

*Nesiralla
88-6
69 Summit St*

AGREEMENT FOR PAYMENT IN LIEU OF TAXES
FOR REAL PROPERTY AND PERSONAL PROPERTY

between

SUNCONNECT MA12 LLC

and

THE TOWN OF HALIFAX

(For a Large Solar Array, Located at 69 Summit Street)

dated FEBRUARY ____, 2017

AGREEMENT FOR PAYMENT IN LIEU OF TAXES
FOR REAL PROPERTY AND PERSONAL PROPERTY

THIS TAX AGREEMENT FOR PAYMENT IN LIEU OF TAXES FOR REAL PROPERTY AND PERSONAL PROPERTY (the "Agreement" or "PILOT") is made and entered into as of June 30, 2016 by and between SunConnect MA12 LLC, having a mailing address of 3021 Airport Pulling Road North, Suite 201, Naples, FL 34105 (the "Developer"); and Kozhaya Nessleralla and Barbara M. Nessleralla, having a mailing address at 45 Summer Street, Halifax, MA 02769 (the "Property Owner") and the Town of Halifax, a municipal corporation duly established by law and located in Plymouth County, Commonwealth of Massachusetts, 499 Plymouth Street, Halifax, MA 02338 (the "Town"). Developer, Property Owner, and the Town are collectively referred to in this Agreement as the "Parties" and are individually referred to as a "Party".

WHEREAS, Developer is a "generation company" or "wholesale generation company" as such terms are defined in G.L. c. 164, § 1, and is otherwise an eligible counterparty to this Agreement under G.L. c. 59, § 38H(b);

WHEREAS, the Developer plans to build, own and operate a photovoltaic power plant (the "Project") with an expected direct current nameplate capacity of approximately 1.2663 megawatts on approximately a five (5) acre portion (said 5 acre portion upon which the Project will be built hereinafter being referred to as the "Property") of a an approximately ten (10) acre parcel of improved land (said remaining approximately 5 acre portion of land hereinafter being referred to as the "Residual Lot") owned by the Property Owner located at 69 Summit Street, Town of HALIFAX, Plymouth County, Massachusetts, as more particularly shown in Exhibit A;

WHEREAS, it is the intention of the Parties that Developer make annual payments to the Town for the PILOT Term (as defined below) in lieu of real and personal property taxes on the Property and Project, in accordance with G.L. c. 59, § 38H(b) and other applicable laws and regulations, including all regulations of the Massachusetts Department of Revenue adopted in connection therewith;

WHEREAS, because both Developer and the Town need an accurate projection of their respective expenses and revenues with respect to the real and personal property that is taxable under law with respect to the Property and Project, the Parties believe that it is in their mutual best interests to enter into this Agreement establishing and stabilizing the payments that will be made with respect to all taxable real and personal property incorporated within the Property and Project during the PILOT Term;

WHEREAS, the Parties intend that, during the PILOT Term, no statutory real or personal property taxes which might otherwise be imposed under G.L. c.59 shall be imposed with respect to the Property or Project, and this Agreement will provide for the exclusive payments in lieu of such real and personal property taxes, provided, however, that the Parties do not intend for this Agreement to affect any taxes and payments that may be owed to the Town other than real and personal property taxes attributable to the Property or the Project; nor do the Parties intend for this Agreement to affect any direct payments for services provided by the Town to the Property or Project ("Direct Service Fees"), including but not limited to, permits fees and consulting services fees associated with any permit applications, water and sewer services (if applicable), assessments for betterments provided to the Property, and similar payment obligations that are not substitutes for real or personal property taxes that Developer would otherwise be obligated to pay the Town;

WHEREAS, notwithstanding the foregoing, it is not the intention of the parties to remove (i) any real or

personal property tax obligations with respect to the Residual Lot or (ii) any obligation of the Property Owner to pay real property taxes on any improvements or personal property not specifically dedicated to the Project ("Residual Property Taxes");

WHEREAS, the Town is authorized to enter into this Agreement with Developer, provided the payments in lieu of real and personal property taxes over the life of the Agreement are expected at inception to approximate the property tax payments that would otherwise be determined under G.L. c.59 based upon the full and fair cash valuation of the Project; and

WHEREAS, the Parties have reached this Agreement after good faith negotiations.

