipping related to the Town Installation

4.1. Delivery and offloading of all equipment to site

4.2. Receive materials and cross-reference to bill of materials

4.3. Onsite storage

5. Construction

5.1. groSolar shall carry Builder's Risk Insurance with respect to the Town Installation

5.2. groSolar shall perform all trenching, installation of conduit and AC electrical to utility point of interconnection and all necessary utility line extension from utility point of interconnection and all utility interconnection costs

5.3. Earthwork (if necessary) to provide a suitable array grade including any necessary tree removal for the array to receive full sunlight. Any trees cut from the site will be donated to the Town to provide heating assistance to the Ferrisburgh community.

5.4. Mounting PV panels and performing DC wiring

5.5. Installation and wiring of inverters / combiners / distribution

5.6. Layout and assembly of the racking, panels, and DC distribution system

5.7. Install grounding per grounding plan

5.8. Supply and Installation of Solar Scrim (black nylon mesh fabric) on the back of the solar modules, if panels are ground mounted.

5.9. Installation and setup of all data acquisition equipment.

5.10. Backfilling all trenches with the existing fill and grading back to the original grade including seed and mulch

5.11. All trash removal and leaving the site "broom clean"

6. QC and Commissioning the system and coordinating all final inspections

6.1. Includes delivery of a project closeout binder to the Town and electronic copy with all appropriate system documentation, warranties, necessary training for Town employees and "as built" drawings showing the location of all installed facilities including all underground conduits.

This Attachment B is an integral part of the MOU between the Town and groSolar and shall be read in conjunction therewith.