NOW THEREFORE, in exchange for the mutual commitments and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Payment in Lieu of Real and Personal Property Taxes. Developer agrees to make payments to the Town in lieu of real and personal property taxes for a period of twenty (20) consecutive years, commencing with the fiscal tax year following the Completion Date (as defined below) and ending with the twentieth (20th) fiscal tax year following the Completion Date (the "PILOT Term"), in the annual amounts listed in Exhibit B (the "Payments"). The term "Completion Date" as used herein means the first day on which the Project is ready for regular, daily operation, has been interconnected to the system of the local electric distribution company ("LDC"), has been accepted by the LDC (to the extent required), and is capable of producing electricity. Each Payment will be paid by Developer to the Town in one (1) single annual installment. Such annual payment shall be tendered on or before the later of (i) November 1 of each fiscal tax year, or (ii) within thirty (30) days after mailing by the Town of the annual bill to Developer during the PILOT Term, and the annual payment amount and payment date will be noted on the annual bill issued by the Town to the Developer. Except to the extent that paragraphs 2, 3 and 4 of the Agreement provide otherwise, Developer agrees that the Payments in lieu of taxes under this Agreement will not be reduced on account of a depreciation factor or reduction in the Town's tax rate beyond that anticipated by the Parties and already reflected in Exhibit B, and the Town agrees that the Payments in lieu of taxes will not be increased on account of an inflation factor or increase in the Town's tax rate beyond that anticipated by the Parties and already reflected in Exhibit B.

2. Improvements or Additions, Retirements. To the extent that the actual capacity (the "Capacity") of the Project (a) exceeds 1.2663MW(AC) (the "Anticipated Capacity") as of the Completion Date or (b) is increased by Developer after the Completion Date beyond the Anticipated Capacity, the remaining Payments in lieu of taxes will be increased as described in paragraph 3. To the extent that Developer reduces the Capacity of the Project below the Anticipated Capacity on or after the Completion Date, the remaining Payments in lieu of taxes will be decreased to the extent and as described in paragraph 3. Developer shall not increase or decrease the Capacity of the Project without first providing the Town with thirty (30) days' advance written notice of such increase or decrease (or in the event of such a decrease caused by Force Majeure, such notice as may be reasonably practicable). The concept of a change in "Capacity" as used throughout this Agreement shall include both (i) a change in the nameplate capacity of the Project (a "Nameplate Capacity Change") as well as (ii) a change in the Capacity Factor of more than one percentage point resulting from a change in Project equipment if such change is realized without changing the nameplate capacity (a "Capacity Factor Change"). For purposes of this Agreement, "Capacity Factor" means the ratio of the electricity generated by the Project (measured in whole kilowatt-hours) and the nameplate capacity of the Project (Electricity/ Nameplate Capacity = "Capacity Factor"). The Parties acknowledge that the initial expected Capacity Factor is not more than ____% (or ____ million kWh) and therefore a positive Capacity

Factor Change would involve a minimum increase of _____ percentage point to _____%.

3. Calculation of Adjustment. The Developer may increase or decrease the Capacity of the Project at its sole option after the Completion Date. In accordance with paragraph 2, to the extent the Capacity of the Project is increased or decreased by the Developer, the remaining Payments under this Agreement will be increased or decreased, as applicable, such that each remaining Payment equals the greater of (i) an amount equal to \$19,505 for each installed MW (AC) (proportionally adjusted based on fractional increments of 1/10th), as further proportionally adjusted by any Capacity Factor Change and (ii) \$16,301.00.

4. Inventory and Inspection. Within six (6) months after the Completion Date, the Developer shall provide the Town with a comprehensive inventory of all personal property and real property incorporated into the Project and the Parties shall thereafter agree upon a mutually acceptable inventory of personal property and real property incorporated into the Project as of the Completion Date (the "Inventory"). The general categories for the inventory are listed in Exhibit C. The Parties agree that the categories include all costs for taxable and non-taxable items that will be incurred by the Developer in completing the Project. Notwithstanding any other term or provision set forth in this Agreement, Developer shall provide to the Town: (i) before execution of this Agreement a certified, complete and detailed projection of the cost of the Project in form and substance set forth in Exhibit D, and (ii) on an annual basis after the Completion Date, (A) if there has been no change in Capacity, Developer shall present to the Town a signed certificate of no change in the Project or (B) if there has been a change in Capacity (whether such change is due to replacement or addition of equipment), a signed certificate reporting, as applicable, the Nameplate Capacity Change and Capacity Factor Change, together with an inventory of all Project improvement(s), addition(s) and replacement(s) by use or incorporation of technologically advanced equipment which equipment may directly or indirectly result in an increase in Capacity. The Town, its officers, employees, consultants and attorneys shall have the right to inspect on a semi-annual basis, the Project and meters used to measure the energy generated by the Project on reasonable prior notice to Developer for the purpose of confirming and verifying the capacity and volumetric output of the Project and compliance with this Agreement. During any such inspection, the Town will comply with all reasonable Developer safety requirements.

5. Town Expenses. Developer shall contribute the sum of \$7,500.00 towards costs and fees for professional services incurred by the Town in connection with this Agreement, one-half of which the Town acknowledges it received previously and the other half of which shall be paid at the time of execution of this Agreement.

6. Payment Collection. All rights and remedies available to the Town for the collection of taxes shall apply to the Payments in lieu of taxes hereunder, including, but not limited to, the rights and remedies provided in G.L. c. 59 and G.L. c. 60, and all such rights and remedies are hereby reserved notwithstanding anything to the contrary herein. The provisions of the Massachusetts General Laws, including but not limited to G.L. c. 59 and G.L. c. 60, will govern the establishment of liens and the collection of any Payments in lieu of taxes provided for in this Agreement as though said Payments were real and personal property taxes due and payable to the Town.

7. Tax Status; Separate Tax Lot. The Town agrees that during the PILOT Term, the Town will not assess any real and personal property taxes with respect to the Property or the Project, and the Town agrees that this Agreement will exclusively govern the payments of all ad valorem or real and personal property taxes and payments in lieu of such taxes, provided, however, that this Agreement is not intended to affect any Residual Property Taxes, conveyance and rollback taxes assessed under the provisions of Chapters 60, 61A and 61B of the Massachusetts General Laws, Direct Service Fees or any other fees, payments or

obligations that may be owed to the Town during the PILOT Term.

8. Binding Effect. This Agreement will be binding upon and inure to the benefit of Developer and its successors and assigns that own the Project, and the rights and obligations created hereunder will run with the Property so as to burden and benefit the owner of the Project. Notwithstanding the limitation of Developer's assignment rights to assignment of this Agreement to a party that has acquired or is acquiring ownership of the Project, except to the extent prohibited by G.L. c. 59, § 38H(b) and/or regulation promulgated pursuant thereto, Developer may, without prior consent, collaterally assign its rights and obligations under this Agreement to any party who has provided or is providing financing to Developer for the construction, operation and/or maintenance of the Project; provided, however, that in connection with such assignment Developer shall provide to the Town (i) thirty (30) days' advance written notice of such assignment (including the name, address and contact information of the assignee), such notice to be accompanied by (ii) assignee's written commitment to the Town to be bound by all of the obligations of Developer as set forth in this Agreement in the event that assignee forecloses on its security interest in this Agreement and succeeds to Developer's interest in this Agreement. Within seven (7) days after final municipal approval and execution of this Agreement, a notice of this Agreement will be recorded by Developer in the Plymouth County Registry of Deeds and a registry certified copy of it shall be returned to the Town.

9. Termination; Notice of Commencement and Completion Date.

(a) Either Party may terminate this Agreement upon ten (10) days' written notice to the other Party in the event: (i) the Project Completion Date has not been met by December 31, 2017, or (ii) the Project ceases commercial operation and is decommissioned (the "Decommissioning Date"), or (iii) Developer fails to provide and maintain the Decommissioning Surety described in part 10, below.

(b) Developer shall exercise reasonable efforts to provide the Town with thirty (30) days' advance written notice of: (i) the Commencement Date and (ii) the Completion Date, and shall provide the Town with ninety (90) days' notice of the Decommissioning Date.

10. Surety Bond/Decommissioning/Building Permit Fees.

(a) Developer shall ensure that the Project is safely, properly and completely decommissioned ("Decommissioning") upon termination and/or winding down and completion of its Project operations on the Property. Decommissioning shall be completed within ninety (90) days after termination and/or winding completion of the Project. Prior to receipt of a building permit from the Town for the Project, Developer shall present to the Town building inspector financial assurance in the amount of \$70,000 ("Decommissioning Surety"), which may be in the form of a surety bond, letter of credit, deposit or other form, but in any case in form and substance reasonably satisfactory to such building inspector, in order to ensure Decommissioning of the Project upon termination of the Project. Developer shall neither commence nor continue operating the Project unless and until the Decommissioning Surety is presented and accepted by the Town.

(b) The Decommissioning Surety shall be adjusted annually on the Completion Date to equal the purchasing power of the previous year. The Decommissioning Surety shall be adjusted by any change in the Index now known as the "United States Bureau of Labor Statistics, Consumer Price Index, for All Urban Consumers, Boston Area" hereinafter referred to as the "Index". If the Index shall be discontinued with no successor Index, the Parties shall agree on a substitute formula. Such adjustment shall be accomplished by multiplying the Decommissioning Surety by a fraction, the numerator of which shall be the most recently

published annual Index preceding the anniversary of Project Completion.

(c) Developer acknowledges and agrees that any fees due to the Town in connection with construction of the Facility, including without limitation building permit fees, shall be promptly applied for and paid; provided, however, should Developer increase the capacity of the Project in excess of Anticipated Capacity, then Developer shall be obligated to pay to the Town an additional building permit fee of Fifteen Thousand Dollars (\$15,000.00) per installed megawatt (AC).

11. Statement of Good Faith. The Parties agree that the payment obligations established by this Agreement were negotiated in good faith in recognition of and with due consideration of the full and fair cash value of the Project and Property, to the extent that such value is determinable as of the date of this Agreement in accordance with G.L. c. 59, § 38H(b). Each Party was represented by counsel in the negotiation and preparation of this Agreement and has entered into this Agreement after full and due consideration and with the advice of its counsel and its independent consultants. The Parties further acknowledge that this Agreement is fair and mutually beneficial to them because it reduces the likelihood of future disputes over real and personal property taxes, establishes tax and economic stability at a time of continuing transition and economic uncertainty in the electric utility industry in Massachusetts and the region, and fixes and maintains mutually acceptable, reasonable and accurate payments in lieu of taxes for the Property and Project that are appropriate and serve their respective interests. The Town acknowledges that this Agreement is beneficial to it because it will result in mutually acceptable, steady, predictable, accurate and reasonable payments in lieu of taxes to the Town. Developer acknowledges that this Agreement is beneficial to it because it ensures that there will be mutually acceptable, steady, predictable, accurate and reasonable payments in lieu of taxes for the Property and Project.

12. Additional Documentation and Actions. Subject to applicable laws and regulations, each Party will, from time to time hereafter, execute and deliver or cause to be executed and delivered, such additional instruments and documents, and take all such actions, as the other Party reasonably requests for the purpose of implementing or effectuating the provisions of this Agreement and, upon the exercise by a Party of any power, right, privilege or remedy pursuant to this Agreement that requires any consent, approval, registration, qualification or authorization of any third party, each Party will execute and deliver all applications, certifications, instruments and other documents and papers that the exercising Party may be so reasonably required to obtain. The Developer and the Town shall timely comply with any recordkeeping, filing or other requirements mandated by the Massachusetts Department of Revenue in connection with the Department's implementation of G.L. c. 59, § 38H(b), as amended.

13. Notices. All notices, consents, requests, or other communications provided for or permitted to be given hereunder by a Party must be in writing and will be deemed to have been properly given or served upon the personal delivery thereof, via courier delivery service, certified mail, return receipt requested. Such notices shall be addressed or delivered to the Parties at their respective addresses shown below.

If to Developer:
SunConnect MA12, LLC
3021 Airport Pulling Road North, Suite 201
Naples, FL 34105
Attention: Nathan Krieger, Manager, Project Development & Financing

To: Town
Karen Trudeau
Principal Assessor / Appraiser

Town of Halifax
499 Plymouth Street
Halifax, MA 02338

With a copy to the Board of Assessors.

Any such addresses for the giving of notices may be changed by either Party by giving written notice as provided above to the other Party. Notice given by counsel to a Party shall be effective as notice from such Party.

14. Applicable Law. This Agreement will be made and interpreted in accordance with the laws of the Commonwealth of Massachusetts, which are incorporated herein by reference. Developer and the Town each consent to the jurisdiction of the Massachusetts courts or other applicable agencies of the Commonwealth of Massachusetts regarding any and all matters, including interpretation or enforcement of this Agreement or any of its provisions. Developer agrees that service of process may be effected by serving process in person or by certified mail at the addresses indicated in paragraph 13 for Notices, and that any service so effected shall not be challenged by Developer.

15. Good Faith. The Town and Developer shall act in good faith to carry out and implement this Agreement and to resolve any disputes between them.

16. Force Majeure. Each of Developer and the Town recognizes that there is the possibility during the term of this Agreement that all or a portion of the Property or Project may be damaged or destroyed or otherwise rendered unusable due to events beyond the control of such Party. These events are referred to as "Force Majeure." As used herein, Force Majeure includes, without limitation, the following events:

- a. Acts of God including floods, winds, storms, earthquake, fire or other natural calamity;
- b. Acts of War or other civil insurrection or terrorism; or
- c. Taking by eminent domain by any governmental entity of all or a portion of the Property or the Project.

In the event an event of Force Majeure occurs during the term of this Agreement with respect to all or any portion of the Property or Project that renders all or any portion of the Project inoperable or unusable for the customary purpose of the production of electricity for a consecutive period of more than one hundred twenty (120) days, then Developer may, at its election, notify the Town of the existence of this condition as well as of its decision whether or not to rebuild that portion of the Project that has been damaged or destroyed or taken.

If Developer elects not to rebuild, then it may notify the Town of its termination of this Agreement and the Property and Project will thereafter be assessed and taxed as though this Agreement does not exist.

17. Covenants/Warranties of Developer.

- (a) During the term of the Agreement, Developer will not voluntarily do any of the

following:

1. seek to invalidate this Agreement except as expressly provided herein;
2. convey by sale, lease or otherwise any interest in the Project to any entity or organization that qualifies as a charitable organization pursuant to G.L. c.59 Section 5 (Third), where such conveyance would result in both the annulment of this Agreement and the exemption of the Project from property tax, unless this Agreement or comparable substitute agreement is lawfully reaffirmed to ensure continuation of the Payments hereunder;
3. fail to pay to the Town all amounts due hereunder when due in accordance with the terms of this Agreement; or
4. seek, for any reason, an abatement or reduction of any of the amounts assessed in accordance with the terms of this Agreement, except as may be expressly provided herein.

(b) During the term of this Agreement, Developer shall comply with its reporting obligations under Sections 2, 4 and 8 of this Agreement.

18. Representations of Developer. Developer represents and warrants:

- a. It is a corporation or other business entity duly organized, validly existing and in good standing under the laws of the state in which it was formed, and if a foreign corporation or entity, is, to the full extent required by law or regulation, registered with the Massachusetts Secretary of State or other agency, and has full power and authority to carry on its business as it is now being conducted;
- b. This Agreement constitutes the legal, valid and binding obligation of Developer enforceable in accordance with its terms, except to the extent that the enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting other enforcement of creditors' rights generally or by general equitable principles;
- c. It has taken all necessary action to authorize and approve the execution and delivery of this Agreement;
- d. None of the documents or information furnished by or on behalf of Developer to the Town in connection with the negotiation and execution of this Agreement contains any untrue statement of a material fact or omits to state any material fact required to be stated therein, or necessary to ensure that the statements contained herein or therein, in the light of the circumstances in which they were made, are not misleading; and
- e. The person executing this Agreement on behalf of Developer has the full power and authority to bind it to each and every provision of this Agreement.
- f. Developer is a "generation company" or "wholesale generation company" as those terms are used and defined in G.L. c.59, §38H(b) and G.L. c. 164, §1, and is an

eligible and proper counterparty to this Agreement.

19. Covenants and Warranties of the Town. During the term of this Agreement, the Town will not do any of the following:

- a. seek to invalidate this Agreement except as may be required by law or regulation;
- b. except as stated in the Agreement, seek to collect from Developer any real or personal property tax upon the Project in addition to the amounts herein;
- c. impose any lien or other encumbrance upon the Land or the improvements thereon except as is expressly provided herein unless the payments required to be made in the Agreement have not been made by Developer; or
- d. take any affirmative action in support of the bifurcation of the taxation of real and personal property.

20. Invalidity; Change in Law. Developer and the Town understand and agree that this Agreement shall be void and that no portion of this Agreement shall be enforceable, if this Agreement, or any material portion of this Agreement, is determined or declared by the Massachusetts Appellate Tax Board or any court of competent jurisdiction to be illegal, void, or unenforceable, except as provided in paragraph 12. In addition, this Agreement may be terminated by Developer in the event that the Massachusetts General Court abolishes or materially limits the *ad valorem* tax on property used by Developer for the production of electricity and substitutes some other form of taxation in lieu thereof.

21. Required Approval and Termination. This Agreement shall not be effective unless and until it is approved by the Town Meeting of the Town of Halifax, the Halifax Board of Assessors and the Halifax Board of Selectmen. Notwithstanding anything to the contrary herein, this Agreement may be terminated by either Party upon notice to the other Party if this Agreement is not approved by the Town acting by affirmative votes of its Town Meeting, Board of Assessors and Board of Selectmen on or before the commencement of the 2017 Annual Town Meeting.

22. Certification of Tax Compliance. Pursuant to G.L. c. 62C, s49A the undersigned Developer by its duly authorized representative certifies that it is in tax compliance with the tax laws of the Commonwealth of Massachusetts.

23. Miscellaneous. If any section, sentence, clause, or other portion of this Agreement is for any reason held invalid or unconstitutional by any court, federal or state agency of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof. The paragraph headings contained herein are for convenience of reference only and shall not be used to interpret the substantive provisions of this Agreement. This Agreement shall be considered the joint work product of the parties hereto, and shall not be construed against either Party by reason thereof. This Agreement contains the entire agreement between the Parties concerning its subject matter and supersedes all prior agreements between the Parties concerning such subject matter, whether written or oral. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which, together, shall constitute one and the same instrument.

[Signature Page to Follow]

Executed under seal by the undersigned as of the day and year first written above, each of whom represents that it is fully and duly authorized to act on behalf of and bind its principals.

TOWN OF HALIFAX
BOARD OF SELECTMEN

By: _____

Date: _____

TOWN COUNSEL

By: _____

Date: _____

TOWN OF HALIFAX
ASSESSORS' OFFICE

By: Karen Trudeau
Karen Trudeau, Principal Assessor / Appraiser

Date: 3/8/17

PROPERTY OWNER
Kozhaya & Barbara Nessralla

By: [Signature]
Kozhaya Nessralla

Date: _____

By: _____
Barbara M. Nessralla

Date: _____

SUNCONNECT MA12, LLC

By: [Signature]
Gary Kassem, Manager

Date: 3/6/17

Exhibit A

A portion of the parcel of real property located in Halifax, Plymouth County, Massachusetts, identified by the Town as Assessor's Map #88-6-0, and more particularly shown on a set of plans entitled "Sunconnect Proposed Solar Array: Located at 69 Summit Street, Halifax, MA 02338", prepared by Bertin Engineering and Dated _____, a copy of which plans are attached hereto and incorporated herein.

Exhibit B

ANNUAL PAYMENTS

<u>Fiscal Tax Year</u>	<u>Annual Payment*</u>
1**	\$24,699
2	\$24,699
3	\$24,699
4	\$24,699
5	\$24,699
6	\$24,699
7	\$24,699
8	\$24,699
9	\$24,699
10	\$24,699
11	\$24,699
12	\$24,699
13	\$24,699
14	\$24,699
15	\$24,699
16	\$24,699
17	\$24,699
18	\$24,699
19	\$24,699
20	\$24,699

* based on the completion of 1.2663 MW (AC) of capacity at \$19,505 per installed megawatt.

** Fiscal Tax Year 1 is Fiscal Tax Year following Completion Date.

Exhibit C

CATEGORIES OF INVENTORY

A. Real and Personal Property Subject to Taxation

B. Real and Personal Property Exempted from Taxation Under this PILOT Agreement

Exhibit D

ANNUAL REPORT OF SOLAR PHOTOVOLTAIC PROJECT

The following information is being provided pursuant to Part 4 of the Agreement between the Town and Developer.

A. A brief narrative description of the Project that includes:

- 1) Name of Project owner(s) (individual, LLC, corporation, etc.)
- 2) Address
- 3) Map and lot number(s)
- 4) Total site acreage
- 5) Number of panels
- 6) Type of panel(s)
- 7) Type of inverter
- 8) Total AC and DC watts or kilowatts

B. The Original Cost (as defined below) of the following major components:

- 1) Panels
- 2) Inverter
- 3) Interconnections
- 4) Civil works
- 5) All other project Original Costs

Original Cost is defined as: *"The cost of the property at the time of installation as part of the system. This includes the amount of money paid for the property or the estimated monetary value of the property, if acquired by other consideration or by grant or gift, at the time of acquisition. Such cost shall also include all direct and indirect costs of construction to place said property in operation, including, but not limited to, labor, engineering, materials and supplies, transportation, contract work, protection, taxes, allowance for funds used during construction, insurance, construction services and any other indirect construction costs."*

C. The warranty terms in years for the following components:

- 1) Panels
- 2) Inverter
- 3) Any other component subject to warranty

D. Annual delivery of net AC kilowatt hours since the commercial operation date. (If any year is partial, indicate as such in the response.)

- E. The annual net forecast of kilowatt hours (AC) and Solar Renewable Energy Certificate (SREC) production for the life of the Project.
- F. The assumption of panel degradation for the life of the Project.
- G. All contracts for the sale of electric commodities or SRECs for the Project, including all schedules and attachments.
- H. The annual revenue and expenses for the Project since the commercial operation date for the following items. (If any year is partial, indicate as such in the response.)
- 1) Revenue from the sale of electricity
 - 2) Revenue from the sale of SRECs
 - 3) Any other miscellaneous revenue
 - 4) Land lease expenses
 - 5) Operating and maintenance expenses
 - 6) Insurance expenses
 - 7) Any other expenses
 - 8) Capital replacement costs capitalized on the accounting records of the Project's owner(s)
- I. A copy of all proformas used to obtain financing (either equity or debt) for the Project.
- J. The most recent pro forma or forecast for the Project.
- K. The year of any planned inverter replacement along with the planned cost of such replacement.
- L. Identify if the Project site is owned or leased.
- M. If the Project site is owned identify the date of purchase, book and page of deed, and all consideration paid.
- N. If the site is leased, provide a copy of the lease.

This Annual Report of the above-referenced Solar Photovoltaic Project is for the period ending December ____, 20___. Developer hereby certifies to the Town of Halifax that the information contained in this Annual Report is complete, accurate and true.

Developer

By: _____
Title
Date: