



414 Nicollet Mall  
Minneapolis, Minnesota 55401

**PUBLIC DOCUMENT – NOT PUBLIC DATA HAS BEEN EXCISED**

July 21, 2017

— VIA ELECTRONIC FILING —

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101-2147

RE: PETITION FOR APPROVAL OF POWER PURCHASE AGREEMENT WITH  
DRAGONFLY SOLAR, LLC  
DOCKET NO. E002/M-17-\_\_\_\_\_

Dear Mr. Wolf:

Northern States Power Company, doing business as Xcel Energy, encloses for filing a Petition for approval of a Power Purchase Agreement with Dragonfly Solar, LLC for 0.80 MW (AC) of solar generation project.

This Petition includes information the Company considers to be trade secret data as defined by Minn. Stat. § 13.37(1)(b). The information derives independent economic value from not being generally known or readily ascertainable by others who could obtain a financial advantage from their use. Thus, Xcel Energy maintains this information is considered Non-Public data.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please me at [bria.e.shea@xcelenergy.com](mailto:bria.e.shea@xcelenergy.com) or (612) 330-6064 if you have any questions regarding this filing.

Sincerely,

/s/

BRIA E. SHEA  
DIRECTOR, REGULATORY & STRATEGIC ANALYSIS

Enclosures  
c: Service List

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange	Chair
Dan Lipschultz	Commissioner
Matthew Schuerger	Commissioner
Katie Sieben	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF THE PETITION OF  
NORTHERN STATES POWER COMPANY  
FOR APPROVAL OF THE DRAGONFLY  
SOLAR POWER PURCHASE AGREEMENT  
WITH DRAGONFLY SOLAR, LLC

DOCKET NO. E002/M-17-\_\_\_\_\_

**PETITION**

**INTRODUCTION**

Northern States Power Company, doing business as Xcel Energy, submits this Petition to the Minnesota Public Utilities Commission seeking approval of a Power Purchase Agreement (PPA) with Dragonfly Solar, LLC for 0.8 MW of solar-photovoltaic (PV) generation. As a solar energy resource that can be used to meet the Solar Energy Standard (SES), the Company also requests approval to recover the PPA costs through the Company's Fuel Clause Adjustment (FCA) pursuant to Minn. Stat. § 216B.1645.

The Dragonfly PPA is the result of contract negotiations for the purchase of energy from a project selected to receive a grant award from Xcel Energy's Renewable Development Fund (RDF) program. This PPA will contribute to the Company meeting the Solar Energy Standard (SES) for a reasonable cost comparable to other solar purchase contracts, while allowing developers and the Company to learn more about new components of solar technology. Specifically, the Dragonfly PPA provides an opportunity to further evaluate the integration of wind and solar generation on our transmission system and will be able to use its existing substation and interconnection infrastructure, thereby reducing capital costs. For these reasons and others discussed below, the Dragonfly PPA is reasonable and in the public interest.

We respectfully request the Commission

- Approve the Dragonfly PPA;

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

- Find that the PPA is a resource that can be used by the Company to satisfy the SES set forth in Minn. Stat. § 216B.1691; and
- Authorize cost recovery for the PPA through the FCA.

**I. SUMMARY OF FILING**

A one-paragraph summary is attached to this filing pursuant to Minn. R. 7829.1300, subp. 1.

**II. SERVICE ON OTHER PARTIES**

Pursuant to Minn. R. 7829.1300, subp. 2, we have served a copy of the Petition Summary on all parties on Xcel Energy's miscellaneous electric service list.

**III. GENERAL FILING INFORMATION**

Pursuant to Minn. R. 7829.1300, subp. 3, the Company provides the following information.

**A. Name, Address, and Telephone Number of Utility**

Northern States Power Company  
414 Nicollet Mall  
Minneapolis, MN 55401  
(612) 330-5500

**B. Name, Address, and Telephone Number of Utility Attorney**

Ryan Long  
Principal Attorney  
Xcel Energy  
401 Nicollet Mall, 8<sup>th</sup> Floor  
Minneapolis, MN 55401  
(612) 215-4659

**C. Date of Filing**

Xcel Energy submits this Petition on July 21, 2017. No change in rates will occur until acceptable delivery of energy when the project begins, which will be no later than May 31, 2018.

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

**D. Statute Controlling Schedule for Processing the Filing**

This filing is made under Minn. Stat. §216B.1645 (Power Purchase Contract or Investment) and costs incurred in connection with this Agreement are recoverable consistent with Minn. Stat. §216B.1645. No specific statute imposes a schedule controlling the processing of the filing. However, the Commission has usually set a comment schedule by notice to interested parties for power purchase contracts, and we request the Commission do so in this proceeding. Approval of this PPA is one of the conditions that must be met before the Company can disburse RDF grant funds to Dragonfly for this project. If there are no objections to this PPA, the Company respectfully requests Commission action on this Petition at the earliest convenient opportunity.

**E. Utility Employee Responsible for Filing**

Bria Shea  
Director, Regulatory and Strategic Analysis  
Xcel Energy  
401 Nicollet Mall, 7<sup>th</sup> Floor  
Minneapolis, MN 55401  
(612) 330-6064

**IV. MISCELLANEOUS INFORMATION**

Pursuant to Minn. R. 7829.0700, the Company requests that the following persons be placed on the Commission's official service list for this proceeding:

Ryan Long	Jim Erickson
Principal Attorney	Regulatory Records
Xcel Energy	Xcel Energy
401 Nicollet Mall, 8 <sup>th</sup> Floor	401 Nicollet Mall, 7 <sup>th</sup> Floor
Minneapolis, MN 55401	Minneapolis, MN 55401
Ryan.J.Long@xcelenergy.com	regulatory.records@xcelenergy.com

Any information requests in this proceeding should be submitted to the Regulatory Records email address above.

**V. DESCRIPTION AND PURPOSE OF FILING**

Xcel Energy seeks approval of the Dragonfly PPA, provided as Attachment A. In support of this filing, we provide:

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

- Background information;
- Overview of the solar generation resource;
- Interconnection Agreement information;
- Summary of relevant terms of the power purchase agreement;
- Proposed use of fuel and resource recovery clauses related to the purchases;  
and
- Public interest analysis.

**A. Background**

*1. RDF Selection*

In 2014, the Commission approved a grant award in the amount of \$1,650,000 from Xcel Energy's RDF program<sup>1</sup> to Dragonfly for the construction of a 0.71MW PV name plate system. This grant award stemmed from the Request for Proposals (RFP) issued in 2012 by the RDF program to identify and support various renewable energy production projects as well as renewable energy research and development projects in its Cycle 4 grant round.

In response to the issued RFP, the RDF program received 46 energy production proposals (35 solar projects, five biomass projects, four wind projects, and two combination projects). The RDF advisory group recommended approval of grant awards for sixteen solar projects including the proposal by Dragonfly, and these proposed projects were submitted to the Commission for approval. The Commission concurred with the RDF advisory group's recommendations, including the approval of more solar production projects than other generation sources. The Commission approved all of the recommended and reserve projects, including Dragonfly, in its Order dated March 11, 2014.<sup>2</sup>

---

<sup>1</sup> The RDF program was established in 1994 by the Minnesota legislature. As a condition of storing spent nuclear fuel in dry casks at both the Prairie Island plant and the Monticello Nuclear Power Plant, Minn. Stat. §116C.779 currently requires the Company to transfer \$26.0 million annually to the RDF account. The purpose of RDF is to provide financial support for new and emerging renewable energy production projects as well as renewable energy research and development projects.

<sup>2</sup> Docket No. E002/M-12-1278

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

NSP and Dragonfly then entered into an RDF grant contract in order to proceed with the project. On September 8, 2016, the Company filed the grant contract to comply with Order Point No. 6 of the February 6, 2013 Commission Order.<sup>3</sup>

2. *Selection of Dragonfly*

The Dragonfly solar installation was to take advantage of interconnection and infrastructure systems already in place at the existing Garwin McNeilus wind farm near Dodge Center, Minnesota. The project proposed the use of next generation solar modules that at the time would be their first application in the U.S. While an upgrade to existing interconnection facilities was not anticipated, a Midcontinent Independent Transmission System Operator (MISO) study was required to verify there are no constraints with adding this resource to the system.

This project will install solar capacity via a ground-mounted PV array within the footprint of an existing wind farm with a goal of improving the infrastructure efficiencies and power production of the wind farm. The wind farm generates more production in the evening while a solar facility provides all of its production during daylight hours. By adding solar to the wind facility the net effect is an increase in production that is closer in the aggregate to firm capacity. The project was favored by the RDF advisory group due to its use of technology that, at the time of selection, would have been the first in the United States.

A Total Resource Cost (TRC) was calculated for all Cycle Four energy production proposals to determine the cost effectiveness of the proposed facility. The TRC is the net present value of the annual costs of the project, divided by the sum of the energy produced over a 15- year period. Total costs include the requested grant amount, Dragonfly's cost of developing the energy production portion of the project and the energy price proposed net of Xcel Energy's avoided energy costs. The TRC for the Dragonfly proposal was \$0.19/kWh. The Dragonfly TRC ranked 24 out of 46 energy production proposals and 19 out of the 35 solar proposals. After energy price negotiations, the TRC has decreased to \$0.17/kWh due to a reduction in total project construction costs and a lower energy price. The decrease in the project TRC calculation is an indication of greater economic value to the rate payers that provide the support of the RDF grant this project will receive.

---

<sup>3</sup> Docket No. E002/M-12-1278. Order Point No. 6 requires Xcel Energy to file all grant contracts with the Commission for compliance with the final selection.

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

The RDF advisory group took into account a heightened interest in solar PV technology and growing support for distributed generation (DG) projects in making its recommendations in the Cycle 4 grant round. The substantial interest in solar PV installations led to material discussions among the advisory group and the Company as to which installations were best selected for funding based on a holistic review. Furthermore, to meet the SES, Xcel Energy is committed to providing a range of solar energy choices to meet the varying needs and interests of customers at the best price and in a way that is fair to all customers. By using a range of solar energy choices, the Company can manage customer costs, while supporting the growth of Minnesota's solar industry. All of these factors made the Dragonfly project attractive for selection to receive RDF grant funds and to Xcel Energy to add the installation to its solar portfolio.

**B. Overview of the Generation Resources**

Dragonfly's solar installation with a nameplate capacity of 0.71MW will be a ground-mounted photovoltaic facility constructed at 660<sup>th</sup> Street S., two miles south of Dodge City, Minnesota. Dragonfly will lease approximately seven acres of land from McNeilus Trust and will own, operate, and maintain the system.

The array racking will be fixed, facing at an angle of 180 degrees from north to increase the amount of energy produced throughout the day. The site is very flat and the array has been installed to mitigate potential damage which would reduce functionality. The array has been placed within the project site to improve surface water drainage, reduce the potential for flooding events and prevent damage that could be caused by icing on wind turbine blades. The array design will have panels installed in a 4-high landscape racking system and use Jinko Mono crystalline PV modules.

The following factors contribute to the facility's lower cost:

- The project is being added to an existing interconnection with MISO as opposed to a new interconnection which would require infrastructure, permitting, and engineering.
- A wind farm averages more production in the evening while solar provides all of its production during daylight hours. By adding solar to the wind facility the net effect is an increase in both production and predictability.
- More than 2/3 of the production occurs during peak hours. This helps shave some of the highest demand spikes and helps keep rates low and mitigates the cost of purchasing on-peak energy.

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

The facility is expected to produce approximately **[PROTECTED DATA BEGINS:**

**PROTECTED DATA ENDS].**

This connection is at the 34.5kV collection line which has required MISO approval. The 34.5kV line that carries the power from the wind turbines to the the Dodge Center Substation is also owned and operated by GM Transmission. This substation connects to a 69kV transmission line. The point of interconnection for delivery of power is the 69kV side of the substation transformer. A MISO study was completed on March 16, 2017. The results of the study revealed no adverse effects on the transmission system.

Dragonfly will install and operate the facilities necessary to interconnect the project to Xcel Energy's system at the point of delivery, GM Transmission Dodge Center substation, at no cost to Xcel Energy. Project construction began on October 12, 2016 and Dragonfly has procured all required permits for construction. The project is required to achieve full operational status by May 31, 2018, but we anticipate an earlier commercial operation date since construction is currently underway.

**C. Interconnection Agreement**

The interconnection agreement between Xcel Energy and Dragonfly will be the standard form DG interconnection agreement as approved in Docket No. E002/GR-05-1428 and contained in our Electric Rate Book. Dragonfly shall be responsible for negotiating, entering into and performing the transmission agreement with GM Transmission for design, installation and operation of the system between the facility and the point of delivery to permit delivery of the energy. The Point of Interconnection will be at the Garwin McNeilus substation connected to a 69kV line between Xcel Energy's Dodge Center and Kasson substations. Dragonfly shall install equipment at the Point of Interconnection that is capable of providing real-time panel performance and meteorological data for all solar panels at the array for the term of the PPA.

**D. Relevant Terms of the Transaction**

Below we provide a brief description of the relevant terms of the PPA.

*1. Purchase Price and Term*

Xcel Energy will purchase the net output of the project over a 15-year term of the contract. The price in this PPA is a levelized amount for the first five years and an



**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

unlevelized amount for years six through fifteen. The Solar Energy Payment Rate is **[PROTECTED DATA BEGINS:**

**PROTECTED DATA ENDS]**. The overall price Xcel Energy will pay for energy through this PPA term is equivalent to the estimate provide in the project's original RDF grant proposal.

2. *Commercial Operation Date*

The Commercial Operation Date (COD) for the purposes of the PPA must not be earlier than June 30, 2017 or later than May 31, 2018. A COD later than May 31, 2018, for reasons other than Force Majeure, Event of Default by the Company or delay attributable to Company, is considered an Event of Default. We anticipate the COD will occur much sooner than May, 2018 since site preparation and permitting is currently underway.

3. *Security*

Most PPAs typically include a security provision in the event that the project does not achieve commercial operation by an agreed upon date or otherwise does not operate in accordance with the PPA. However, this PPA was entered into as a result of the RDF program, and therefore will not receive RDF grant funds until the project has achieved commercial operation. We believe that since the funding is contingent on commercial operation, an appropriate level of security has been ensured without inclusion of security clauses which are typical in this type of PPA for a non-RDF-funded project.

4. *Transmission and Curtailment*

The Company may curtail production for any reason at its sole discretion. Dragonfly shall not be entitled to any compensation for lost production if the curtailment is due to (i) an emergency, (ii) Force Majeure, (iii) failure of Dragonfly to maintain all permits or authorizations necessary to deliver net energy to the Point of Delivery, or (iv) the operation of Dragonfly's or Garwin McNeilus transmission's system protection equipment or any malfunction of Dragonfly's or Garwin McNeilus transmission's equipment that causes the array to be disconnected from the Garwin McNeilus substation.

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

5. *Other Terms and Conditions*

The Agreement contains terms and conditions typical in a power purchase agreement relating to the construction of new resources. These include representations of each party about their ability to enter the transaction, force majeure provisions, dispute resolution provisions, listing of responsibilities, and provisions relating to defaults and similar issues. This Agreement contains similar, although not identical, provisions to other PPAs previously reviewed and approved by the Commission. Consequently, we have not provided a term-by-term review. We are happy to provide any additional analysis that the Commission, the Department, or other interested parties believe would be helpful to facilitate review of the Agreement.

**E. Cost Recovery**

The Company intends to count this purchase toward the requirements of Minn. Stat. § 216B.1691 subd. 2, and similar renewable energy statutes in the other jurisdictions we serve. Upon PPA approval, costs incurred in connection with this Agreement are recoverable consistent with Minn. Stat. §216B.1645. Similar to all of Xcel Energy's power purchases, costs for this solar purchase are priced entirely on an energy basis. As with energy purchases from wind and other solar projects,<sup>4</sup> Xcel Energy is seeking approval to recover Minnesota's portion of these power purchase costs pursuant to Minn. Stat. § 216B.1645 through the fuel cost charge of the FCA. This recovery method is the same as that set forth for other generation projects to satisfy the legislative requirements of Minn. Stat. § 216B.1691 subd. 2.

**F. The PPA is Reasonable and in the Public Interest**

The Dragonfly PPA is reasonable and in the public interest. In addition to providing renewable energy production, it also provides significant additional benefits. We discuss each of these benefits below.

Dragonfly was awarded an RDF grant because the project is well-aligned with the RDF program mission. More specifically, the Dragonfly project and approval of the Solar PPA will (1) increase market penetration of solar energy in our service territory; (2) promote the expansion of renewable energy projects and companies; and (3) support emerging alternative solar energy technology that provides real-world results.

---

<sup>4</sup> Except for those proposed in the Windsorce program, Docket No. E002/M-01-1479.

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

The Company believes the Dragonfly PPA merits Commission approval for several additional reasons as well. First, the project will improve the efficiency of existing energy infrastructure by co-locating wind and solar facilities. Doing so eliminates the need for any upgrades to the existing transmission interconnection, resulting in significant cost savings for our customers. Second, more than two-thirds of the solar production from Dragonfly will occur during peak hours, which should help to mitigate the cost of purchasing on-peak energy. We further believe this strategy could be replicated at other sites once we gain experience with the technology.<sup>5</sup> Third, the proposed price of the PPA is substantially below the pricing proposed when the project was awarded a Cycle 4 RDF grant, resulting in still-greater economic value for customers.

Additionally, the PPA has been structured to protect the interests of customers through several safeguards in the agreement. These include specific milestone dates, default provisions, insurance requirements, and a pay-for-performance structure that is part of our Model RDF NSP Solar Energy PPA. And the \$1,650,000 RDF grant—which will not be disbursed until COD is achieved—serves the role of a security provision to further protect customers against nonperformance. The PPA also requires Dragonfly to provide its own auxiliary power to the substation—either from the gross output of the project or from retail service from another provider—at no additional expense to NSP customers.

Finally, as part of the RDF grant contract, Dragonfly will provide the Company and the public with annual reports for the next ten years that includes information on power generated, net sales, system operating performance, seasonality implications, and other metrics. This information will help build upon our knowledge base regarding commercial scale solar PV systems in our territory.

For these reasons, we believe the Dragonfly PPA is a reasonable and prudent means of increasing our Company's and state of Minnesota's production of solar energy. By doing so at a reasonable cost, we believe the PPA will serve the long-term, best interest of our customers, is consistent with the public interest, and merits Commission approval.

---

<sup>5</sup> We understand that MISO has reached out to Dragonfly to inquire regarding the project status and indicated interest in how the project works with the existing wind farm. MISO has other wind/solar proposals, but this one is unique in that Dragonfly did not increase the expected Interconnection Agreement capacity on the transmission system when adding the solar. Dragonfly expects to work within the existing capacity of the 34.5kV collection line and substation owned by GM Transmission making this a potentially low-cost improvement to generation and generation profiles using the two renewable sources.

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

**VI. EFFECT OF CHANGE ON XCEL ENERGY REVENUE**

No net increase in revenue to Xcel Energy will result from this transaction, as the Minnesota costs of the power purchase will equal the Minnesota revenue collected.

The PPA is expected to result in annual average energy expenditures of approximately **[PROTECTED DATA BEGINS: PROTECTED DATA ENDS]** over the 15-year term starting with the COD of the project. Minn. Stat. §216B.1645 allows the Company to automatically recover the costs of power purchase contracts that are entered into satisfy the renewable energy standards set forth in Minn. Stat. § 216B.1691. In particular, if the Commission approves the Dragonfly PPA then we propose to recover the Minnesota portion of these costs through the FCA.

**CONCLUSION**

The Dragonfly PPA is reasonable and in the public interest. For these reasons as well as the reasons discussed above, we respectfully request that the Commission take the following actions:

- Approve the Dragonfly PPA;
- Find that the PPA is a resource that is suitable to allow the Company to satisfy the SES set forth in Minn. Stat. § 216B.1691; and
- Authorize cost recovery for the PPA through the FCA.

Dated: July 21, 2017

Northern States Power Company

**PUBLIC DOCUMENT -  
NOT PUBLIC DATA HAS BEEN EXCISED**

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
John Tuma	Commissioner
Betsy Wergin	Commissioner

IN THE MATTER OF THE PETITION OF  
NORTHERN STATES POWER COMPANY  
FOR APPROVAL OF A POWER PURCHASE  
AGREEMENT WITH DRAGONFLY SOLAR,  
LLC

DOCKET NO. E002/M-17-\_\_\_\_\_

**PETITION**

**SUMMARY OF FILING**

Please take notice that on July 21, 2015, Northern States Power Company, doing business as Xcel Energy, filed with the Minnesota Public Utilities Commission a Petition for approval of a Power Purchase Agreement with Dragonfly, LLC to purchase 0.800MW of solar-photovoltaic energy for a term of 15 years from its installation to be constructed at the Garwin McNeilus substation owned and operated by Garwin McNeilus, south of Dodge City, MN.

**PUBLIC DOCUMENT**  
**TRADE SECRET INFORMATION EXCISED**

Docket No. EE002/M-17-\_\_\_\_\_

Attachment A

Page 1 of 109

Execution FINAL

**SOLAR ENERGY PURCHASE AGREEMENT**

This Solar Energy Purchase Agreement ("Agreement") is entered into this 6th day of June, 2017 (the "Effective Date") by and between Northern States Power Company, a Minnesota corporation ("NSP"), and Dragonfly Solar, LLC, a Minnesota limited liability company, ("Seller").

**RECITALS**

1. Seller has agreed to construct, own and operate a solar powered electric generating facility on a site located in Dodge County, Minnesota with a nameplate capacity of no greater than 800 kW (AC) (+/- 3.75%) to be interconnected to the GM Transmission System.
2. Seller has obtained a grant from the Renewable Development Fund ("RDF") to facilitate the construction of the Facility.
3. Seller has agreed to interconnect into the GM Transmission System and be responsible for all costs associated with delivering Net Energy from the Facility to the Point of Delivery including but not limited to any losses, ancillary service costs, wheeling, and any applicable tariff charges.
4. NSP desires to purchase and Seller desires to sell, all of the Net Energy of the Facility, subject to the terms and conditions and at the prices set forth in this Agreement.

**NOW THEREFORE**, in consideration of these premises and the mutual promises set forth below, Seller and NSP agree as follows:

**AGREEMENT**

**ARTICLE I - DEFINITIONS**

- 1.1 **AC.** Alternating electric current.
- 1.2 **Acceptance Criteria.** The criteria that will be used to determine whether and when the Facility is capable of producing Energy associated with the Committed Nameplate Capacity and delivering such Energy to the Point of Delivery, as set forth in Appendix A.
- 1.3 **Agreement.** This contract, including all appendices, for the purchase of Net Energy entered into between Seller and NSP, as amended by the Parties from time to time in accordance with this Agreement.
- 1.4 **Available Capacity:** This term is defined in Section 5.5(c).
- 1.5 **Capacity:** The output potential a machine or system can produce or carry under specified conditions. The Capacity of generating equipment is generally expressed in

MW. Capacity is also referred to as "capability" in the industry and for the purposes of this Agreement the terms are synonymous.

- 1.6 Change of Control.** This term is defined in Section 9.2(a).
- 1.7 Commercial Operation.** When (a) one hundred percent (100%) of the Committed Nameplate Capacity of the Facility is installed, (b) the Facility has operated at a generation level acceptable to the Interconnection Provider without experiencing any abnormal or unsafe operating conditions on any interconnected system, (c) Seller has obtained all Permits necessary to authorize that production and delivery, and (d) Seller or the Facility have completed all other Acceptance Criteria as set forth in Appendix C.
- 1.8 Commercial Operation Date.** The first Day following a successful demonstration that the Facility has reached Commercial Operation and Seller has met the other criteria of Appendix C; provided that such date must not be earlier than June 30, 2017 or later than May 31, 2018.
- 1.9 Committed Nameplate Capacity.** The total maximum designed power output, expressed in kW or MW (AC), of all installed solar panels at the Facility as specified by the equipment manufacturer in DC and adjusted for conversion to AC. Such capacity is capacity that Seller agrees to construct and maintain at the Facility in order to sell and deliver Net Energy to NSP pursuant to this Agreement.
- 1.10 Damages.** This term is defined in Section 7.5(a).
- 1.11 Day** means a calendar day.
- 1.12 DC.** Direct electric current.
- 1.13 Delay Damages.** This term is defined in Section 7.4(d).
- 1.14 Eligible Renewable Energy Resource.** Any resource that qualifies as a renewable Energy resource eligible to be certified to receive, claim, own or use Renewable Energy Credits pursuant to the protocols and procedures developed and approved by the MPUC in the M-RETS Program.
- 1.15 Electric Metering Devices.** Revenue quality meters capable of rendering metering data in accordance with NSP requirements, metering equipment and data processing equipment used to measure, record or transmit data relating to the Energy from the Facility, including the metering current transformers and the metering voltage transformers.
- 1.16 Emergency.** Any condition or situation that in the judgment of NSP, the Interconnection Provider, MISO or MRO (as communicated to NSP) (i) endangers or might endanger life or property or public safety (ii) affects or might affect NSP's ability, or the ability of any participant of MRO, or MISO, to maintain safe, adequate and continuous electric service to NSP's or the Interconnection Provider's customers or the customers of any participant of MRO, or MISO, and any emergency as defined in the Interconnection Agreement.

- 1.17 Energy.** The amount of electricity either used or generated over a period of time; expressed in terms of MWh.
- 1.18 Environmental Law.** Any federal, state and local laws, including statutes, regulations, rulings, orders, administrative interpretations and other governmental restrictions and requirements relating to the discharge of air pollutants, water pollutants, process waste water or otherwise relating to the environment or hazardous substances as amended from time to time.
- 1.19 Environmental Liability.** Any and all liability arising under, resulting from or imposed by any Environmental Law.
- 1.20 Facility.** The generation and transmission facilities owned by Seller and located on the Site and between the Site and the GM Transmission System for the generation of solar powered electricity and delivery of such electricity to NSP. A description of the Facility is set forth in Appendix C-1 and incorporated by reference.
- 1.21 FERC.** Federal Energy Regulatory Commission or its successor organization, if any.
- 1.22 Financier.** Any individual or entity providing money or extending credit (including any capital lease, sale, sale-leaseback or power purchase agreement) for (i) the construction, term, ownership or permanent financing of the Facility or (ii) working capital or other ordinary business requirements for the Facility. "Financier" shall not include common trade creditors of Seller.
- 1.23 Force Majeure.** This term is defined in Section 6.1.
- 1.24 GM Transmission:** GM, Transmission, LLC and its successors and permitted assignees.
- 1.25 GM Transmission System:** The electrical power transmission, substation and distribution facilities owned, operated and maintained by GM Transmission, which shall include, without limitation, the Substation and the circuit reinforcements, extensions and associated terminal facility reinforcements or additions required to complete the Interconnection between the GM Transmission System and the Interconnection Provider's System.
- 1.26 Governmental Authority.** Any nation, government, state or other political subdivision thereof, whether foreign or domestic, including, without limitation, any municipality, township and county, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including, without limitation, any corporation or other entity owned or controlled by any of the foregoing.
- 1.27 Guaranteed Price.** The prices expressed in dollars per MWh set forth in Section 2.3(a) and used as the basis for determining payments by NSP to Seller for the Net Energy of the Facility.
- 1.28 Interconnection Agreement.** The separate agreement between GM Transmission and Interconnection Provider for the interconnection of the Facility to the Interconnection



Provider's System, as such agreement may be amended from time to time, that is described in Section 4.5. For the avoidance of doubt, "Interconnection Agreement" excludes any temporary interconnection agreement or any agreement pursuant to which the transmission provider may limit or discontinue the operational output of the Facility.

- 1.29 Interconnection Facilities.** All the facilities installed for the purpose of interconnecting the Interconnection Provider's System and the GM Transmission System.
- 1.30 Interconnection Provider.** The Person that owns and operates the transmission lines, Interconnection Facilities and other equipment and facilities with which the GM Transmission System interconnects at the Point of Delivery, and its successors and assignees.
- 1.31 Interconnection Provider's System.** The facilities of the Interconnection Provider by which the Interconnection Provider provides interconnection service to the Facility.
- 1.32 Issuer.** This term is defined in Section 7.6.
- 1.33 kW.** Kilowatt.
- 1.34 kWh.** Kilowatt hour.
- 1.35 Material Adverse Effect.** Any effect (or effects taken together) that is materially adverse to the present or future business, operations, assets, liabilities, properties, results in operations or condition (financial or otherwise), prospects, or property of a Party, its business, or this Agreement.
- 1.36 MISO.** Midcontinent Independent System Operator, Inc., a non-profit, non-stock corporation organized and existing under the laws of the State of Delaware, or its successor organization, if any.
- 1.37 MPUC.** Minnesota Public Utilities Commission and any successor agency.
- 1.38 M-RETS Program.** The Midwest Renewable Energy Trading System program, as established or approved in MPUC Docket No. E-999/CI-04-1616, and subsequent related proceedings.
- 1.39 MRO.** The Midwest Reliability Organization, a NERC regional electric reliability council, or its successor organization, if any.
- 1.40 MW.** Megawatt.
- 1.41 MWh.** Megawatt hour.
- 1.42 NERC.** North American Electric Reliability Corporation or its successor agency, if any.
- 1.43 Net Energy.** The actual number of MWh generated by the Facility during the period being considered less any generating output in MWh used for the Facility's Station

Auxiliary as measured by the meter installed pursuant to Section 3.2. Net Energy includes any and all Capacity attributable to the Facility.

- 1.44 Network Upgrades.** All or a portion of the modifications or additions to transmission related facilities that are integrated with and support the Interconnection Provider's (or other applicable transmission owner's) overall transmission system for the general benefit of all users of the transmission system.
- 1.45 NSP.** This term is defined in the introductory paragraph and includes NSP's successors and assignees.
- 1.46 OATT.** Any Open Access Transmission Tariff on file with FERC, including MISO's Open Access Transmission, Energy and Operating Reserve Markets Tariff, as amended from time to time.
- 1.47 Outage.** A physical state in which all or a portion of the Facility is Unavailable to provide Energy.
- 1.48 Parties.** NSP, Seller and their respective permitted successors and assignees.
- 1.49 Party.** NSP or Seller and their respective permitted successors and assignees.
- 1.50 Pending Facility Transaction.** This term is defined in Section 9.2(b).
- 1.51 Permits.** All state, federal and local authorizations, certificates, permits, licenses and approvals required by any Governmental Authority for the construction, operation and maintenance of the Facility.
- 1.52 Person.** An individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trusts, unincorporated association, joint venture, Governmental Authority or other entity.
- 1.53 PFT Notice.** This term is defined in Section 9.2(b).
- 1.54 PI.** This term is defined in Section 9.17.
- 1.55 Point of Delivery.** The point at which NSP accepts title to and risk of loss for the Net Energy sold and delivered by Seller to NSP and the amount of Net Energy delivered and purchased is established for purposes of billing. The Point of Delivery is on the high side of the Substation and is shown in Appendix A.
- 1.56 Point of Interconnection.** The point on the electrical system where the GM Transmission System is physically interconnected with the Interconnection Provider's System. The Point of Interconnection is shown in Appendix A.
- 1.57 Proprietary Data.** This term is defined in Section 9.18(c).

- 1.58 Prudent Electric Industry Practice.** Those methods, practices and use of certain equipment, as changed from time to time, that are commonly used and accepted in electrical engineering and operations to operate electric equipment lawfully, safely, dependably and efficiently, including, but not limited to, the requirements of the National Electric Safety Code, the National Electrical Code, NERC, MRO procedures, NERC standards and procedures and any governmental code or regulations.
- 1.59 Qualifying Production Loss Event.** This term is defined in Section 5.5(b).
- 1.60 RDF Contract.** The contract between Seller and the board of the Renewable Development Fund awarding Seller a grant for the purposes of developing the Facility, a copy of which is attached as Appendix E. The RDF Contract contains the "Working Statement" referred to in Section 4.1(b).
- 1.61 Renewable Energy Credits.** Any contractual right to the full set of non-Energy attributes, including any and all credits, benefits, emissions reductions, offsets and allowances, howsoever entitled, directly attributable to a specific amount of Energy generated from an Eligible Renewable Energy Resource, including any and all environmental air quality credits, benefits, emissions reductions, off-sets, allowances or other benefits as may be created or under any existing or future statutory or regulatory scheme (federal, state or local) by virtue of or due to the Facility's actual Energy production or the Facility's Energy production capability because of the Facility's environmental or renewable characteristics or attributes, including any Renewable Energy Credits or similar rights arising out of or eligible for consideration in the M-RETS Program. For the avoidance of doubt, "Renewable Energy Credits" excludes (i) any local, state or federal tax credits, depreciation deductions or other tax credits, deductions or exclusions, guarantees, or preferred or special financing rates or terms, in each case providing a benefit to Seller (or any Financier) (or any benefit or payment in lieu of any of the foregoing) based on ownership of, or Energy production from, or operation of, any portion of the Facility, (ii) investment tax credits, depreciation and other tax benefits arising from ownership or operation of the Facility unrelated to its status as a generator of renewable or environmentally clean Energy and (iii) any federal, state, local or other grants related to the Facility.
- 1.62 Replacement Energy Costs.** If Seller commits an Event of Default pursuant to Section 7.2(a), the costs actually and reasonably incurred by NSP to purchase renewable Energy or non-renewable Energy from a third Person, in each case including any actual transmission costs for delivery of such replacement Energy to NSP, and any associated transaction costs, less the amount that NSP would have paid Seller for an equivalent amount of Energy pursuant to this Agreement during the applicable period of time given the available solar resource, plus all incremental costs suffered by NSP to replace the Renewable Energy Credits that Seller fails to deliver to NSP under this Agreement with alternative solar or other renewable Energy that meets the requirements of the MPUC, if applicable; provided that if solar Renewable Energy Credits are not reasonably available, Seller may provide an alternative type of Renewable Energy Credits, the market price of the aggregate of which is equal to the then-current market price of the number of solar Renewable Energy Credits that Seller failed to deliver. For example if the market price

for solar Renewable Energy Credits is \$10.00/MWh, the market price for wind Renewable Energy Credits is \$1.00/MWh, and Replacement Energy Costs are being calculated for 150 MWh of Net Energy, Seller could provide either 150 MWh of solar Renewable Energy Credits or 1500 MWh of wind Renewable Energy Credits as part of replacement Energy. The market prices of such alternative type of Renewable Energy Credits and solar Renewable Energy Credits shall be determined based on indexes agreed on by NSP and Seller. If NSP and Seller cannot agree on which indexes to use, each party shall select one index for the alternative type of Renewable Energy Credits and one index for the solar Renewable Energy Credits. The market price for the alternative type of Renewable Energy Credits shall be deemed to be the average of the two indexes the parties selected for such alternative type of Renewable Energy Credits, and the market price for the solar Renewable Energy Credits shall be deemed to be the average of the two indexes the parties selected for the solar Renewable Energy Credits. In the event that Replacement Energy Costs for any hour are less than the Guaranteed Price for such hour, Replacement Energy Costs shall be deemed to be equal to the Guaranteed Price for such hour for purposes of this Agreement.

- 1.63 Requirements of Law.** Collectively, the certificate of incorporation and bylaws or other organizational or governing documents of Seller or NSP and any United States or Canadian federal, state or provincial law, treaty, franchise, rule, regulation, order, writ, judgment, injunction, decree, award or determination of any arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon Seller or any of its property or to which Seller or any of its respective properties are subject.
- 1.64 Seller.** This term is defined in the introductory paragraph and includes any of Seller's permitted successors or assignees.
- 1.65 Seller's Contractual Obligations.** As to Seller, any provision of any security issued by it or any material agreement, instrument or undertaking to which Seller is a party or by which it or any of its property is bound.
- 1.66 Site.** The real property on which the Facility will be constructed and located, including all related solar easements. The legal description of the Site is set forth in Appendix C-1 and incorporated by reference.
- 1.67 Station Auxiliary.** Energy used by Seller to operate the Facility.
- 1.68 Substation.** The existing 34.5/69 kV electrical substation owned and operated by GM Transmission in Dodge Center, Minnesota which interconnects with the Interconnection Provider's System.
- 1.69 Term.** The period of time during which this Agreement is in effect.
- 1.70 Test Energy.** Any Net Energy generated by the Facility and delivered to the Point of Delivery prior to the Commercial Operation Date for the Facility.

- 1.71 **Unavailable.** A physical state in which the Facility is not capable of providing Net Energy to the Point of Delivery, or in which any other equipment or facility is not capable of performing its intended purpose.

## ARTICLE II - PURCHASE AND SALE

### 2.1 **Term.**

This Agreement shall be effective upon execution by authorized representatives of both Parties, and shall continue until the end of the 15th year after the Commercial Operation Date unless otherwise terminated in accordance with its terms. Except as set forth in Section 2.3(b) with respect to Test Energy, NSP's obligation to purchase the Net Energy of the Facility, as set forth herein, shall be effective on the Commercial Operation Date.

- 2.2 **Sale and Purchase.** NSP agrees to purchase the entire Net Energy of the Facility during the Term and to accept delivery of the Net Energy at the Point of Delivery during the Term, subject to the terms of this Agreement (including, without limitation, the contingencies and termination rights set forth in Section 5.3). Seller agrees to deliver and sell the entire Net Energy from the Facility to NSP at the Point of Delivery for the Term. Seller shall not contract to sell any Energy or Capacity from the Facility to any Person other than NSP for the Term and Seller acknowledges that NSP is entitled to receive all Energy from the Facility during the Term.

### 2.3 **Energy Rate.**

- (a) **Guaranteed Price.** From and after the Commercial Operation Date, NSP shall pay Seller the Guaranteed Price per MWh of Net Energy as shown in Appendix B delivered for the Net Energy that Seller delivers to NSP at the Point of Delivery. NSP and Seller agree that the applicable Guaranteed Price is intended to compensate Seller for both the Net Energy delivered to NSP, and that Seller is not entitled to a separate price or payment for the Capacity of the Facility to which NSP is entitled.
- (b) **Test Energy.** NSP shall purchase all Test Energy produced by the Facility during startup and testing and delivered to NSP at the Point of Delivery at the seventy-percent (70%) of the first year price shown in Appendix B.
- (c) **Qualified Production Loss Event.** If delivery of Net Energy is curtailed by NSP pursuant to a Qualifying Production Loss Event (as defined in Section 5.5), NSP shall make payments to the extent provided in, and in accordance with, Section 5.5.

- 2.4 **Tax Credits.** Seller is responsible to apply and qualify for the federal investment tax credit pursuant to 26 U.S.C. Section 48 and any other tax credits or payments or other assistance, grants or credits that might be available to Seller or the Facility from any Governmental Authority or other source, and NSP agrees that Seller is entitled to receive any such credits, assistance or grants. Seller and NSP agree that the Guaranteed Price and other pricing set forth in this Agreement are not subject to adjustment or amendment

due to Seller's receipt, or failure to receive, any such credits, assistance or grants, in whole or in part, after the date of this Agreement, including without limitation failure of the Facility to qualify to receive any tax credit for any reason.

- 2.5 Committed Nameplate Capacity.** Seller agrees that the Committed Nameplate Capacity shall be no greater than 800 kW (AC) (+/- 3.75%), and that the Committed Nameplate Capacity shall include only Capacity from the Facility.
- 2.6 Capacity Accreditation.** Seller shall collect data and perform annual tests and calculations in compliance with MISO Capacity Resource adequacy requirements and any applicable MRO generator testing requirements for accreditation of the Facility and Committed Nameplate Capacity as communicated to Seller by NSP. All such required testing shall be conducted at Seller's expense in accordance with MISO or MRO guidelines, as applicable, as they may change from time to time.
- 2.7 Renewable Energy Credits.** The Parties agree that the Guaranteed Price includes compensation for the Renewable Energy Credits associated with the Net Energy purchased by NSP pursuant to this Agreement and that NSP is entitled to utilize any and all such Renewable Energy Credits for purposes determined by NSP, including without limitation to (i) meet any voluntary, statutory or regulatory mandate to own, construct or contract for the purchase of solar Energy, including but not limited to the terms of any MPUC order and any other similar existing or future requirement; (ii) meet the requirements of any green pricing program by which NSP resells the Net Energy to retail customers as solar or renewable Energy; and (iii) offset, avoid, reduce or obtain credit for reduction of pollutants or air emissions created by NSP's electric generating facilities. To the full extent allowed by such Applicable Law, NSP shall own or be entitled to claim all Renewable Energy Credits to the extent such credits may exist during the Term and, to the extent necessary, Seller shall assign to NSP all rights, title and authority for NSP to register, own, hold and manage such credits in NSP's own name and to NSP's account, including any rights associated with any renewable Energy information or tracking system that may be established with regard to monitoring, tracking, certifying or trading such credits.

### **ARTICLE III - DELIVERY, METERING AND BILLING**

#### **3.1 Delivery Arrangements.**

- (a) Seller shall be solely responsible to deliver the Net Energy from the Facility to the Point of Delivery.
- (b) Seller shall be responsible for all interconnection, electric losses, distribution, transmission, and ancillary service arrangements and costs required to deliver the Net Energy from the Facility to NSP at the Point of Delivery.
- (c) NSP shall be responsible for all electric losses, transmission and ancillary service arrangements and costs from the Point of Delivery to points beyond the Point of Delivery. NSP may elect at NSP's sole option whether to obtain and utilize firm

transmission service, non-firm transmission service, or any combination of transmission service, for the delivery of Net Energy from the Point of Delivery.

### 3.2 **Metering Requirements.**

- (a) The transfer of electric Net Energy between Seller and NSP shall be separately metered so that the Electric Metering Devices only measure the Net Energy from the Facility and do not measure energy from any other electric generating facility located on or near the Site. At no cost to NSP under this Agreement, the Net Energy shall be measured by Electric Metering Devices located as set forth in Appendix A. The Net Energy shall be adjusted for losses in accordance with Section 3.2(b). Seller shall provide NSP with information sufficient to audit all relevant metered data and billing data. Seller shall provide NSP access to all metering equipment for all purposes necessary to perform under this Agreement and shall provide NSP the reasonable opportunity to be present at any time the metering equipment is to be inspected and tested or adjusted in accordance with the Interconnection Agreement. Seller shall provide NSP with all authorizations necessary to have access to the metering equipment. If any metering equipment fails to register, or is found upon testing to be inaccurate by more than one percent (1%) (for a mechanical meter) or three tenths of a percent (.3%) (for an electronic meter), an adjustment shall be made correcting all measurements by the inaccurate or defective device using the best available information; provided that such correction shall be limited to no more than the preceding one hundred eighty (180) Days prior to the discovery of the error. Either Party may install back-up metering at its own cost; provided that such back-up metering meets the same technical standards applicable to the metering equipment.
- (b) The Net Energy from the Facility shall be adjusted by a -3.15% loss factor to reflect losses from the Facility to the Point of Delivery. By mutual agreement NSP and Seller may revise this loss factor based upon actual experience.

3.3 **Billing.** NSP shall read the meter approximately once a month. Within fifteen (15) Days of the date on which NSP reads the meter, NSP shall send Seller a settlement statement for the previous month that contains data for the computation of payments owed to Seller. Based on such settlement statement, Seller shall send NSP an invoice for Net Energy in accordance with the price terms of this Agreement, within fifteen (15) Days of the date on which NSP delivered such settlement statement to Seller. Seller shall use the invoice format provided by NSP. In the event that NSP is unable or fails to read the meter, if available and upon request, Seller shall provide to NSP data related to back-up metering.

3.4 **Billing and Payment Records.** To facilitate payment and verification, Seller shall maintain all books and records necessary for billing and payments, including without limitation copies of all invoices and curtailment data with respect to the Facility for a

period of at least two (2) years, and Seller shall grant NSP reasonable access to those books, records and data on the premises of the Facility or at the principal place of business of Seller. NSP may examine such books and records relating to transactions under and administration of this Agreement, at any time during the period the records are required to be maintained, upon request with reasonable notice and during normal business hours.

**3.5 Payment.** NSP's payment to Seller for Net Energy delivered shall be posted, if by mail, twenty (20) Days following the date of the bill. If such due date falls on a weekend or legal holiday, such due date shall be the next business day. Payments posted after the due date shall be considered late and shall bear interest on the unpaid balance at a rate equal to three percent (3%) plus the average daily prime rate as determined from the "Money Rates" section of the Midwest Edition of the Wall Street Journal for the Days of the late payment period multiplied by the number of Days elapsed from and including the Day after the due date, to and including the payment date. In the event this index is discontinued or its basis is substantially modified, the Parties shall agree on a substitute equivalent index.

**3.6 Wire Transfer.** NSP shall make payment of bills via wire transfer of funds if requested in writing by Seller, at Seller's sole expense, and if the request contains adequate payment information. NSP shall be entitled to presume conclusively, without any liability whatsoever, that the payment information furnished by Seller (for example, name, financial institution, account numbers and payee) is accurate. In no event will NSP be required to pay any bill more than once when the invoice was first paid in accordance with Seller's instructions.

#### ARTICLE IV - SELLER'S OBLIGATIONS

During the Term of this Agreement, Seller hereby agrees to be bound by and to perform the following affirmative obligations:

**4.1 Design, Construction and Operation of the Facility.**

Seller shall:

- (a) Provide to NSP within thirty (30) Days following MPUC approval of this Agreement a fully-executed and binding commitment from an entity with actual access to solar panels sufficient to satisfy Seller's obligations hereunder and stating that sufficient solar panels and balance of plant equipment are available and will be supplied for installation as part of the Facility. Any such commitment shall be conditional only with respect to an entity's final approval of financing for the Facility.
- (b) At its sole expense, design and construct the Facility and any related facilities in accordance with Prudent Electric Industry Practice. The Facility shall at all times operate exclusively using the process described in the Working Statement.



- (c) In a timely manner, seek, obtain, maintain, comply with and, as necessary, renew and modify, at Seller's sole expense, the Permits and all other permits, certificates or other authorizations that are required by any Requirement of Law or Governmental Authority as prerequisites to engaging in the activities envisioned by this Agreement and to meeting Seller's obligation to operate the Facility consistently with the terms of this Agreement, but excluding any MPUC approval for which NSP is responsible pursuant to Section 5.3.
- (d) At its sole expense, operate, maintain and repair the Facility in accordance with this Agreement, all Requirements of Law, Seller's Contractual Obligations, Permits, the practices and requirements of NSP, MISO and MRO, and in accordance with Prudent Electric Industry Practice.
- (e) At its sole expense, obtain and maintain the policies of insurance in the initial amount specified in Appendix D during the Term of this Agreement. The insurance policies shall list NSP as an additional insured and shall not be cancelable without sixty (60) Days prior written notice by the insurer to NSP.
- (f) Comply with MISO, MRO and NERC procedures and the requirements of any new transmission authority with jurisdiction, and cooperate with all reasonable requests by NSP relating to NSP's compliance with such entities.
- (g) Comply with all current NSP outage reporting requirements, as they may be revised from time to time, and as they apply to the Facility. Seller shall have suitable solar radiation and other meteorological meters of the types necessary to characterize fully the solar resource and ambient conditions to support calculations under this Agreement, including the estimation of the quantity of Energy subject to Qualifying Production Loss Event payments under Section 5.5.

#### 4.2 **General Obligations.**

- (a) Seller, during the Term of this Agreement, shall pay all present or future federal, state, municipal or other lawful taxes or fees applicable to Seller or the Facility or by reason of the sale of Energy under this Agreement (excluding any federal, state, municipal, sales, use, excise or other similar taxes on the sale of electricity). Seller shall receive the benefit of any new tax credits, allowances or other credits related to the Facility.
- (b) Seller shall obtain in its own name and at its own expense any and all pollution or environmental credits or offsets necessary to operate the Facility in compliance with Environmental Laws.
- (c) To the best of Seller's knowledge, the Site does not contain any hazardous material or wastes (as defined by any applicable Environmental Law), whether or not the substance is prohibited, limited or regulated by any Governmental Authority. Seller agrees to defend, indemnify and hold NSP and its officers, directors, employees, agents and representatives, and their

respective successors and assigns, harmless from and against all claims, actions, demands, losses, liabilities, damages, judgments, penalties, injuries and expenses arising from or related to any Environmental Liability concerning Seller, the Facility or the Site, including but not limited to (a) any claim for personal injury or property damage by any Person arising out of, resulting from or caused by any violation of any applicable Environmental Law by Seller or concerning the Facility or the Site; (b) any assessment, fine, penalty, lien or other imposition by any Governmental Authority and (c) any liability, losses or remedial costs suffered because a Governmental Authority finds NSP to be a responsible party, owner or operator of the Facility or Site.

- (d) The Parties acknowledge that this Agreement does not provide for the supply of any retail electric service by NSP to the Facility. Seller shall provide its own Station Auxiliary power and Energy from the gross output of the Facility when it is operating or pursuant to separate arrangements. If the Facility is located outside NSP's retail service territory, Seller shall be responsible to obtain standby or other power and Energy for the Facility's Station Auxiliary from the retail electric service provider in whose service territory the Facility is located at no additional expense to NSP. Seller may obtain Station Auxiliary physically and legally through the Interconnection Facilities, but the amount of Energy received by Seller shall not be offset against the amount of Energy delivered to NSP at the Point of Delivery for purposes of computing Net Energy, and Seller shall arrange with the Interconnection Provider or applicable retail service provider to measure separately such Station Auxiliary. Seller expressly recognizes that, for purposes of this Agreement, the supplier of retail electric services to the Facility shall be deemed to be a separate entity and separate contracting party whether or not the arrangement for the supply of retail electric services to the Facility is entered into with NSP or an affiliate of NSP.
- (e) Seller shall keep complete and accurate operating and other records and all other data for the purposes of proper administration of this Agreement, including such records as may be required by any Governmental Authority, NSP, the Parties and as otherwise required by Prudent Electric Industry Practice. NSP shall provide reasonable notice of NSP's specific requirements of Seller.
- (f) Seller shall continue to (i) to the extent applicable, preserve, renew and keep in full force and effect its organizational existence and good standing, and take all reasonable action to maintain all permits, rights, privileges, licenses and franchises necessary or desirable in the ordinary course of its business; and (ii) comply with all Seller's Contractual Obligations and Requirements of Law.
- (g) Seller shall provide to NSP such other information regarding the permitting, engineering, construction, condition and operations of Seller or the Facility,

financial or otherwise, or other data concerning Seller or the Facility as NSP may, from time to time, reasonably request.

**4.3 Merger.** Seller shall not merge, consolidate or join with or into any other Person (or permit or suffer any subsidiary, if any, to do the same) without the prior written consent of NSP, which shall not be unreasonably withheld, receipt of which will be contingent upon Seller's demonstration to NSP's satisfaction that the proposed changes will not adversely affect the ability of Seller or any successor entity to perform its obligations under this Agreement.

**4.4 Sale of Assets.**

- (a) Seller shall not lease, sell, agree to sell, convey or otherwise transfer or dispose of (in one or a series of related transactions) any of its interest or title in any material portion of its Facility assets, now owned or hereafter acquired, except as part of a financing arrangement with a Financier (such as a sale-leaseback or a lease) or a collateral assignment or other security instrument in favor of a Financier, or in the ordinary course of business as parts need repair or replacement, without NSP's consent, which shall not be unreasonably withheld.
- (b) Notwithstanding any provision in this Agreement to the contrary, the members of Seller may sell or transfer any of their membership interests in Seller to any Person in accordance with the governing documents of Seller without NSP's consent, unless the sale or transfer constitutes a Change of Control requiring a PFT Notice pursuant to Section 9.2.

**4.5 Interconnection Agreement.**

- (a) Seller shall be responsible for negotiating, entering into, and performing the transmission agreement with GM Transmission for design, installation and operation of the GM Transmission System at the interconnection between the facility and the GM Transmission System and between the Facility and the Point of Delivery necessary to permit delivery of the Net Energy to the Point of Delivery. The Parties acknowledge that GM Transmission will be interconnecting into the Interconnection Provider's system pursuant to the Interconnection Agreement. Seller shall be responsible for negotiating, entering into and performing, or causing GM Transmission to negotiate, enter into, and perform, the Interconnection Agreement with the Interconnection Provider and any other necessary Persons for design, installation and operation of the Interconnection Facilities necessary to permit delivery and transformation of the Net Energy on GM Transmission's side of the Point of Delivery. Seller shall provide, or cause GM Transmission to provide, the transmission provider, the Interconnection Provider and any applicable transmission owner's written permission to release transmission study results to NSP.

- (b) The Parties acknowledge that NSP's responsibilities and obligations under this Agreement are those of NSP's merchant function, not of its transmission function, and that this Agreement imposes no responsibilities or obligations on NSP's transmission function. The Parties recognize that GM Transmission will enter into a separate Interconnection Agreement with the Interconnection Provider, which will be a separate and free-standing contract. Seller expressly recognizes that, for purposes of this Agreement, the Interconnection Provider shall be deemed to be a separate entity and separate contracting party whether or not the Interconnection Agreement is entered into with NSP or an affiliate of NSP. Notwithstanding any other provision in this Agreement, nothing in the Interconnection Agreement shall alter or modify Seller's or NSP's rights, duties and obligations under this Agreement. Furthermore, this Agreement shall not be construed to create any rights between Seller and the Interconnection Provider.
- (c) Seller shall be obligated to cause GM Transmission to comply with the terms of the Interconnection Agreement.

- 4.6 Renewable Energy Credits.** To the full extent allowed by law, NSP shall own or be entitled to claim all Renewable Energy Credits as such credits may exist or be created during the Term. To the extent necessary, Seller shall provide NSP with any assistance or documentation necessary for NSP to claim such Renewable Energy Credits. Without limiting the foregoing, Seller will upon NSP request, assign to NSP all rights and authority for NSP to hold such credits in NSP own name and to NSP account, including any rights associated with any renewable Energy tracking system that may be established with regard to monitoring or tracking such credits
- 4.7 Provision of Real-Time Data.** Seller shall install equipment at the Facility that is capable of providing real-time access to Facility production data directly to NSP. To the extent such data is not readily available electronically or in real time, Seller agrees to provide such data on a historical basis in a CSV format or Excel spreadsheet upon request by NSP.
- 4.8 Operational Communications.** Seller and NSP shall review the requirements for operational communications from time to time and may agree on modifications thereto to the extent necessary or convenient for operation of the Facility in accordance with this Agreement.

**ARTICLE V - NSP OBLIGATIONS; TRANSMISSION SERVICE; CURTAILMENT**

- 5.1 Cooperation.** NSP agrees to cooperate with Seller in any applications that Seller is making for tax credits, grants or assistance as described in Section 2.4, at NSP's expense. NSP's obligation shall consist only of providing nonproprietary information in its possession, custody or control necessary to complete any such applications, responding to requests from the relevant Governmental Authorities and similar activities.
- 5.2 Collateral Assignments.**
- (a) Subject to Section 9.1(b), NSP shall not be required to enter into a consent to collateral assignments of this Agreement except as provided by this Section 5.2. Subject to the terms and conditions of this Agreement, NSP shall, upon prior written request by Seller, execute a commercially reasonable consent and agreement with respect to a collateral assignment hereof in favor of any Financier in a form acceptable to NSP, provided that (i) Seller shall reimburse NSP for all reasonable expenses incurred by NSP in connection therewith, including without limitation reasonable attorneys' fees, (ii) NSP shall have no obligation to alter or modify the terms of this Agreement or provide any consent or enter into any agreement, that has a Material Adverse Effect on any of NSP's rights, benefits, risks, or obligations under this Agreement, and (iii) NSP's duty to make factual statements or representations in such consent and agreement shall be contingent upon the truthfulness and accuracy of such statements or representations at the time the consent and agreement is delivered.
  - (b) NSP further acknowledges that the Financiers may have other or further requests with respect to the assignment of this Agreement (such as requests for legal opinions or certificates from NSP) and may request that certain terms be incorporated into a consent and agreement or assignment agreement to be executed by NSP. NSP will consider any such requests and will cooperate and negotiate any such consent and agreement or assignment in good faith. Seller shall reimburse NSP for all reasonable expenses incurred by NSP in connection therewith, including without limitation reasonable attorneys' fees.
- 5.3 MPUC Approval.** NSP shall request approval of this Agreement and the payments to be made to Seller pursuant to this Agreement from the MPUC. Seller agrees to cooperate with NSP with respect to any such request by providing information reasonably necessary to support the request and to respond to discovery requests by parties to the proceeding to the extent requested by NSP. NSP shall file this Agreement with the MPUC for approval within seventy five (75) Days following the date both parties have executed this Agreement. If the MPUC declines to approve this Agreement or approves this Agreement subject to conditions that are unacceptable to either Party, then the affected Party may terminate this Agreement upon written notice to the other Party within thirty (30) Days after the MPUC decision (including any decision upon reconsideration), with no further obligations under this Agreement provided that, for a period of sixty (60) days

after such written notice, NSP and Seller shall negotiate in good faith to determine whether amendments to this Agreement can be mutually agreed to (by each Party in its sole discretion) that will satisfactorily address all issues raised in the MPUC's failure to approve the Agreement. Any amendments mutually agreed to shall be subject to MPUC approval pursuant to this Section 5.3 in the same manner as this Agreement. If the MPUC has not approved the RDF Contract by October 1, 2017 then Seller may terminate this Agreement upon written notice to NSP within thirty (30) Days after October 1, 2017 with no further obligations under this Agreement.

**5.4 Delivery Service.** In the event NSP elects to utilize non-firm transmission service for the delivery of Net Energy from the Point of Delivery, and any Person with authority curtails such non-firm transmission service resulting in a reduction or inability of the Facility to produce and deliver Net Energy at the Point of Delivery, any lost production that is the result of NSP using non-firm transmission service shall be compensated for by NSP as a Qualifying Production Loss Event pursuant to Section 5.5.

**5.5 Curtailement; Production Losses.**

- (a) The Parties acknowledge that there may be circumstances in which NSP, the Interconnection Provider or another Person with authority will direct Seller to curtail deliveries of Energy from the Facility in accordance with applicable laws, tariffs or agreements. If and to the extent a curtailment is due to (i) an Emergency, (ii) Force Majeure, (iii) failure of Seller to maintain all permits or authorizations necessary to deliver Net Energy to the Point of Delivery, or (iv) the operation of Seller's or GM Transmission's system protection equipment or any malfunction of Seller's or GM Transmission's equipment that causes the Facility to be disconnected from the Interconnection Provider's system, Seller shall not be entitled to any compensation for any lost production; provided that nothing in this Section 5.5(a) or elsewhere in this Agreement shall limit or affect any rights Seller may have against any Person under the Interconnection Agreement or under any other agreement or at law as a result of such events.
- (b) In the event that a curtailment is directed by NSP or other Person with authority or NSP refuses or fails to accept delivery of Net Energy at the Point of Delivery for reasons other than as set forth in Section 5.5(a), including without limitation due to (i) lack of available transmission capacity at the time of the curtailment, (ii) lack of transmission service, (iii) low load conditions that require curtailment of generation for system stability purposes, or (iv) transmission loading relief or comparable procedures implemented under a tariff (each hereinafter a "Qualifying Production Loss Event"), and the Facility was otherwise capable of providing and delivering Energy to the Point of Delivery, then Seller shall be able to claim compensation pursuant to Section 5.5(c).
- (c) Upon the occurrence of a Qualifying Production Loss Event, Seller shall calculate the amount of Net Energy that it would have produced and

delivered to NSP at the Point of Delivery but for the Qualifying Production Loss Event, using the manufacturer's power curve for the solar panels (adjusted for actual operating experience at the Facility, as necessary) and the recorded solar irradiation at the Facility for each hour during the duration of the Qualifying Production Loss Event. For each hour during a Qualifying Production Loss Event, the lost production shall be based on the actual availability of all solar panels during the hour, excluding any solar panels unavailable for outages and reflecting any other operating restrictions applicable to any solar panels during the hour (the "Available Capacity"). The Available Capacity shall be multiplied by the product of hourly average solar resource as measured at the Site and the power curve specified by the manufacturer for each applicable solar panel and summed to equal the lost production of the Facility for that hour. Any actual Net Energy produced by the Facility and delivered to the Point of Delivery during the applicable hour shall be subtracted from the estimated lost production for that hour to obtain the amount in MWh of lost production experienced by Seller for that hour. The Parties may revise the calculation of Available Capacity and lost production based on changes in the actual operational characteristics of the Facility and other circumstances.

- (d) Upon the occurrence of a Qualifying Production Loss Event, NSP shall be obligated to pay Seller an amount equal to the Guaranteed Price then in effect that Seller would have received under this Agreement for the Net Energy, measured in MWh, that Seller would have otherwise produced and delivered to the Point of Delivery but for the Qualifying Production Loss Event.
- (e) Seller shall invoice NSP for amounts due as a result of Qualifying Production Loss Events together with its regular monthly invoices for the applicable month as set forth in Section 3.2. Seller shall include information with the invoice documenting (i) the nature and duration of the Qualifying Production Loss Event, (ii) meteorological data gathered at the Site for the period during such Qualifying Production Loss Event used to calculate the lost production amounts, and (iii) the computation of amounts due under this Section 5.5 for the invoiced lost production, all in a format provided by NSP. NSP shall notify Seller within thirty (30) Days of receipt if NSP believes that the circumstances described do not constitute a Qualifying Production Loss Event and the reason for that conclusion. If the Parties cannot resolve the difference of opinion by negotiation, either Party may utilize the dispute resolution procedures in this Agreement.
- (f) Seller shall install, or arrange for GM Transmission to install equipment necessary to disconnect the Facility. Seller and NSP shall each use commercially reasonable efforts to develop a mutually acceptable procedure for NSP to notify Seller, along with the other sellers of solar or wind generated energy to NSP that share a common operator with Seller, of curtailments by giving notice to such common operator on behalf of Seller.

## ARTICLE VI - FORCE MAJEURE

- 6.1 Force Majeure.** The performance of each Party under this Agreement may be subject to interruptions or reductions due to an event of Force Majeure. The term "Force Majeure" shall mean an event or circumstance beyond the control of the Party claiming Force Majeure that, by exercise of due diligence and foresight, could not reasonably have been avoided, including but not limited to an Emergency; a Force Majeure event on the Interconnection Provider's System as defined in the Interconnection Agreement to the extent it causes the Facility to be physically incapable of delivering Energy or NSP from receiving Energy at the Point of Delivery; a Force Majeure event (or comparable uncontrollable circumstances as may be defined in the applicable tariff) on the regional transmission system to the extent it causes NSP to be unable to accept delivery of Energy at the Point of Delivery or to transmit such energy from and after the Point of Delivery; flood; earthquake; storm; fire; lightning; epidemic; war; riot; civil disturbance; sabotage; terrorism; labor strike, slowdowns or stoppages or other labor disruptions against Seller or Seller's contractors or subcontractors; act of God or any other cause beyond the control of the Party claiming Force Majeure. However, the obligation to use due diligence shall not be interpreted to require resolution of labor disputes by acceding to demands of the opposition when such course is inadvisable in the discretion of the Party having such difficulty. In no event will the existence of Force Majeure extend this PPA beyond its stated Term.
- 6.2 Remedial Action.** A Party shall not be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to an event of Force Majeure. The Party rendered unable to fulfill any obligation by reason of a Force Majeure shall take all action necessary to remove such inability with all due speed and diligence. The nonperforming Party shall be prompt and diligent in attempting to remove the cause of its failure to perform, and nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed.
- 6.3 Exclusions from Definition of Force Majeure.** Notwithstanding anything in this Agreement to the contrary, "Force Majeure" shall not mean:
- (a) General inclement weather normally experienced within the vicinity of the Site and affecting construction, start-up, operation or decommissioning of the Facility or related facilities.
  - (b) Changes in market conditions, governmental action or weather conditions that affect the cost of Seller's supply of Energy from the Facility.
  - (c) Unavailability of solar irradiation.
  - (d) Unavailability of equipment, repairs or spare parts for the Facility, except to the extent due to a qualifying event of Force Majeure.
  - (e) Inability to obtain, maintain or renew any Permit or any delay in obtaining, maintaining or renewing any Permit.



- (f) Litigation or administrative or judicial action pertaining to this Agreement, the Site, the Facility, the acquisition, maintenance or renewal of financing or any Permits, or the design, construction, maintenance or operation of the Facility.
- (g) Any acts or omissions of any third party, including, without limitation, any vendor or supplier of Seller, except to the extent due to a qualifying event of Force Majeure.
- (h) Any mechanical or equipment breakdown or other mishap at the Facility or events or conditions attributable to normal wear and tear or flaws or failure to operate or maintain such component in accordance with Prudent Electric Industry Practice, unless such mishap is caused by a qualifying event of Force Majeure.

**6.4 Notice.** In the event of any delay or nonperformance resulting from Force Majeure, the Party suffering the event of Force Majeure shall provide notice to the other Party. The notice shall be in writing and be given twenty-four (24) hours after the occurrence or the Party's knowledge of the occurrence of the Force Majeure event or, if such notice is not possible, as soon as practicable thereafter and include the nature, cause, date of commencement thereof and the anticipated extent of any delay or interruption in performance.

## **ARTICLE VII - TERMINATION/DEFAULT/REMEDIES**

**7.1 Events of Default by NSP.** The following shall each constitute an Event of Default by NSP:

- (a) NSP breaches any curable non-monetary material obligation under this Agreement and fails to cure such breach within thirty (30) Days after written notification by Seller of the breach.
- (b) After the Commercial Operation Date, for any reason other than an event of Force Majeure or an Event of Default by Seller, and except as allowed pursuant to Sections 5.4 and, when Seller is being compensated, 5.5, NSP refuses to purchase Energy after the Commercial Operation Date for either ninety (90) consecutive Days or one hundred twenty (120) nonconsecutive Days in any three hundred sixty-five (365) Day period.
- (c) NSP fails to make any material payment due under this Agreement, within forty-five (45) days after written notice from Seller that such payment is past due, unless such payment is contested or a right of set off has been claimed by NSP.
- (d) Any other material breach of this Agreement not specifically enumerated that is not cured within thirty (30) Days after NSP receives written notification of default from Seller.

**7.2 Events of Default by Seller.** The following shall each constitute an Event of Default by Seller:

- (a) For any reason other than an event of Force Majeure or an Event of Default by NSP, the Facility being Unavailable to provide Net Energy for ninety (90) consecutive Days or one hundred twenty (120) non-consecutive Days in any three hundred sixty-five (365) Day period commencing on the Commercial Operation Date and prior to expiration of the Term of this Agreement.
- (b) Seller breaches any curable material obligation under this Agreement and fails to cure the breach within thirty (30) Days after written notification by NSP of the breach.
- (c) Any other material breach of this Agreement not specifically enumerated that is not cured within thirty (30) Days after Seller receives written notification of default from NSP.
- (d) The Facility shall fail to achieve Commercial Operation on or before sixty (60) Days following the latest authorized Commercial Operation Date for reasons other than as a result of a Force Majeure or an Event of Default by NSP.
- (e) Termination of the RDF Contract due to a default by Seller.

**7.3 Termination.**

- (a) In the event the defaulting Party fails to cure the Event of Default within the period for curative action under Sections 7.1 or 7.2, as applicable, or upon the occurrence of an incurable Event of Default, the non-defaulting Party may terminate this Agreement by notifying the defaulting Party in writing of the decision to terminate and the effective date of the termination.
- (b) In the event (i) the Facility is Unavailable to provide Net Energy for ninety (90) consecutive Days or one hundred twenty (120) non-consecutive Days in any three hundred sixty-five (365) Day period commencing on the Commercial Operation Date and prior to expiration of the Term of this Agreement or (ii) the Facility fails to achieve Commercial Operation on or before the last authorized Commercial Operation Date for any reason other than Force Majeure, NSP agrees to forego its right to terminate this Agreement so long as for the duration of such circumstance, Seller compensates NSP for actual Damages incurred, including but not limited to the difference, if any, between the Guaranteed Price and Replacement Energy Costs.
- (c) In the event that Seller and NSP are unable to finalize the terms and conditions of the RDF Contract by May 31, 2017, Seller shall have the right to terminate this Agreement by providing written notice to NSP within thirty (30) Days after May 31, 2017.

- (d) Upon termination of this Agreement by NSP due to an Event of Default by Seller pursuant to Section 7.3(a), NSP shall have no future or further obligation to purchase, Net Energy of the Facility or to make any payment whatsoever under this Agreement, except for payments for obligations arising or accruing prior to the effective date of termination. Upon termination of this Agreement by Seller due to an Event of Default by NSP pursuant to Section 7.3(a) or pursuant to Section 7.3(c) or Section 7.3(d), Seller shall have no future or further obligation to deliver the Net Energy of the Facility to NSP or to satisfy any other obligation of this Agreement, except for payments or other obligations arising or accruing prior to the effective date of termination. After the effective date of termination, this Agreement shall not be construed to provide any residual value to either Party or any successor or any other Person, for rights to, use of or benefits from the Facility or the Interconnection Provider's System.
- (e) Notwithstanding any provisions in this Agreement to the contrary, upon the occurrence of an Event of Default by Seller, NSP shall provide notice of the Event of Default to each Financier for which an address or other contact information has been provided to NSP by Seller. Each Financier shall have the right to cure the Event of Default on behalf of Seller within the cure periods set forth in Section 7.2, and NSP agrees to accept any such cure to the same extent as if made by Seller. If a Financier needs to foreclose on the Facility or otherwise take legal action to gain possession of the Facility in order to cure the applicable Event of Default, the applicable cure period shall be extended by the amount of time necessary for the Financier, using all reasonable due diligence, to obtain possession of the Facility. If a Financier, or its permitted designee, obtains possession of the Facility and assumes all of the obligations of Seller under this Agreement, and cures any Event of Default, NSP agrees to recognize the Financier, or its permitted designee, as Seller under this Agreement and to perform its obligations to such Financier or its permitted designee.
- (f) If an Event of Default by Seller will require more than the prescribed cure period to cure, and Seller is diligently pursuing a cure, as reasonably demonstrated to NSP, then the applicable cure period shall be extended up to an additional ninety (90) Days so long as Seller is diligently pursuing the cure. This provision shall not apply to monetary defaults.
- (g) If the Parties are engaged in a dispute as to whether an Event of Default has occurred or whether a Party has the right to terminate this Agreement, and the Parties are handling the dispute through the procedures established in Article VIII, the Party claiming the Event of Default or the right to terminate shall not be entitled to terminate this Agreement until a ruling of the arbitrators is received pursuant to Section 8.2.

#### 7.4 Other Damages

- (a) For all claims, causes of action and damages, the Parties shall be entitled to the recovery of actual damages allowed by law unless otherwise limited by this Agreement. Neither the enumeration of Events of Default in Sections 7.1 and 7.2, nor the termination of this Agreement by a non-defaulting Party pursuant to Section 7.3(a), shall limit the right of a non-defaulting Party to rights and remedies available at law, including, but not limited to, claims for breach of contract or failure to perform by the other Party and for direct damages incurred by the non-defaulting Party as a result of the termination of this Agreement.
- (b) Except as otherwise specifically and expressly provided in this Agreement, no Party shall be liable to the other Party under this Agreement for any indirect, special, punitive, exemplary, incidental or consequential damages, including without limitation loss of use, loss of revenues, loss of profit, interest charges, cost of capital, or claims of customers to which service is made, from any cause whether arising under statute or in tort or contract. Notwithstanding the foregoing, in the event that NSP breaches this Agreement by failing to purchase or accept delivery of Net Energy (except for curtailments allowed pursuant to Section 5.5(a) or as otherwise excused pursuant to the terms of this Agreement), Seller shall be entitled to seek damages equal to (i) the amounts Seller would otherwise have been paid under this Agreement for such Net Energy if it had been purchased or accepted for delivery by NSP or (ii) in the event Seller sells such Net Energy to a third party for less than the amount Seller would have been paid by NSP under this Agreement, the difference between the amounts Seller would otherwise have been paid by NSP under this Agreement and the price Seller received for such Net Energy sold to a third party. In no event shall one Party's liability to the other exceed any limit of liability established for either Party under any Requirements of Law.
- (c) Except as otherwise provided in this Section 7.4, Seller's aggregate financial liability to NSP for Replacement Energy Costs and other damages shall not exceed \$35,000. The limitations on damages set forth in this Section 7.4 shall not apply to damages arising out of any of the following events:
  - (i) Actual fraud or other material intentional misrepresentation or material misconduct sanctioned by, or at the direction of, Seller in connection with this Agreement or the operation of the Facility;
  - (ii) The sale by Seller to a third party, or unauthorized diversion by Seller, of Net Energy committed to NSP under this Agreement, except during an Event of Default by NSP and as provided in this Section 7.4;
  - (iii) Seller's failure to apply any property insurance proceeds to reconstruction of the Facility following a casualty to the extent required by this Agreement;

- (iv) Damages incurred by NSP pursuant to Section 7.5;
  - (v) Any Environmental Liability caused by Seller for which NSP has incurred any Damages; or,
  - (vi) The filing of an involuntary bankruptcy petition against Seller (other than by NSP), which petition is not dismissed within sixty (60) Days of its filing, or the filing of a voluntary petition in bankruptcy by Seller.
- (d) If Seller fails to meet the Commercial Operation Date within sixty (60) Days following the latest authorized Commercial Operation Date for reasons other than Force Majeure, Seller shall pay damages to NSP on account of such delay ("Delay Damages") in the amount of \$100 multiplied by the MW of the Committed Nameplate Capacity for each Day of such delay. All Delay Damages shall begin to accrue on the Day after the missed Commercial Operation Date and shall continue to accrue until the Commercial Operation Date is achieved or this Agreement is terminated. For so long as Seller pays Delay Damages to NSP in full as they accrue, NSP agrees to forego its right to terminate this Agreement due to Seller's failure to meet the Commercial Operation Date for up to one hundred eighty (180) Days, provided that Seller is not otherwise in default under this Agreement. All Delay Damages shall be cumulative.

## **7.5 Indemnification.**

- (a) Seller and NSP agree to defend, indemnify and hold each other, and their respective officers, directors, employees and agents, harmless from and against all claims, demands, losses, liabilities and expenses (including reasonable attorneys' fees) (collectively "Damages") for personal injury or death to Persons and damage to each other's physical property or facilities or the property of any other Person to the extent arising out of, resulting from or caused by the negligent or intentional acts, errors or omissions of the indemnifying Party. Furthermore, each Party shall defend, indemnify and hold the other harmless from and against all damages that are or were incurred or suffered by the indemnified Party and that relate to the indemnifying Party's breach or failure to perform any of the covenants, agreements, obligations, representations or warranties contained in this Agreement. Nothing in this Section 7.5(a) shall relieve Seller or NSP of any liability to the other for any breach of this Agreement. This indemnification obligation shall apply notwithstanding any negligent or intentional acts, errors or omissions of the indemnitees but the indemnifying Party's liability to pay Damages to the indemnified Party shall be reduced in proportion to the percentage by which the indemnitees' negligent or intentional acts, errors or omissions caused the Damages. Neither Party shall be indemnified for its Damages resulting from its sole negligence or intentional misconduct. These indemnity provisions shall not be construed to relieve any insurer of its

obligation to pay claims consistent with the provisions of a valid insurance policy.

- (b) The following representation shall be made only as of the Commercial Operation Date and not as of the date hereof: Seller represents and warrants that, to the best of its knowledge no portion of the Site or the improvements thereon has been used by previous or current owners or operators or Seller to generate, manufacture, refine, transport, treat, store, handle or dispose of toxic material, hazardous substances, solid waste or hazardous wastes, as such terms are defined in any applicable Environmental Law, and Seller does not intend to use any of the Site for such purposes, and Seller is not aware of any spills, leaks or discharges of any such hazardous or toxic materials on the Site. To the best of Seller's knowledge, the Site does not contain, through the action or inaction of previous owners or operators or Seller, asbestos, urea formaldehyde foam insulation, PCBs, other toxic materials, hazardous substances or any other chemical, material or substance, exposure to which may or could pose a health hazard, whether or not the substance is prohibited, limited or regulated by any Governmental Authority, whether used in the Facility or stored on the Site.
- (c) The following representation shall be made only as of the Commercial Operation Date and not as of the date hereof: Seller represents and warrants that Seller has not received a written summons, citation, directive, letter or other written communication from any Governmental Authority concerning the existence of any condition on or affecting the Site that currently violates or that, with the passage of time, will violate any applicable Environmental Law or that otherwise indicates that Seller may be subject to any potential Environmental Liability with respect to the Site or the Facility. To the best of Seller's knowledge, Seller, the Facility and the Site are not subject to any existing or pending investigation or inquiry by any Governmental Authority or to any remedial obligations under any applicable Environmental Law. These representations and warranties would continue to be true and correct following disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances pertaining to Seller, the Facility and the Site.
- (d) From and after the Commercial Operation Date, Seller agrees to defend, indemnify and hold NSP and its officers, directors, employees, agents and representatives, and their respective permitted successors and assigns, harmless from and against all claims, actions, demands, losses, liabilities, damages, judgments, penalties, injuries and expenses arising under any Environmental Law concerning Seller, the Facility or the Site, including but not limited to (a) any claim for personal injury or property damage by any Person arising out of, resulting from or caused by any violation of any applicable Environmental Law by Seller or concerning the Facility or the Site; (b) any assessment, fine, penalty, lien or other imposition by any Governmental Authority resulting from or arising out of any violation of any

Environmental Law by Seller; and (c) any liability, losses or remedial costs suffered because a Governmental Authority finds NSP to be a responsible party, owner or operator of the Facility or Site, except in each case to the extent that the claim, assessment, fine penalty, lien, imposition, liability, loss or remedial costs are due to NSP's negligence, fraud or intentional misconduct.

#### ARTICLE VIII - DISPUTE RESOLUTION

- (a) In the event of any dispute arising under this Agreement (a "Dispute"), within ten (10) business days following notice issued by either Party pursuant (i) each Party shall appoint a representative, and (ii) the representatives shall meet, negotiate and attempt in good faith to resolve the Dispute quickly, informally and inexpensively. In the event the representatives cannot resolve the Dispute within thirty (30) Days after the first meeting, either Party may request that consideration and resolution of the Dispute be transferred to a designated representative of each Party's senior management. Within ten (10) Days following such a request, each Party shall submit a written summary of the Dispute describing the issues and claims to a senior officer of each Party designated to address the Dispute. Within ten (10) business days after receipt of each Party's Dispute summaries, the senior management representatives for both Parties shall negotiate in good faith to resolve the Dispute. If such senior management representatives are unable to resolve the Dispute thereafter, either Party may seek available legal remedies.
- (b) If no Dispute notice has been issued within twenty-four (24) months following the occurrence of events or circumstances giving rise to the Dispute (regardless of the knowledge or potential knowledge of either Party of such events and circumstances), the Dispute and all claims related thereto shall be deemed waived and the aggrieved Party shall thereafter be barred from proceeding thereon.
- (c) **SELLER AND NSP EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF SELLER AND COMPANY RELATED HERETO AND EXPRESSLY AGREE TO HAVE ANY DISPUTES ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT BE ADJUDICATED BY A JUDGE OF THE COURT HAVING JURISDICTION WITHOUT A JURY.**

#### ARTICLE IX - MISCELLANEOUS

9.1 No Assignment.

- (a) Except as provided in Sections 4.4 and 5.2, the rights and obligations of this Agreement may not be assigned by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned. Seller's consent shall not be required for NSP to assign this Agreement to an affiliate of NSP, provided that NSP provides assurances and executes documents reasonably required by Seller and the Financier regarding NSP's continued liability for all of NSP's obligations under this Agreement in the event of any nonperformance on the part of such assignee. Such assignments are subject to approval by the MPUC. In the event that the permitted assignee has or obtains an investment grade unsecured bond rating equivalent to or better than the unsecured bond rating of NSP (but in no event worse than the equivalent of BBB-), then Seller agrees to relieve NSP from its obligations under this Agreement if NSP requests to be so relieved in a written notice provided to Seller. Any purported assignment of this Agreement in the absence of the required consent as required by this Section 9.1 shall be void.

## 9.2 Change of Control of Seller

- (a) Any direct or indirect change of control of Seller, whether voluntary or by operation of law (a "Change of Control"), shall require the prior written consent of NSP, which shall not be unreasonably withheld, delayed or conditioned; provided that, notwithstanding any other remedy, in no circumstance does NSP have the obligation to consent to any Change of Control prior to the issuance and expiration of the PFT Notice.
- (b) Pending Facility Transaction:
- (i) For purposes of this Agreement, a "Pending Facility Transaction" means, 1) any Change of Control of Seller, (2) the issuance by Seller or any of its affiliates of a request for proposals or the response by Seller or any of its affiliates to a request for proposal or similar process (e.g., auction) for the purchase or sale of the Facility or any group of assets or equity interests that includes the Facility, (3) the commencement by Seller or any of its affiliates of substantive negotiations with any third party with respect to the sale of the Facility or any group of assets or equity interests that includes the Facility, or (4) the execution by Seller or any of its affiliates of any letter of intent, memorandum of understanding or similar document, whether or not legally binding, that contemplates the sale of the Facility or any group of assets or equity interests that includes the Facility.
- (ii) Seller shall give to NSP at least ninety (90) Days prior notice of any Pending Facility Transaction (a "PFT Notice"). Any PFT Notice shall include a fair summary of Seller's plans with respect to the Facility in connection with the proposed Pending Facility Transaction, to the extent then known by Seller. Seller shall have no obligation to sell, nor shall NSP have any obligation to purchase, the Facility following any PFT



Notice. Upon expiration of the PFT Notice, Seller and its affiliates shall be free for a period of nine (9) months thereafter to proceed with the transaction that was subject to the PFT Notice. If Seller and its affiliates have not closed the proposed Pending Facility Transaction within such nine (9) month period, this Section 9.2(c) shall again apply to any proposed Pending Facility Transaction.

- (iii) NSP shall not be obligated to provide Seller with any consent or other document in connection with this Agreement until Seller has provided the PFT Notice required by this Section 9.2(b).

**9.3** Notices. Any notice, demand, request or communication required or authorized by this Agreement shall be delivered either by hand, facsimile, overnight courier or mailed by certified mail, return receipt requested, with postage prepaid, to:

Thomas A. Imbler  
Vice President  
Xcel Energy Services Inc.  
1800 Larimer Street, Suite 1000  
Denver, CO 80202  
Phone: (303) 571-7414  
Fax: (303) 571-7021

With copies to:

Tim Kawakami  
Director, Purchased Power  
Xcel Energy Services Inc.  
1800 Larimer Street  
Suite 1000  
Denver, CO 80202  
Fax: (303) 571-7021

And

Tara Fowler  
Manager, Renewable Power Purchases  
Xcel Energy Services Inc.  
1800 Larimer Street  
Suite 1000  
Denver, CO 80202  
Fax: (303) 571-7021

on behalf of NSP, and to:

Dragonfly Solar, LLC  
4676 Traverse Point

Eagan, MN 55122  
Attn: Bob Messerich  
E-mail: b.messerich@gmail.com

on behalf of Seller, with a copy to:

Jeffrey C. Paulson  
Paulson Law Office, Ltd.  
4445 W. 77<sup>th</sup> Street, Suite 224  
Edina, MN 55435-5135  
Fax: 952-835-2984

The designation and titles of the person to be notified or the address of such person may be changed at any time by written notice. Any such notice, demand, request or communication shall be deemed delivered on receipt if delivered by hand or facsimile, on the next business day if delivered by overnight courier and on the fifth (5<sup>th</sup>) business day after deposit by the sending party if delivered by U.S. mail.

- 9.4 Captions.** All titles, subject headings, section titles and similar items are provided for the purpose of reference and convenience and are not intended to be inclusive or definitive or to affect the meaning of the contents or scope of this Agreement.
- 9.5 No Third-Party Beneficiary.** No provision of this Agreement is intended to nor shall it in any way inure to the benefit of any customer, property owner or any other third party, so as to constitute any such Person a third-party beneficiary under this Agreement, or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any Person not a Party hereto.
- 9.6 No Dedication.** No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public or affect the status of NSP as an independent public utility corporation or Seller as an independent individual or entity and not a public utility.
- 9.7 Integration; Amendment.** This Agreement, together with all Appendices attached hereto, constitutes the entire agreement between the Parties relating to the transaction described herein and supersedes any and all prior oral or written understandings. No amendment, addition to or modification of any provision hereof shall be binding upon the Parties, and neither Party shall be deemed to have waived any provision or any remedy available to it unless such amendment, addition, modification or waiver is in writing and signed by a duly authorized officer or representative of the applicable Party or Parties.
- 9.8 Governing Law.** This Agreement is made in the State of Minnesota and shall be interpreted and governed by the laws of the State of Minnesota and/or the laws of the United States, as applicable.
- 9.9 Relationship of Parties.**

- (a) The duties, obligations and liabilities of the Parties are intended to be several and not joint or collective. This Agreement shall not be interpreted or construed to create an association, joint venture, fiduciary relationship or partnership between Seller and NSP or to impose any partnership obligation or liability or any trust or agency obligation or relationship upon either Party. Seller and NSP shall not have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- (b) The relationship between NSP and Seller shall be that of contracting party to independent contractor. Accordingly, subject to the specific terms of this Agreement, NSP shall have no general right to prescribe the means by which Seller shall meet its obligations under this Agreement.
- (c) Seller shall be solely liable for the payment of all wages, taxes and other costs related to the employment of persons to perform Seller's obligations under this Agreement, including all federal, state and local income, social security, payroll and employment taxes, and statutorily mandated workers' compensation coverage. None of the persons employed by Seller shall be considered employees of NSP for any purpose, nor shall Seller represent to any Person that it is or shall become an NSP employee or agent.

**9.10 Good Faith and Fair Dealing; Reasonableness.** The Parties agree to act reasonably and in accordance with the principles of good faith and fair dealing in the performance of this Agreement. Unless expressly provided otherwise in this Agreement, (i) whenever this Agreement requires the consent, approval or similar action by a Party, such consent, approval or similar action shall not be unreasonably withheld or delayed, and (ii) whenever this Agreement gives a Party a right to determine, require, specify or take similar action with respect to matters, such determination, requirement, specification or similar action shall be reasonable.

**9.11 Severability.** Should any provision of this Agreement be or become void, illegal or unenforceable, the validity or enforceability of the other provisions of this Agreement shall not be affected and shall continue in force. The Parties will, however, use their reasonable best endeavors to agree on the replacement of the void, illegal or unenforceable provision with legally acceptable clauses that correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

**9.12 Cooperation.** The Parties agree to cooperate reasonably with each other in the implementation and performance of this Agreement. Such duty to cooperate shall not require either Party to act in a manner inconsistent with its rights under this Agreement.

**9.13 Counterparts.** This Agreement may be executed in two (2) or more counterparts and by different parties on separate counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

- 9.14 Standard of Review.** The terms and conditions and the rates for service specified in this Agreement shall remain in effect for the term of the transaction described in this Agreement. Absent the Parties' written agreement, this Agreement shall not be subject to change by application of either Party pursuant to Section 205 or 206 of the Federal Power Act. Absent the agreement of Seller and NSP to a proposed change, the standard of review for changes to the Guaranteed Price under this Agreement proposed by NSP, Seller, a non-party or FERC acting *sua sponte* shall be the "public interest" standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) as interpreted in as interpreted in *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1*, 128 S. Ct. 2733 (2008).
- 9.15 Use of NSP's Name.** Unless required or authorized by the RDF Contract, Seller shall not use NSP's (or any of its affiliates') name, logos or other marks in connection with this Agreement or otherwise without the prior written consent of NSP, which consent shall be within NSP's sole discretion.
- 9.16 Press Releases and Media Contact.** Upon the request of either Party, the Parties shall develop a mutually agreed upon joint press release to be issued as of the Effective Date describing the location, size, type and timing of the Facility, the long-term nature of this Agreement and other relevant factual information about the relationship of the Parties; provided, however, that at Seller's request, the Parties will delay the issuance of the press release until a date mutually agreeable to the Parties. In the event during the Term either Party is contacted by the media concerning this Agreement or the Facility, the contacted Party shall inform the other Party of the existence of the inquiry, any questions asked and the substance of any information provided to the media
- 9.17 Solar Panel Performance and Meteorological Data.** Seller shall provide NSP at Seller's expense, with real time panel performance and meteorological data for all solar panels at the Facility for the Term of this Agreement. Seller shall undertake or authorize NSP to undertake at Seller's expense, to install, operate and maintain NSP owned Plant Information System ("PI") at the Facility. Seller shall provide NSP real time access to all data gathered from PI and shall ensure that real time communications capabilities are available and maintained for the transmission of all PI data.
- 9.18 Confidentiality.**
- (a) This Agreement and all appendices, Exhibits and amendments are not confidential.
  - (b) The Parties acknowledge and agree that during the course of the performance of their respective obligations under this Agreement, either Party may need to provide information to the other Party that the disclosing Party deems confidential, proprietary or trade secret.
  - (c) All documentation and data, including but not limited to special techniques, methods, computer programs and software, that the disclosing Party

considers proprietary and trade secret and furnishes to the receiving Party and wants the receiving Party to maintain as confidential shall be designated as proprietary, confidential or trade secret (collectively, "Proprietary Data") and shall be treated by the receiving Party to be proprietary, confidential or trade secret. The disclosing Party hereby grants to the receiving Party authority to use Proprietary Data only for the purposes of this Agreement. The receiving Party agrees to keep such Proprietary Data confidential, to use it only for work necessary to the performance of this Agreement, and not to sell, transfer, sublicense, disclose or otherwise make available any such Proprietary Data to others.

- (d) Notwithstanding the preceding, this Section 9.18 and the restrictions on the receiving Party shall not apply to any data or documentation:
  - (i) That is in the public domain at the time it was disclosed by the disclosing Party to the receiving Party or at any time thereafter;
  - (ii) That is independently developed by the receiving Party; or
  - (iii) That becomes known to the receiving Party from an ultimate source other than the disclosing Party without breach of this Agreement by the receiving Party.
- (e) NSP shall be entitled to disclose or use Proprietary Data in any proceedings before the MPUC or a similar regulatory commission or agency if it is required or advantageous to do so, in NSP's sole discretion and upon written notice to Seller. In such an event, NSP will take all reasonable actions to limit the scope of any disclosure, shall only disclose Proprietary Data subject to applicable rules and regulations protecting its proprietary nature, and shall use commercially reasonable efforts to resist all efforts by any Person under the Minnesota Data Practices Act to obtain any such Proprietary Data. Seller shall cooperate with NSP to limit the scope of any information for which Seller is requiring designation as proprietary to information that Seller still deems, at the time, to be trade secret.
- (f) Notwithstanding anything to the contrary in this Section 9.18, NSP may disclose Proprietary Data of Seller to any third Person who is subject to a confidentiality agreement that contains provisions at least as restrictive as those set forth herein; provided, however, that NSP agrees to make commercially reasonable efforts to avoid disclosure in response to third Person requests made solely for apparent competitive purposes. NSP agrees to make reasonable efforts to notify Seller of disclosure of Proprietary Data in a timely manner.
- (g) Notwithstanding anything to the contrary in this Section 9.18, NSP may disclose Proprietary Data to Xcel Energy Services Inc. and its employees without the consent of Seller provided that such Persons agrees to keep such

Proprietary Data confidential, to use it only for work necessary to the performance of this Agreement, and not to sell, transfer, sublicense, disclose or otherwise make available any such Proprietary Data to others.:-

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

**Dated:** June 6th, 2017

**DRAGONFLY SOLAR, LLC, a Minnesota limited liability company**

By: Robert Messerich  
Name: Robert Messerich  
Its: Vice President

**Dated:** \_\_\_\_\_, 2017

**NORTHERN STATES POWER COMPANY, a Minnesota corporation**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_,  
Xcel Energy Services Inc., as agent for Northern States Power Compan

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

**Dated:** \_\_\_\_\_, 2017

**DRAGONFLY SOLAR, LLC, a Minnesota limited liability company**


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

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

Its: \_\_\_\_\_

**Dated: June 6, 2017**

**NORTHERN STATES POWER COMPANY, a Minnesota corporation**

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

Name: Tim Kawakami

Title: Director, Purchase Power,  
Xcel Energy Services Inc., as agent for Northern States Power Company

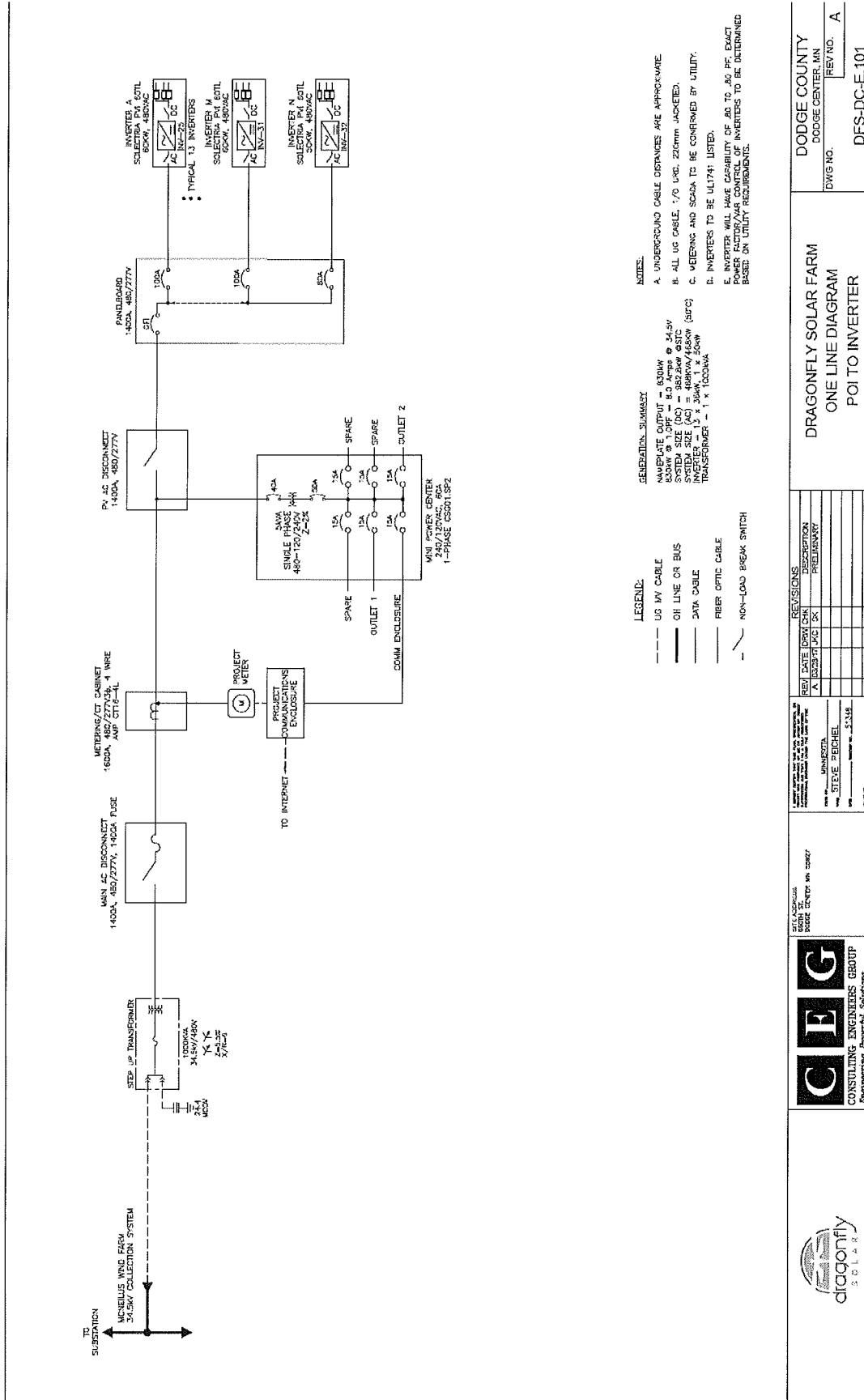


## APPENDIX A

Points of Interconnection and Delivery and Location of Electric Metering Devices

The Facility will be located on the Site as shown in the attached diagram. The Net Energy produced by the Facility will be transformed to 34.5 kV on the Site and transmitted by underground cables to an existing 34.5 kV overhead transmission line owned by GM Transmission just south of 660<sup>th</sup> Street. A disconnect switch and related equipment will be installed on a riser pole at the point where the Facility's 34.5 kV line connects with the GM Transmission System. At no cost to NSP Seller will install Electric Metering Devices at the location set forth in the attached diagram.

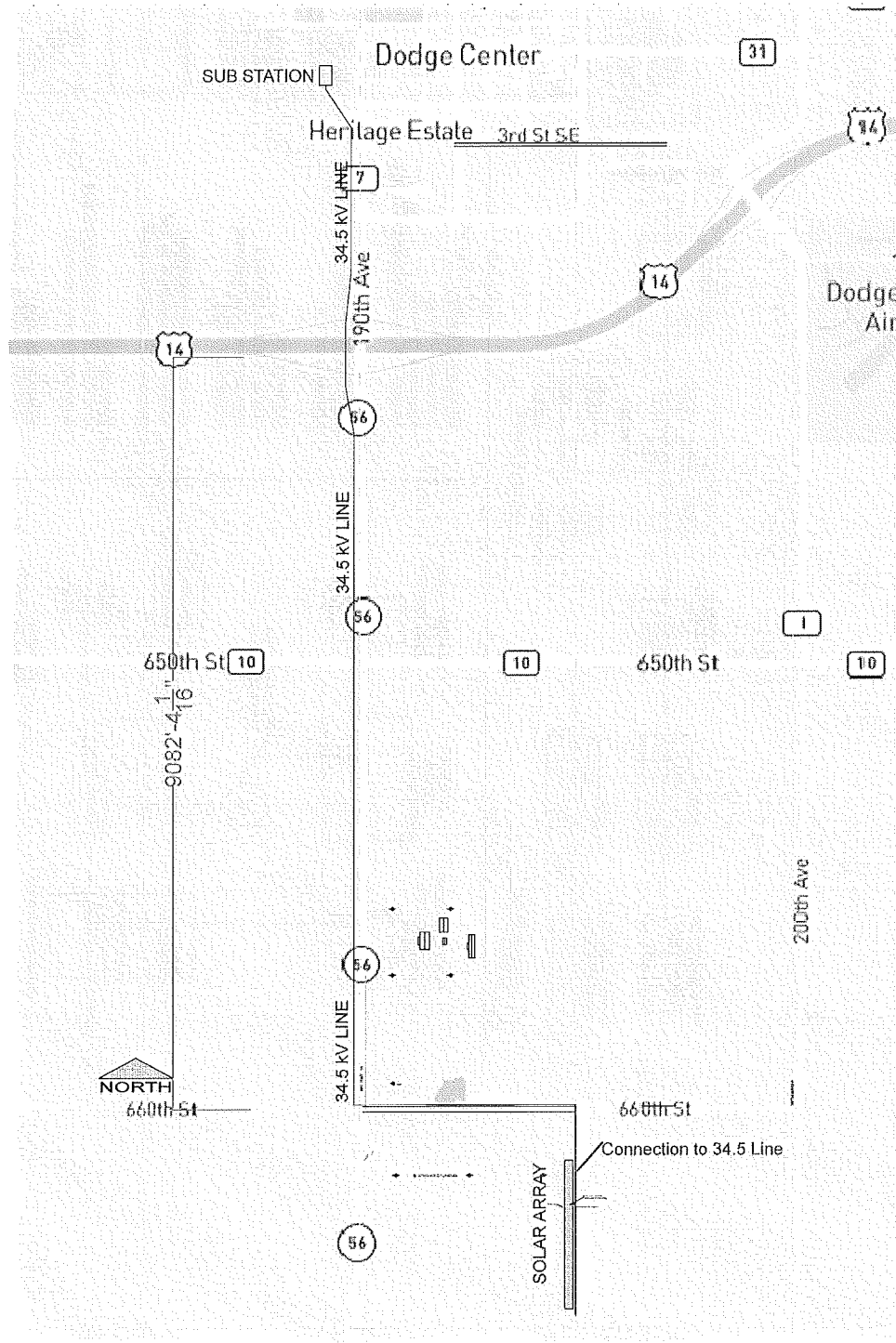
The Point of Delivery will be on the high side of the Substation where it interconnects with Interconnection Provider's 69 kV transmission line as shown in the attached diagram.




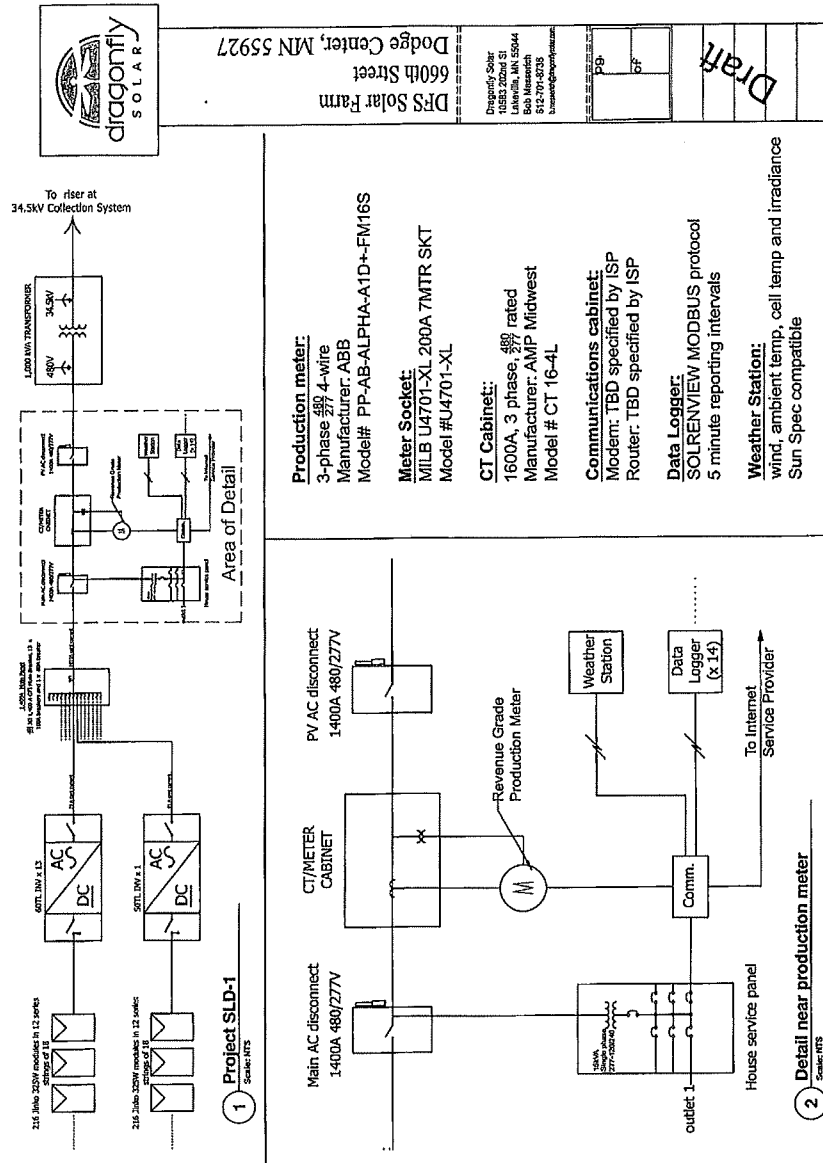
STEVE REICHEL PROJECT MANAGER 515.781.1111 1000 W. WISCONSIN DODGE CENTER, MN 55126		REVISIONS REV. DATE DRAWN CHK. DESCRIPTION A 03/27/18 JCR PHEDRATORY	

DODGE COUNTY	
DWG NO.	REV. NO.
Dodge Center, MN	A
DIFS-DC-E-101	

DRAGONFLY SOLAR FARM  
ONE LINE DIAGRAM  
POI TO INVERTER



Dragonfly Solar 10583 202nd St Lakeville, MN 55044 Bob Messerich 612-701-8736 b.messerich@dragonflysolar.com			Solar Facility 660 th Street Dodge Centre, MN	
-----------------------------------------------------------------------------------------------------------------------------	--	--	-----------------------------------------------------	---------------------------------------------------------------------------------------



**dragonfly SOLAR**

Dodge Center, MN 55927

DPS Solar Farm  
660th Street

Dragonfly Solar  
14853 202nd St  
Lino Lakes, MN 55044  
Phone: 612-201-8788  
Email: info@dragonflysolar.com

Draft

APPENDIX B

GUARANTEED PRICES

Commercial Operation Year

Price (\$/MWh)

[TRADE SECRET BEGINS:

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15

TRADE SECRET ENDS]

## APPENDIX C

Acceptance Criteria

Seller and the Facility shall be deemed to have reached Commercial Operation when each of the following has occurred:

1. The Facility and Interconnection Facilities are physically complete as required by this Agreement and the Interconnection Agreement and are capable of transmitting, transforming and delivering the Net Energy to the Point of Delivery in accordance with the Interconnection Agreement, and GM Transmission is both obligated under, and in compliance with, the Interconnection Agreement.
2. The metering devices pursuant to Section 3.1 of this Agreement have been installed and identified by NSP, as confirmed by NSP in the confirmation notice and procedure described in Item 4 below.
3. The Facility is capable of producing electricity substantially in accordance with the manufacturer's power curve to the full extent of the Committed Nameplate Capacity, and has produced and delivered such Net Energy for no less than seventy-two (72) hours during which solar irradiation is available at sufficient intensity to operate the panels.
4. Seller has provided NSP with written notice that the preceding three criteria have been met and a certificate of insurance reflecting compliance with Section 4.1(e) and Appendix D of this Agreement, and NSP has confirmed in writing to Seller that the Facility has reached Commercial Operation. NSP shall confirm or dispute that the Facility has reached Commercial Operation within ten (10) business days of receipt of Seller's notice. NSP's failure to provide confirmation or other response to Seller's notice within ten (10) business days after receipt of Seller's notice shall constitute confirmation of Commercial Operation.

## APPENDIX C-1

Legal Description of the Site

A parcel in the East 500 feet of the NE1/4NW1/4 except the north 795 feet, and the east 100 feet of the SE1/4NW1/4 (abandoned railroad right-of-way), Section 15, Township 106 North, Range 17 West of the Fifth Principal Meridian, Dodge County, Minnesota.

Description of the Facility

The Facility, will have a PV array rating of no greater than 800 kW (AC) (+/- 3.75%) nameplate at Standard Test Conditions (STC) with an estimated annual capacity factor in the first year of 14.9% based on nameplate DC capacity. All electrical system components shall be UL or ETL rated and tested as required by Requirements of Law.

The Facility, as currently envisioned, will include the following equipment (it being understood that Seller retains the right to utilize other photovoltaic panels or configurations or other photovoltaic components with respect to its development of the Facility; provided that Seller shall give NSP prompt written notice of any material changes Seller intends to make from the items listed below):

- 1. PV Module: Solar World 325W or equivalent**
- 2. Mounting Rack: Steel or aluminum racking from a manufacturer to be determined. The racking will be fixed-tilt, not tracking.**
- 3. Inverter: Yaskawa/Solectria 60TL three-phase inverters or equivalent**

## APPENDIX D

Insurance Requirements

- 1.0 Seller shall procure and maintain throughout the Term, at its own expense, the following policies of insurance:
  - A. Workers' Compensation and Employer's Liability insurance that complies with the laws of Minnesota to the extent of statutory limits;
  - B. Comprehensive or Commercial General Liability insurance with bodily injury and property damage combined single limits of at least \$1,000,000 per occurrence. Such insurance shall include, but not necessarily be limited to, specific coverage for contractual liability encompassing the indemnification provisions in this Agreement, broad form property damage liability, personal injury liability, explosion and collapse hazard coverage and products/completed operations liability coverage;
  - C. Comprehensive automobile liability insurance to the extent applicable with bodily injury and property damage combined single limits of at least \$1,000,000 per occurrence covering vehicles owned, hired or non-owned; and
  - D. All other insurance required by regulation or law as deemed appropriate by Seller.
- 2.0 The amounts of insurance required above may be satisfied by Seller buying primary coverage in the amounts specified or by buying a separate excess umbrella liability policy together with the lower limit primary underlying coverage. The structure of the coverage is Seller's option, as long as the total amount of insurance meets the requirements of this Agreement.
- 3.0 The policies required of Seller shall be "occurrence" form policies. Seller may not use "claims-made" form coverage to meet its obligations without the prior written consent of each such policy from NSP.
- 4.0 Seller's Comprehensive or Commercial General Liability policies and Umbrella or Excess Liability policies shall include each of the following endorsements, and its Workers' Compensation and automobile liability policies shall include the last endorsement listed below:
  - a. NSP and its directors, officers, employees and agents shall be additional insureds under all policies;
  - b. The policies are to be primary with respect to the interest of NSP and its directors, officers, employees and agents, and any other insurance maintained by any of them shall be excess and not contributory with Seller's insurance;
  - c. Each insurer shall waive all rights of subrogation against NSP and its directors, officers, employees and agents;



- d. Notwithstanding any other provision of a policy, no policy shall be cancelled, expire or changed in a material way by the insurer without thirty (30) Days prior written notice to NSP.
- 5.0 Seller or its insurers or agents shall provide NSP with certificates of insurance evidencing the policies and endorsements described herein within thirty (30) Days of the Commercial Operation Date. Failure to obtain the insurance coverage required shall in no way relieve or limit Seller's obligations and liabilities under other provisions of this Agreement.

APPENDIX E

RDF Contract

GRANT CONTRACT TERMS AND CONDITIONS  
[PRODUCTION]

**THIS GRANT CONTRACT** is made this 8<sup>th</sup> day of Sept, 2011, by and between Northern States Power Company, a Minnesota corporation ("NSP"), with its principal place of business at 414 Nicollet Mall, Minneapolis, Minnesota 55401 and Dragonfly Solar, LLC ("Contractor"), a Minnesota LLC, with its principal place of business at 10583 102<sup>nd</sup> Street West, Lakeville, Minnesota 55044. NSP and Contractor are sometimes individually referred to as a "Party" or collectively as the "Parties".

**WHEREAS**, Contractor intends to design, build, own and operate an electric generating facility project to be located in the vicinity of the G. McNeilus, LLC wind farm site south of Dodge Center, Minnesota, consisting of one (1) number of generators with a total nameplate capacity of not more than 0.9975 megawatts ("MWs"), which will be interconnected with NSP's electric system and will produce renewable energy which may be sold to NSP. A description of the Project, which is the subject of this Grant Contract, is provided in this Grant Contract and Exhibits hereto;

**WHEREAS**, NSP and Contractor intend to fund the Contractor's electric generating Project utilizing Renewable Development Fund ("RDF") grant funds pursuant to Minnesota Statutes Section 116C.779 in accordance with the terms and conditions of this Grant Contract and Exhibits hereto; and

**WHEREAS**, Contractor may choose to enter into a power purchase agreement with NSP for the sale of the output of such facility or choose to otherwise utilize the output from the generating facility all as more fully described in the applicable Renewable Development Fund Request for Proposals.

**NOW, THEREFORE**, in consideration of the premises and mutual obligations set forth herein, the Parties agree as follows:

1. DEFINITIONS

A. **Contractor** has the meaning set forth in the opening paragraph of this Grant Contract.

B. **Date**.

1) **Grant Contract Start Date** shall be the date first listed above.

2) **Grant Contract End Date** is the last date reimbursable expenses can be incurred, and shall be the earliest of 1) completion of the Project; 2) the Scheduled Completion Date indicated on Exhibit C; or 3) the date on which the Grant Contract has been terminated in accordance with this Grant Contract.

C. **Facility** is the physical generator and all appurtenant equipment and facilities necessary for the production of energy and capacity and delivery of such energy and

capacity that is being developed, constructed and placed into service as part of the Project.

D. **Project** refers to the scope of work arising from the selected proposal as described in Exhibit A. The scope of work to be included in Exhibit A is derived from the scope of work described in the proposal. Exhibit A may be modified only by mutual agreement between authorized representatives of both Parties.

E. **Terms Relating to Data**

1) **Technical Data** or **Data** as used in this Grant Contract means recorded information regardless of form or characteristic, of a scientific or technical nature. It may, for example, document research; document experimental, developmental, demonstration, or engineering work; or be usable or used to define a design or process; or to procure, produce, support, maintain, or operate material. The Data may be graphic or pictorial delineation in media such as drawings or photographs, test specifications or related performance or design type documents or computer software (including computer programs, computer software databases, and computer software documentation). Examples of Technical Data include manufacturing techniques and methods, machinery, devices such as tools, products, or components, research and engineering, engineering drawings and associated lists, specifications, engineering calculations, standards, process sheets, manuals, technical reports, catalog item identification, and related information. Technical Data as used herein does not include financial reports, cost analyses and other information incidental to Grant Contract administration.

2) **Business Information** is information about the operation of a specific business. It includes information concerning the cost and pricing of goods, supply sources, cost analyses, characteristics of customers, books and records of the business, sales information including mailing lists, customer lists, business opportunities, information regarding the effectiveness and performance of personnel, and information incidental to Grant Contract administration.

3) **Public Information** is information previously published, generally available from more than one source, or information in the public domain. All air monitoring and emission Data included in a proposal or requested through a Grant Contract are public information.

4) **Confidential Information** is Technical Data or Business Information Contractor has satisfactorily identified, which is not otherwise public and which the Parties agree is appropriately treated as confidential.

5) **Proprietary Data** is such Data Contractor has identified in a satisfactory manner as being under Contractor's control prior to commencement of performance of this Grant Contract or produced by Contractor or its

subcontractors at its own expense, and which Contractor has reasonably demonstrated as being of a proprietary nature either by reason of copyright, patent or trade secret doctrines in full force and effect at the time when performance of this Grant Contract is commenced.

- 6) **Trade Secret** is any formula, plan, pattern, process, tool, mechanism, compound, procedure, source code, software, database, production Data, or compilation of information which is not patented and which is generally known only to certain individuals with a commercial concern who may be using it to fabricate, produce or compound an article of trade or a service having commercial value and which gives its owner or user an opportunity to obtain a business advantage over competitors who do not know or use it.
  - 7) **Generated Data** is that Data that Contractor collects, collates records, deduces, reads out or postulates for use in the performance of this Grant Contract. In addition, any electronic Data processing program, model or software system developed or substantially modified by Contractor in the performance of this Grant Contract using RDF funds, together with complete documentation thereof, shall be treated as Generated Data.
  - 8) **Deliverable Data** is that Data which, under the terms of this Grant Contract, is required to be delivered to NSP.
- F. **Project Manager** shall be designated by the Contractor as the administrator of the Project, and who will be responsible, on behalf of Contractor, for managing the completion of task deliverables and milestones as set forth in Exhibit C. Project Manager is also the designate to be noticed as provided in Exhibit D.
- G. **Proposal** shall mean Contractor's proposal as approved by the Commission and attached hereto as Exhibit J.
- H. **Renewable Development Fund Advisory Group** or **Advisory Group** shall mean the current advisory group to the Renewable Development Fund as constituted from time to time.

Certain other terms are defined elsewhere in this Grant Contract.

## 2. CONTRACT TERM

The term of this Grant Contract shall be from the Contract Start Date to the Contract End Date. This Grant Contract is of no force or effect until it has been signed by both Parties. In the event that the Project has not been completed within three (3) years of the originally scheduled Contract End Date, this Grant Contract shall automatically be terminated, subject to the provisions of Section 16 hereof, and further subject to the rights of NSP hereunder to exercise all rights and remedies hereunder for any Event of Default by Contractor that may have occurred prior thereto at any time as permitted by this Grant Contract. Contractor and NSP acknowledge that this Grant Contract shall be effective as of the Contract Start Date

but that any obligation to disburse grant funds remains subject to NSP's receipt of all jurisdictional regulatory approvals.

3. PAYMENTS TO CONTRACTOR

Subject to the conditions in this Grant Contract and Exhibits hereto, NSP agrees to reimburse Contractor for actual and allowable expenses incurred in accordance with Exhibit C subject to the limitations herein and therein, and the milestone progress or final payment limitations in Exhibit C. The total amount of this Grant Contract shall not exceed the maximum grant amount stated in Exhibit C or Contractor's total actual and allowable costs, whichever is less.

A. A request for payment shall consist of:

- 1) An invoice that lists actual and allowable expenses incurred up to the milestone payment amounts indicated in Exhibit C; and
- 2) Substantiation of such expenses in a form reasonably acceptable to NSP; and
- 3) Documentation of the deliverables as detailed in Exhibit C satisfactory to NSP.
- 4) Each request for payment shall constitute a representation and warranty by Contractor that: (a) all representations and warranties set forth in this Grant Contract remain true and correct in all material respects, (b) Contractor has complied with all obligations contained in this Agreement through the date of the request for payment and (c) Contractor has fully disclosed to NSP all facts and other information known to Contractor which reasonably may affect Contractor's ability to complete the Project on schedule.

B. Contractor shall submit all invoices to the NSP Contract Manager.

C. Payments shall be made to Contractor only for undisputed invoices. An undisputed invoice is an invoice for amounts that appear to the NSP Contract Manager to be consistent with and allowed under this Grant Contract. In the event the invoice contains expenses that the NSP Contract Manager believes have not been incurred, are inconsistent, or inappropriate, the NSP Contractor shall attempt to provide notice of identified issues to the Project Manager within fifteen (15) working days after receipt the invoice. Invoices paid remain subject to audit and verification.

D. Payment shall be made to Contractor no later than 30 calendar days from the date a correct, undisputed invoice is received by the NSP Contract Manager.

E. Contractor shall retain all records relating to all expenses reimbursed to Contractor, and to hours of employment on this Grant Contract by all employees of Contractor for which NSP is billed. Such records shall be maintained for a period of three (3) years after final payment of this Grant Contract, or until audited by the State,

whichever occurs first, and shall be available for inspection or audit at any reasonable time by NSP or its designee.

4. PROJECT SCHEDULE AND BUDGET REVISIONS

- A. Contractor shall meet the critical path schedule set forth on Exhibit B and meet the Project budget set forth on Exhibit C. Contractor shall provide reasonable advance notification to NSP of any anticipated schedule deviations or budget reallocations. Contractor may reallocate an element, or task in the budget of up to fifteen (15) percent of the total budget without prior written notice to NSP. Reallocations of more than fifteen (15) percent of the total budget require prior written approval of NSP.
- B. Contractor shall provide sixty (60) days advance written notification to NSP for any request to make a reallocation as contemplated by Section 4.A of more than fifteen (15) percent. Along with any such request, Contractor shall submit any supporting documentation as NSP may request.
- C. Contractor must report (i) changes in the scope, timing, use of equipment, use of suppliers, vendors, budgets, Project Managers and Project key assistants, location, Milestones or changes or potential changes that could affect the Milestones of the Project, and similar changes, events or conditions that could affect the Project and (ii) the occurrence of any event which could, with the giving of notice or the passage of time or both, constitute an Event of Default by Contractor under this Agreement, as soon as possible, but in no event later than five (5) business days after their occurrence or the knowledge of their potential occurrence. Such information shall be provided on the Notice of Change or Potential Change Form in Exhibit I to this Grant Contract. The NSP Contract Manager shall review such Change forms. Administrative changes may be allowed by the NSP Contract Manager by written approval. Minor changes may be agreed to by the Project Manager and the NSP Contract Manager and shall be memorialized in a written amendment to this Grant Contract. Material changes must be approved by NSP in the form of a written amendment to this Grant Contract, which the Parties acknowledge may be subject to approval of the Minnesota Public Utilities Commission ("Commission") as deemed appropriate by NSP, in NSP's sole discretion. A change is material if it results in changes in deliverables, moves due dates beyond the term of the Contract or modifies the scope of work reasonably beyond that approved by the Commission (any of such changes being a "Change"), and may require regulatory approval. If NSP determines appropriate, it may approve, modify, reject or refer the Change to the Advisory Group and/or the Commission for consideration. NSP anticipates providing to the Commission any Changes that are deemed to represent significant Project scope changes. All information relating to any Change may be provided to the Commission or otherwise publicly disclosed.

5. CONTRACT MANAGEMENT

- A. Project Manager

The Project Manager on behalf of Contractor is designated in Exhibit D. Such Project Manager may not be replaced without NSP's prior written approval, such approval not to be unreasonably withheld. The Project Manager is responsible for the day-to-day Project status, decisions and communications with the NSP Contract Manager.

B. NSP Contract Manager

The NSP Contract Manager is designated in Exhibit D. The NSP Contract Manager is responsible for the day-to-day contract status, decisions and communications with the Project Manager. The NSP Contract Manager will review all deliverables, reports and invoices as provided for in Section 8, and notify Project Manager of any reporting deficiencies.

6. ANNUAL EVALUATION

NSP may annually evaluate all reporting, as required in Section 8, as well as any other information collected in accordance with this Grant Contract, to determine whether the Contractor is in compliance with the Standards of Performance as stated in Section 7. Contractor shall fully cooperate with NSP in any such evaluations. Any such annual evaluation may be presented to the Advisory Group and/or the Commission.

7. STANDARD OF PERFORMANCE

A. Standard of Performance shall mean Contractor, its subcontractors and their employees and agents in the performance of Contractor's work shall exercise the degree of skill and care required by customarily accepted good professional practices and procedures used in designing and building energy production facilities and (i) shall comply with all applicable federal, state and local laws, regulations and Project permit conditions, (ii) shall not infringe upon any intellectual property rights of any third parties and (iii) shall meet or exceed all performance standards and matrices set forth in the Proposal.

B. In the event that Contractor or its subcontractor(s) fail to perform in accordance with the Standard of Performance as defined in Section 7.A above, and in the event that the NSP Contract Manager becomes aware of any such failure, the NSP Contract Manager may notify the Project Manager who shall identify and propose an appropriate remedy for the failure. No failure of the NSP Project Manager to notify the Project Manager of any such failure shall relieve Contractor from any of its duties or obligations under this Grant Contract. In the event NSP determines the proposed remedy is not satisfactory, the NSP Contract Manager and the Project Manager shall seek to negotiate an appropriate resolution given the circumstances. If NSP determines such a resolution cannot be reached, it may refer the matter to the Advisory Group, who may choose to recommend an appropriate resolution. NSP shall retain all its rights under this contract should no mutual resolution be reached.

C. Nothing contained in this section is intended to limit any of the rights or remedies, which NSP may have under law or under other sections of this Grant Contract.



8. REPORTING

A. Once a month, beginning after the Contract Start Date, Project Manager shall prepare and provide to the NSP Contract Manager a progress report in form and detail acceptable to NSP that documents evidence of progress and deliverables as detailed in Exhibit C. Summary reports are to include a general overview of how the Project is progressing; summary of the work activity for the past period; identification of active milestone(s) and estimate percent of Project work completed; specific/unforeseen problems encountered that need to be overcome that may be expected to affect the milestones, timeline of deliverables, or costs and Contractor's efforts to comply with the Project critical path schedule; and significant Project accomplishments. All such reports will be posted by Xcel Energy on a public website approved by the Commission.

B. At the conclusion of the Contractor's work, Contractor shall prepare a comprehensive written Final Report in form and detail acceptable to NSP, including an executive summary. The Final Report is to include a summary of what the project was intended to do and what was discovered or accomplished, the usefulness and benefits of the project's discovery or accomplishments, and a summary of lessons learned or project outcomes. Such Final Report must contain sufficient detail for technical readers and a clearly written summary for non-technical readers. The non-technical summary should be one-and-a-half to two pages in length including an executive summary of the project, the methodology used for the project, ratepayer benefits from the project and any lessons learned. The Final Report must include an evaluation of the Project's financial, environmental, and other benefits to the State of Minnesota and to NSP's ratepayers.

The NSP Contract Manager will review and approve the Final Report, or in the event the Final Report is not satisfactory to NSP, shall identify deficiencies, which Contractor shall resolve within 30 days. Contractor shall also meet with the Advisory Group to present the findings, conclusions, and recommendations. The Contractor shall present the Final Report to the Advisory Group on or before the Contract End Date. All Final Reports will be posted by Xcel Energy on a public website approved by the Commission.

C. All reports, including reprints, shall include the following legend:

**LEGAL NOTICE**

**THIS REPORT WAS PREPARED AS A RESULT OF WORK SPONSORED BY THE RENEWABLE DEVELOPMENT FUND AS MANAGED BY XCEL ENERGY. IT DOES NOT NECESSARILY REPRESENT THE VIEWS OF XCEL ENERGY, ITS EMPLOYEES, OR THE RENEWABLE DEVELOPMENT FUND ADVISORY GROUP. XCEL ENERGY, ITS EMPLOYEES, CONTRACTORS, AND SUBCONTRACTORS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AND ASSUME NO LEGAL LIABILITY FOR THE INFORMATION IN THIS REPORT; NOR DOES XCEL ENERGY, ITS EMPLOYEES OR THE RENEWABLE**

**DEVELOPMENT FUND ADVISORY GROUP REPRESENT THAT THE USE OF THIS INFORMATION WILL NOT INFRINGE UPON PRIVATELY OWNED RIGHTS. THIS REPORT HAS NOT BEEN APPROVED OR DISAPPROVED BY NSP NOR HAS NSP PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION IN THIS REPORT.**

- D. Contractor shall provide annual, public electric generation reports to document RDF benefits for the ten (10) years subsequent to Project completion. Reports are to include power generated, net sales, and economic indicators and shall be provided to the RDF Advisory Group. NSP may require adequate assurance or withhold final payment of funds until this reporting covenant has been completed.

9. RECORDKEEPING, COST ACCOUNTING AND AUDITING

A. Cost Accounting

Contractor agrees to keep separate, complete, and correct accounting of the costs involved in developing, installing, constructing, and testing of the Facility, the work on the Project or rights under this Grant Contract.

B. Accounting Procedures

The Contractor's costs shall be determined on the basis of the Contractor's accounting system procedures and practices employed as of the effective date of this Grant Contract. The Contractor's cost accounting practices used in accumulating and reporting costs during the performance of this Grant Contract shall be consistent with the practices used in estimating costs for any proposal to which this Grant Contract relates; provided that such practices are consistent with the other terms of this Grant Contract and provided, further, that such costs may be accumulated and reported in greater detail during performance of this Grant Contract. The Contractor's accounting system shall distinguish between direct costs and indirect costs. All costs incurred for the same purpose, in like circumstances, are either direct costs only or indirect costs only with respect to costs incurred under this Grant Contract.

C. Allowability of Costs

1) Allowable Costs

The costs for which the Contractor shall be reimbursed under this Grant Contract include all direct costs incurred in the performance of the work that is identified in Exhibit C, subject to the limitations and cap of the Grant Amount in this Grant Contract and Exhibit C. Costs must be incurred within the term of the Contract.

2) Unallowable Costs

Contingency costs, imputed costs, fines and penalties, losses on contracts, liabilities from failure to comply with applicable laws, rules and regulations, costs, settlements and judgments under any litigation or arbitration, expenses not incurred, and excess profit taxes are unallowable, as well as costs determined inappropriate or inconsistent with Exhibit C, by the NSP Contract Manager.

D. Audit Rights

Contractor shall maintain books, records, documents, and other evidence, based on the procedures set forth above, sufficient to reflect properly all costs claimed to have been incurred in performing this Grant Contract. NSP, or at NSP's option, a public accounting firm designated by NSP, may audit such accounting records at all reasonable times with prior notice by NSP. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of NSP to audit records and interview staff in any subcontract related to performance of this Grant Contract.

10. CONFIDENTIALITY

A. NSP agrees to work with Contractor to make reasonable efforts to keep confidential the items listed in Exhibit E. Designation of trade secrets and justification for trade secret information before the Commission and other agencies shall be the responsibility of the Contractor.

B. Public and Confidential Deliverables

Deliverables including, but not limited to, progress reports, task deliverables and the Final Report shall not contain confidential information except when the NSP Contract Manager and the Contractor deem it necessary to include confidential information in a deliverable. In such event, the Contractor shall prepare the deliverable in two separate volumes, one for public distribution and one to be maintained in NSP's confidential records. Only those items specifically listed in Exhibit E or in a subsequent determination of confidentiality qualify as confidential deliverables.

C. Identifying and Submitting Confidential Information

All confidential information submitted by the Contractor shall be marked "Confidential" on each document containing the confidential information.

D. Future Confidential Information

During the term of this Grant Contract, Contractor may develop additional Data or information that the Contractor considers to be nonpublic confidential information not listed on Exhibit E. Contractor must list all items and information along with justification for confidentiality and submit a proposed revision of Exhibit E to the

NSP Contract Manager. Exhibit E may be amended by mutual agreement, however any amendment to Exhibit E shall not affect NSP's rights under section 12 as to the additional Data and information by amending Exhibit E. In the event there is a disagreement over the items to be delivered under the Contract, the Parties shall use the "Disputes" clause found at section 14.A. Such subsequent determinations will be added to Exhibit E.

E. General Right to Use Information

Except for Confidential Information identified on, or added by amendment to, Exhibit E, NSP shall have the right to use all information and data delivered by Contractor or derived from the Project or this Grant Contract: (i) in the course of providing goods or services to customers of NSP whether or not affected by the Project, and (ii) for purposes of research, development, marketing and producing energy and energy systems and processes. Contractor hereby also consents to release of its customer information with regard to the foregoing.

11. REPRESENTATIONS OF CONTRACTOR

Contractor represents, warrants and covenants that, except as set forth on Schedule 11 hereto:

- A. It is duly authorized to conduct business in all jurisdictions necessary to perform this Grant Contract, and it has the power and authority to enter into and perform this Grant Contract; and
- B. The execution and performance of this Grant Contract and the construction and operation of the Facility and implementation of the Project hereunder will not conflict with or constitute a breach of or a default under any contract, license or other agreement applicable to Contractor or its property; and
- C. The execution and performance of this Grant Contract and the construction and operation of the Facility and the implementation of the Project hereunder will not require any consent, license, permit or approval that has not been obtained from the appropriate governmental authority; and
- D. It has taken all actions necessary and advisable to authorize this Grant Contract and the construction and operation of the Project hereunder, and this Grant Contract is the legal, valid and binding obligation of Contractor, fully enforceable in accordance with its terms; and
- E. It has all internal financing and co-funding resources available for the Project as required to complete the Project to be funded under this Grant Contract; and
- F. It has entered into all contracts, in a form satisfactory to NSP, necessary for the services, supplies, materials, equipment and other products necessary for performance of the Project with qualified suppliers and will promptly pay and discharge all such obligations upon receipt of conforming goods and services

provided for the Project; and all such orders and contracts may be assigned to NSP if NSP exercises its right, in its sole discretion, under this Grant Contract to complete the performance of the Grant Contract, and contractor hereby authorizes any monies paid by NSP on such order or contracts to be offset and deducted from the Grant Amount of this Grant Contract; and

- G. It has all the necessary permits, orders, authorization or any other necessary permission in place for the performance of this Grant Contract, including, but not limited to, emissions permits, transportation permits, conditional use permits and waste permits; and
- H. It will provide true and correct copies of all contracts and agreements related to the performance of this Grant Contract to NSP upon execution; and
- I. It will not terminate any contract with any Minnesota-based institution, supplier or service provider involved in the performance of this Project without consultation with NSP; and
- J. It and/or its contractors will maintain the liability insurance coverage required by Exhibit F hereof and any other insurance required for the Project and name Xcel Energy, NSP and the Advisory Group as additional insureds. Contractor agrees to promptly notify NSP of any notice of cancellation received from Contractor's current insurer and who the replacements insurer will be without allowing any gap in such insurance.

12. RIGHTS OF PARTIES REGARDING INTELLECTUAL PROPERTY

A. NSP's Rights in Deliverables

Subject to Section 12.B of this Grant contract, Deliverables, reports and Deliverable Data specified for delivery to NSP under this Grant Contract shall become the property of NSP. NSP may use, publish, and reproduce the deliverables and reports subject to the provisions of subparagraph C in accordance with the goals and policies of NSP and jurisdictional regulatory authorities for public information and renewable energy development educational purposes.

B. Rights in Technical Data, Generated Data, and Deliverable Data

1) Contractor's Rights

All Data, including Technical Data, Generated Data and Deliverable Data, produced under this Grant Contract shall be the property of the Contractor, limited by the license retained by the NSP in paragraph 12.B.2 below, and the rights NSP has in deliverables specified above in section 12.A.

2) NSP's Rights

For Technical Data, Generated Data and Deliverable Data produced under this Grant Contract, NSP retains a no-cost, non-exclusive, non-transferable,

irrevocable, royalty-free, worldwide, perpetual license to use, publish, translate, produce and to authorize others to produce, translate, publish and use all such Data, subject to the provisions of subparagraph C.

C. Limitations on NSP Disclosure of Contractor's Confidential Records

- 1) Data provided to NSP by Contractor, which Data the Parties have agreed to keep confidential and which Contractor seeks to have designated as confidential, or is the subject of a pending application for confidential designation, shall not be disclosed by NSP, unless disclosure is required such as by order of a court of competent jurisdiction or determination by regulatory agency.
- 2) NSP agrees not to disclose Confidential Data or the contents of reports containing information considered by Contractor as confidential, without first providing a copy of the disclosure document for review and comment by Contractor. Contractor may make an application for confidential designation on some or all of the Data, and shall be responsible for all costs and expenses thereof.

D. Exclusive Remedy

In the event NSP intends to publish or has disclosed Data the Contractor considers confidential, the Contractor's sole and exclusive remedy shall be a civil court action for injunctive relief, which shall be filed in Hennepin County, Minnesota. This provision shall not prevent Contractor from attempting to prevent disclosure by any government agencies under the Minnesota Government Data Practices Act provisions of Minnesota Statutes, Chapter 13 or otherwise.

E. Limitations on Contractor Disclosure of Contract Data, Information, Reports and Records

- 1) Contractor will not disclose the contents of the final or any preliminary deliverable or report without first providing a copy of the disclosure document for review and comment to the NSP Contract Manager. The Contractor shall incorporate the comments of the NSP Contract Manager, unless, based upon professional judgment, Contractor and NSP agree otherwise.
- 2) Notwithstanding the foregoing, in the event any public statement is made by NSP as to the role of Contractor or the content of any preliminary or Final Report of Contractor hereunder, Contractor may, if it believes such statement to be incorrect, state publicly what it believes is correct.
- 3) No record that is provided by NSP to Contractor for Contractor's use in executing this Grant Contract and which has been designated as confidential shall be disclosed, unless a court of competent jurisdiction orders disclosure, and Contractor has timely provided NSP with a copy thereof. At the

election of the NSP Contract Manager, the Contractor, its employees and any subcontractor shall execute a "Confidentiality Agreement," supplied by the NSP Contract Manager.

- 4) Contractor acknowledges that each of its officers, employees, and subcontractors who are involved in the performance of this Grant Contract will be informed about the restrictions contained herein and will be required to abide by the above terms; and that Contractor will be responsible for any violations by any such individuals.

F. Copyrights

- 1) Any copyrightable material first produced under this Grant Contract shall be owned by the Contractor, limited by the license granted to NSP in 2) below.
- 2) Contractor agrees to grant NSP a royalty-free, no-cost nonexclusive, irrevocable, nontransferable worldwide, perpetual license to produce, translate, publish and use and to authorize others to produce, translate, publish and use all copyrightable material first produced or composed in the performance of this Grant Contract.
- 3) Contractor will apply copyright notices to all deliverables using the following form or such other form as may be reasonably specified by NSP.

“©[Year of first publication of deliverable], [the Copyright Holder’s name].  
ALL RIGHTS Reserved.”

G. Intellectual Property Indemnity

Contractor warrants that Contractor will not, in the course of its work under this Grant Contract or otherwise, infringe or misappropriate any intellectual property right of a third party, and further warrants and agrees that it will conduct a reasonable investigation of the intellectual property rights of third parties to avoid such infringement. Contractor will defend and indemnify NSP from and against any claim, lawsuit or other proceeding, loss, cost, liability or expense (including court costs and reasonable fees of attorneys and other professionals) to the extent arising out of: (i) any third party claim that a deliverable infringes any patent, copyright, trade secret or other intellectual property right of any third party, or (ii) any third party claim arising out of the negligent or other tortious act(s) or omission(s) by the Contractor, its employees, subcontractors or agents, in connection with or related to the deliverables or the Contractor’s performance thereof under this Grant Contract.

H. Green Tags or Environmental Renewable Energy Credits

Excluding any federal or state tax credits to which Contractor is entitled, such as that granted under Minnesota Statutes, section 216C.41 for the Facility, Contractor hereby grants, assigns, and transfers to NSP any and all rights to and ownership of attributes of an environmental or other nature that are created or otherwise arise

from the Facility's generation of energy using renewable fuel (in contrast to the generation of electricity using nuclear or fossil fuels or resources), including, but not limited to all Renewable Energy Credits. For the purposes of this Grant Contract, "Renewable Energy Credits" shall mean all attributes of an environmental or other nature that are created or otherwise arise from the Facility's generation of electrical energy using any renewable fuel in contrast to the generation of electricity using nuclear or fossil fuels or resources, including without limitation, tags, certificates or similar products or rights associated with renewable fuels as a "green" or "renewable" electric generation resource, including any and all environmental air quality credits, emissions reductions, off-sets, allowances or other benefits related to the generation of energy by the Facility that reduces, displaces or offsets emissions from fuel combustion at another location pursuant to any existing or future international, federal, state or local legislation or regulation or voluntary agreement, and the aggregate amount of credits, offsets or other benefits including any rights, attributes or credits arising from or eligible for consideration in the Midwest Renewable Energy Tracking System ("M-RETS") or any similar program pursuant to any international, federal, state or local legislation or regulation or voluntary agreement and any renewable energy certificates issued pursuant to any program, information system or tracking system associated with the renewable electrical energy generated from the Facility.

The provisions of this Section 12.H of this Grant Contract shall: (i) be applicable to all energy produced by the Facility for the life of the Facility, (ii) survive the termination or expiration of this Grant Contract, as provided therein, and (iii) survive the termination or expiration of any agreement between Contractor and NSP or its affiliates for the purchase of the capacity and/or energy produced by the Facility, if any. To the extent Contractor transfers ownership of or other rights in the Facility to a third party, Contractor shall (i) promptly notify NSP of such transfer and (ii) ensure that the provisions of this Section 12.H of this Grant Contract shall be applicable to and enforceable against such third party or any subsequent owner of the Facility. Transfer of ownership of or other rights in the Facility by Contractor shall not relieve Contractor of its obligations under this Section 12.H of this Grant Contract.

The Parties acknowledge and agree that attributes of an environmental or other nature that are created or otherwise arise from the Facility's generation of energy using renewable fuel are unique to the Facility and cannot be replaced by the purchase of replacement Renewable Energy Credits; and NSP shall have the rights to specific performance provided in Section 15.7 hereof.

13. NOTICES TO PARTIES

Notice to either party may be given by certified mail properly addressed, postage fully prepaid, or by overnight carrier providing record of receipt, to the address designated in Exhibit D for each respective party or to such other address as either party shall notify the other in accordance with this section.

14. DISPUTES



A. Dispute Resolution

If NSP and the Contractor cannot resolve a dispute or grievance, Project Manager and NSP Contract Manager shall each prepare a written statement of the issues in dispute, the legal authority or other basis for their respective positions and the remedy sought. The packages must be submitted to the Renewable Development Fund Advisory Group. The Advisory Group shall make a determination within ten working days after receipt of the package. Should Contractor disagree with the Advisory Group's decision, Contractor may appeal to the Commission. Contractor shall continue to perform its responsibilities under this Grant Contract during any dispute.

B. Legal Remedy

The interpretation and performance of this Grant Contract and each of its provisions shall be governed and construed in accordance with the laws of the State of Minnesota. The Parties hereby submit to the exclusive jurisdiction and enforcement authority of the Commission or, in the event the Commission declines jurisdiction, or in the event that NSP is exercising its rights under Sections 12.D or 15.5 hereof, to the exclusive jurisdiction of the courts of the State of Minnesota, and venue is hereby stipulated as Minneapolis, Minnesota.

15. DEFAULT AND TERMINATION

15.1 Events of Default of Contractor.

- (A) Any of the following shall automatically constitute an Event of Default of Contractor upon its occurrence and no notice or cure period shall be applicable:
- 1) Contractor's dissolution or liquidation;
  - 2) Contractor's assignment of this Grant Contract or any of its rights hereunder;
  - 3) Contractor's sale or other transfer of the Project or any part thereof or interest therein during the Term of this Grant Contract;
  - 4) Contractor's filing of a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or Contractor voluntarily taking advantage of any such law or act by answer or otherwise;
  - 5) Contractor's actual or apparent fraud with any funding under this Grant Contract, waste, tampering with any NSP-owned facilities or material, intentional misrepresentation or willful misconduct in

connection with this Grant Contract and/or the work on the Project;  
or

6) Contractor's abandonment of the Project;

(B) Any of the following shall constitute an Event of Default of Contractor upon its occurrence but shall be subject to cure within ninety (90) days after the date of written notice from NSP to Contractor:

1) Contractor's failure to meet the Critical Path Schedule;

2) Contractor's failure to maintain in effect any agreements required to deliver the final product; or

3) Contractor's failure to comply with the Standard of Performance under Section 7 or with any other material obligation under this Grant Contract.

4) Contractor's failure to make any payment required under this Grant Contract;

5) Any direct or indirect change of control of Contractor by sale of majority equity interest, transfer of majority voting rights, merger, consolidation, additional issuance of equity or otherwise);

6) Any representation or warranty made by Contractor in this Grant Contract shall prove to have been false or misleading in any material respect when made or ceases to remain true during the Term if such cessation would reasonably be expected to result in a material adverse impact on the Project or NSP; or

7) The filing of a case in bankruptcy or any proceeding under any other insolvency law against the parent or any other affiliate of Contractor that could materially impact Contractor's ability to perform its obligations hereunder; provided, however, that Contractor does not obtain a stay or dismissal of the filing within the cure period.

#### 15.2 Events of Default of NSP.

(A) Any of the following shall automatically constitute an Event of Default of NSP upon its occurrence and no notice or cure period shall be applicable:

1) NSP's dissolution or liquidation provided that division of NSP into multiple entities or any other corporate reorganization or business restructuring shall not constitute dissolution or liquidation; or

2) NSP's filing of a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any State, or NSP

voluntarily taking advantage of any such law or act by answer or otherwise.

- (B) NSP's failure to comply with any other material obligation under this Grant Contract, which would result in a material adverse impact on Contractor, shall constitute an Event of Default of NSP upon its occurrence but shall be subject to cure within ninety (90) days after the date of written notice from Contractor to NSP; or
- (C) NSP's failure to make any undisputed payment shall constitute an Event of Default of NSP upon its occurrence but shall be subject to cure within sixty (60) Days after the date of written notice from Contractor to NSP.

15.3 Termination. Upon the occurrence of an Event of Default, which has not been cured within the applicable cure period, if any, the non-defaulting Party shall have the right to immediately terminate this Grant Contract without further notice. Neither Party shall have the right to terminate this Grant Contract except as provided for upon the occurrence of an Event of Default as described above or as otherwise may be explicitly provided for in this Grant Contract. In addition, the Parties may mutually agree in writing to terminate this Grant Contract.

15.4 Termination by NSP Due to Event of Default of Contractor. In the event NSP terminates this Grant Contract due to an Event of Default by Contractor, Contractor shall pay to NSP all monies disbursed under this Grant Contract by NSP to Contractor as of the termination of this Grant Contract due to an Event of Default by Contractor. Such payment shall be made by cashier's check or wire transfer no later than ninety (90) days following such termination of this Grant Contract.

15.5 Effect of Termination. The Parties acknowledge and agree that NSP and Contractor have entered into this Grant Contract to implement the order of the Commission approving the RDF grant to Contractor for its work on the Project. The Parties further acknowledge and agree that this Grant Contract, by implementing such order, provides the terms and conditions for Contractor's conduct and obligations so that it may receive such grant and the terms and conditions for NSP's administration of the grant. To that end, in the event that this Grant Contract is terminated pursuant to its terms, Contractor agrees that such termination shall also terminate any and all of Contractor's rights to the RDF grant award that may exist separate and apart of this Grant Contract by virtue of the Commission order approving the Project and Contractor hereby explicitly waives and any all of its rights to seek to implement any and all of such rights that may exist through such Commission order and outside of this Grant Contract. Furthermore, termination of this Grant Contract pursuant to its terms shall act as a withdrawal of Contractor's grant request.

15.6 Construction by NSP Following Event of Default of Contractor.

- (A) Prior to any termination of this Grant Contract due to an Event of Default of Contractor, NSP or its designated representative shall have the right, but not the obligation, to possess, assume control of, and operate the Project

facility as agent for Contractor (in accordance with Contractor's rights, obligations, and interest under this Agreement) during the period provided for herein. Contractor shall not grant any person, other than the facility lender, a right to possess, assume control of, and operate the facility that is equal to or superior to NSP's right under this Section.

- (B) NSP shall give Contractor thirty (30) days notice in advance of the contemplated exercise of NSP's rights under this Section. Upon such notice, Contractor shall collect and have available at a convenient, central location at the Project facility all documents, contracts, books, manuals, reports, and records required to construct, operate, and maintain the facility in accordance with industry engineering practices and procedures. Upon such notice, NSP, its employees, contractors, or designated third parties shall have the unrestricted right to enter the Project site and the facility for the purpose of constructing and/or operating the facility. Contractor hereby irrevocably appoints NSP as Contractor's attorney-in-fact for the exclusive purpose of executing such documents and taking such other actions as NSP may reasonably deem necessary or appropriate to exercise NSP's step-in rights under this Section.
- (C) NSP shall be entitled to immediately draw upon any remaining RDF Grant Funds awarded for the Project to cover any expenses incurred by NSP in exercising its rights under this Section.
- (D) During any period that NSP is in possession of and constructing and/or operating the Project facility pursuant to the foregoing paragraphs, NSP shall use commercially reasonable efforts to perform and comply with all of the obligations of Contractor under this Grant Contract and shall use the proceeds from the sale of electricity generated by the facility to first, reimburse NSP for any and all expenses reasonably incurred by NSP (including a return on capital at NSP's authorized return on equity most recently determined by the Minnesota Public Utilities Commission) in taking possession of and completing the Project facility, and to second, remit any remaining proceeds to Contractor.
- (E) During any period that NSP is in possession of and operating the Project facility, Contractor shall retain legal title to and ownership of the Project facility and NSP shall assume possession and control solely as agent for Contractor:
  - 1) In the event that NSP is in possession and control of the Project facility for an interim period, Contractor may resume operation and NSP shall relinquish its right to operate when Contractor demonstrates to NSP's reasonable satisfaction that it will remove those grounds that originally gave rise to NSP's right to operate the facility, as provided above, in that Contractor (i) will resume construction of the facility in accordance with the provisions of this Grant Contract, and (ii) has cured any Events of Default of

- “Disputes” Section 14
- “Default and Termination” Section 15
- “General Terms and Conditions” Section 16

- B. Headings have been inserted for the purpose of convenience and ready reference. They do not purport, and shall not be deemed, to define, limit, or extend the scope or intent of this Grant Contract.
- C. Contractor shall make representatives available to testify in the event the Commission or State Legislature hold hearings or conduct an investigation with regard to this Grant Contract.
- D. Contractor shall provide the NSP Contract Manager reasonable access to Contractor’s premises and all Project records.
- E. No amendment, alteration or variation of the terms of this Grant Contract shall be valid unless made in writing and signed by the Parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the Parties hereto. Other than as specified herein, no document or communication passing between the Parties hereto shall be deemed as part of this Grant Contract.
- F. Contractor shall not assign this Grant Contract, either in whole or in part, without the prior written consent of NSP, such consent may be withheld by NSP for any reason. Consent includes a formal written contract amendment approved by the Commission.
- G. Minnesota law shall govern interpretation of this Grant Contract.
- H. Time is of the essence in this Grant Contract.
- I. Contractor shall indemnify, defend and save harmless NSP, its affiliates, officers, agents and employees and members of the Renewable Development Fund Advisory Group from any and all claims and losses arising out of: (i) Contractor’s performance under this Grant Contract regardless of whether such performance is an Event of Default or not and (ii) Contractor’s negligence or willful misconduct.
- J. Contractor, its agents and employees shall act in an independent capacity and not as officers or employees or agents of NSP or the Advisory Group.
- K. No waiver of any breach of this Grant Contract shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Grant Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided therein or by law, except to the extent limited or excluded by the express terms of this Grant Contract. The failure of NSP to enforce at any time any of the provisions of this Grant Contract, or to require at any time performance by Contractor of any of the provisions therefore, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this Grant Contract or

Contractor which allowed NSP to exercise its rights under this Section.

2) In the event that NSP is in possession and control of the Project facility for an interim period, the facility lender, or any nominee or transferee thereof, may foreclose and take possession of and operate the facility and NSP shall relinquish its right to operate when the facility lender or any nominee or transferee thereof, requests such relinquishment and allows for a reasonable period of time to transition possession and operations.

(F) NSP's exercise of its rights hereunder to possess and construct the Project facility shall not be deemed an assumption by NSP of any liability attributable to Contractor. If at any time after exercising its rights to take possession of and operate the facility, NSP elects to return such possession and operation to Contractor, NSP shall provide Contractor with at least fifteen (15) days advance notice of the date NSP intends to return such possession and operation, and upon receipt of such notice, Contractor shall take all measures necessary to resume possession, construction and operation of the Project facility on such date.

(G) In the event NSP assumes construction of the facility under this Section, NSP shall construct the facility in conformance with standard utility practices.

15.7 Specific Performance. In addition to the other remedies specified in this Grant Contract, in the event that any Event of Default of Contractor is not cured within the applicable cure period set forth herein, NSP may elect to treat this Grant Contract as being in full force and effect and NSP shall have the right to specific performance. If the breach by Contractor arises from a failure by third party constructing the facility pursuant to a construction agreement entered into with Contractor, and Contractor fails or refuses to enforce its rights under the construction agreement which would result in the cure, or partial cure, of the Event of Default, NSP's right to specific performance shall include the right to obtain an order compelling Contractor to enforce its rights under the construction agreement. Likewise, for any breach of this Grant Contract by NSP, Contractor shall have the right to specific performance

## 16. GENERAL TERMS & CONDITIONS

A. The following contract provisions, rights and obligations shall survive the completion or termination date of this Grant Contract:

- "Standard of Performance" Section 7
- "Recordkeeping, Cost Accounting and Auditing" Section 9
- "Confidentiality" Section 10
- "Rights of Parties Regarding Intellectual Property" Section 12

any part thereof or the right of NSP to thereafter enforce each and every such provision.

- L. If any provision of this Grant Contract is held invalid, that invalidity shall not affect other provisions of the Contract. In the event that any provision of this Grant Contract is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Grant Contract have force and effect and shall not be effected thereby.
- M. All Exhibits and Addendums are incorporated into this Grant Contract by this reference and made a part hereof. Contractor represents and warrants that all material statements of fact made in its Grant Application and due diligence responses are true and correct statements as of the Contract Start Date and that such statements do not omit any material facts necessary to make Contractor's Grant Application materially misleading. This Grant Contract contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior negotiations between the Parties. In the event of any inconsistency between any of the terms and conditions of this Grant Contract and the terms and conditions of any or all Exhibits, the terms and conditions of this Grant Contract shall control. In the event of any inconsistency between the terms and conditions of any or all of Exhibits A, B and C and the terms and conditions of the Proposal, the terms and conditions of Exhibits A, B and C shall control
- N. Contractor acknowledges and agrees that nothing under this Grant Contract or the Commission order approving the RDF grant to Contractor for the purposes of the Project obligates NSP or its affiliates to enter into any agreement for the purchase by NSP or its affiliates of the energy and/or capacity generated by the Facility or Project.
- O. Contractor acknowledges that NSP manages the RDF and power purchases through different functions of the company or through its affiliates. To that end, Contractor agrees that any breach, dispute, or other issue related to NSP's or its affiliates' performance under any agreement for the purchase of the energy and/or capacity of the Facility or Project ("PPA") or other conduct by NSP related to such PPA shall not be considered a breach by NSP of its obligation of good faith and fair dealing or any other statutory or common law requirement under this Grant Contract and Contractor agrees to waive any and all claims at equity or law related thereto. Contractor additionally agrees that any breach, dispute, or other issue related to NSP's performance of this Grant Contract or other conduct by NSP related to this Grant Contract shall not be considered a breach by NSP of its obligation of good faith and fair dealing or any other statutory or common law requirement under the PPA and Contractor agrees to waive any and all claims at equity or law related thereto.
- P. IN NO EVENT WILL NSP BE LIABLE FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY TYPE OR KIND BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY,

INCLUDING, BUT ARE NOT LIMITED TO, LOSS OF PROFIT; LOSS OF SAVINGS OR REVENUE; LOSS OF GOODWILL; LOSS OF USE OF THE PROJECT OR ANY ASSOCIATED PROJECT EQUIPMENT; COST OF CAPITAL; COST OF ANY SUBSTITUTE PROJECT EQUIPMENT, FACILITIES, OR SERVICES; DOWNTIME; THE CLAIMS OF ANY THIRD PARTIES INCLUDING CUSTOMERS; AND INJURY TO PROPERTY REGARDLESS OF THE NUMBER OF CLAIMS OR THE THEORIES OF RELIEF.



**EXHIBIT AND SCHEDULE LIST**

**Exhibit A: Work Statement**

The work statement in this Exhibit provides the objective of the grant application, the value of performing the Project, anticipated results and the tasks required to complete the Project.

**Exhibit B: Critical Path Schedule**

Exhibit B includes the critical path schedule for the Project.

**Exhibit C: Budget, Project Payment Milestones and Deliverables**

This Exhibit includes the approved budget for the Project, the Project payment Milestones and deliverables. The Project payment schedule and limits are intended to reflect anticipated value added by Contractor as a result of the progress on the Project, rather than expenses incurred to the date of a grant partial payment request.

**Exhibit D: Project Manager and Contract Manager - Contractor and NSP**

This Exhibit includes the names of the Project Manager and Contract Manager along with the necessary information required for continued communication.

**Exhibit E: Confidential List**

This Exhibit includes the description of any non-public confidential information involved in performance of the Project or to be derived from the Project required to be listed under Article 11.

**Exhibit F: Insurance Certificates**

This Exhibit includes the coverages, limits and requirements for Certificates of Insurance to be obtained and maintained by the Contractor.

**Exhibit G: Special Conditions**

This Exhibit includes the special conditions to be included as a part of this Grant Contract.

**Exhibit H: Contractor's Balance Sheet**

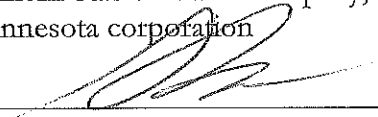
This Exhibit includes the Contractor's balance sheet.

**Exhibit I: Notice of Change or Potential Change in RDF Grant Contract Project.**

This Exhibit includes the form to be used by the Contractor for a notice of change or potential change to this Grant Contract or the Project.

In Witness Whereof, the Parties have agreed to this Grant Contract.

Northern States Power Company,  
a Minnesota corporation

By: 

Date: 9/8/2016

Its: RVP Rates & Regulatory Affairs

Dragonfly Solar, LLC  
a Minnesota limited liability company

By: Robert Messerud

Date: 8/23/2016

Its: V.P.

**Exhibit A**  
**Scope of Work**

***Executive Summary***

Dragonfly Solar, LLC (Dragonfly), will install not more than 997.5 kilowatts of direct-current ( $\text{kW}_{\text{DC}}$ ) solar capacity at a site south of Dodge Center, Minnesota within the footprint of several existing wind farms owned and operated by G. McNeilus, LLC and its affiliates. The solar facility will interconnect with the existing 34.5 kV collection system owned by GM Transmission, LLC which serves all the existing wind facilities, and deliver power to NSP at the NSP transmission system in Dodge Center.

The wind farm generates more production in the evening while a solar facility provides all of its production during daylight hours. By adding solar to the wind facility the net effect is an increase in production which is closer in the aggregate to firm capability. All energy generated will be sold to NSP through a power purchase agreement.

The project's total cost is estimated to be \$2,574,100. RDF grant funds will be applied to the capital costs of the project in a lump sum and result in a long-term energy production facility.

***Goals***

The goal is to install 997.5  $\text{kW}_{\text{DC}}$  of photovoltaic capacity and improve the infrastructure efficiencies and power production of an existing set of wind farms.

***Project Objectives***

- Increase the penetration of solar energy in the Minnesota
- Improve efficiency of energy infrastructure by co-locating wind and solar facilities and improve the collective value of the energy produced to the utility
- Provide increased knowledge of certain construction techniques suitable for use in commercial solar facilities in Minnesota to reduce construction costs.

***Project Performance***

- Commissioning of 997.5  $\text{kW}_{\text{DC}}$  solar capacity.
- Facility meets minimum design and manufacturer's performance specifications.
- Assessment of construction materials and methods for use in Minnesota commercial solar projects to reduce construction costs.
- Assessment of cost savings from use of existing wind energy infrastructure versus a stand-alone facility.
- Comparison of solar production with production of adjacent wind energy facilities.
- Comparison of solar production with production of adjacent wind energy facilities, including analysis of production patterns during on-peak hours of co-located facility.
- Assessment of technical efficiencies and challenges (or lack thereof) of paring interconnections, permitting, and site development of solar and wind technologies as compared to not co-locating.

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

Exhibit J: Contractor's approved Proposal.

Schedule 11: Exceptions to Contractor's Representations.

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

- Assessment of specific shading and other locational challenges and possible technical solutions for co-location, with production efforts.

**Exhibit B**  
**Critical Path Schedule**

**Dragonfly Solar, LLC Critical Path Schedule (EP4-29)**

Task	Task Description	Project Schedule (Quarters)				
		1	2	3	4	5
<b>1</b>	<b>Agreements/Financing</b>					
1.1	Power Purchase Agreement		■	■		
1.2	Secure Financing	■	■			
1.3	Interconnection Agreement		■	■		
1.4	Conditional use agreements	■				
<b>2</b>	<b>Design</b>					
2.1	Site analysis	■	■			
2.2	Prepare facility design	■	■			
2.3	MISO study	■	■			
2.4	Prepare facility specifications	■	■			
<b>3</b>	<b>Procurement</b>					
3.1	Identify suppliers		■	■		
3.2	Order PV panels/equipment		■	■		
3.3	Delivery of PV panels/equipment			■	■	
<b>4</b>	<b>Permitting</b>					
4.1	Zoning permits*	■	■			
4.2	Construction/ building permits		■	■		
4.3	On-site safety plan		■	■		
4.4	Construction contract		■	■		
<b>5</b>	<b>Construction</b>					
5.1	Site Preparation			■	■	
5.2	Construction and assembly			■	■	
5.3	System testing			■	■	
5.4	Commission PV facility				■	■
5.5	On-site demonstration				■	■
5.6	Presentation to RDF advisory group					■

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit C  
Budget, Project Payment Milestones and Deliverables**

Total Project Budget Amount: \$2,574,100

Maximum RDF Grant Amount: \$1,650,000

Project Milestones, Deliverables and Allowed Grant Partial Payments- See Attached Schedule

**Dragonfly Solar Budget (EP4-29)**

Budget Item	Year One			Year Two			TOTAL PROJECT		
	RDF Share	Cost Sharing	Total Cost	RDF Share	Cost Sharing	Total Cost	RDF Share	Cost Sharing	Total Cost
<b>Direct Costs</b>									
Salaries and Wages	\$180,000	\$120,000	\$300,000	\$25,000	\$10,000	\$35,000	\$205,000	\$130,000	\$335,000
Fringe Benefits			\$0			\$0	\$0	\$0	\$0
Equipment	\$1,293,000	\$642,000	\$1,935,000			\$0	\$1,293,000	\$642,000	\$1,935,000
Consultants/Subcontracts	\$145,000	\$85,000	\$230,000	\$7,000	\$3,000	\$10,000	\$152,000	\$88,000	\$240,000
Supplies	\$0	\$15,500	\$15,500		\$0	\$0	\$0	\$15,500	\$15,500
Construction Materials	\$0	\$12,500	\$12,500			\$0	\$0	\$12,500	\$12,500
Permitting	\$0	\$30,000	\$30,000			\$0	\$0	\$30,000	\$30,000
Travel			\$0			\$0	\$0	\$0	\$0
Publicity/Printing/Duplicating	\$0	\$1,500	\$1,500		\$3,500	\$3,500	\$0	\$5,000	\$5,000
Workshops			\$0			\$0	\$0	\$0	\$0
Garbage/Recycling	\$0	\$1,100	\$1,100		\$0	\$1,100	\$0	\$1,100	\$1,100
<b>TOTAL DIRECT COSTS</b>	<b>\$1,618,000</b>	<b>\$907,600</b>	<b>\$2,525,600</b>	<b>\$32,000</b>	<b>\$16,500</b>	<b>\$49,600</b>	<b>\$1,650,000</b>	<b>\$924,100</b>	<b>\$2,574,100</b>
<b>Indirect Costs</b>									
Administration			\$0			\$0	\$0	\$0	\$0
Facilities (if not a direct cost)			\$0			\$0	\$0	\$0	\$0
Indirect Rate (0.0%)			\$0			\$0	\$0	\$0	\$0
<b>TOTAL INDIRECT COSTS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COSTS</b>	<b>\$1,618,000</b>	<b>\$907,600</b>	<b>\$2,525,600</b>	<b>\$32,000</b>	<b>\$16,500</b>	<b>\$49,600</b>	<b>\$1,650,000</b>	<b>\$924,100</b>	<b>\$2,574,100</b>

**New Solar Facility Added to Existing Wind Farm Project**

**RDF grant approved - \$1,650,000**

**Milestones, Deliverables and Allowed Grant Payments**

A. Milestones

Install 997.5 kW<sub>DC</sub> PV capacity and complete all construction activities. Project in service and producing and selling electricity to NSP through an approved tariff agreement. Facility is commissioned and metering requirements have been completed. To be completed approximately 15 months after the Contract Start Date.

B. Deliverables

- Copy of approved Power Purchase Agreement;
- Copy of final system design certified by design engineer;
- Copy of final Interconnection Agreement;
- Copy of final Transmission and Interconnection Agreement with GM Transmission, LLC;
- Copy of final electrical inspection certificate by State electrical inspector;
- Certificate from Minnesota licensed engineer that all construction is complete and completed in accordance with design documents and OEM specifications;
- Fully executed manufacturer's commissioning certificate;
- Copy of the Commissioning Checklist signed by the Xcel Energy Area Engineer upon witnessing and approving successful testing and commissioning of system;
- Photographs of completed solar facility;
- On-site demonstration and tour of facility by RDF administrators;
- Presentation of Project completion documents to RDF Board; and
- Submission of Milestone Report satisfactory to NSP RDF representative

Grant Payment 1

Payment of 100% of grant award: \$1,650,000.



**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit D  
Project Manager and Contract Administrator**

**Project Manager**

Robert Messerich  
c/o Dragonfly Solar  
10583 202<sup>nd</sup> Street West  
Lakeville, MN 55044  
Telephone: 612-701-8736  
Email: [b.messerich@gmail.com](mailto:b.messerich@gmail.com)

**Contract Administrator**

Mark Ritter  
Northern States Power d/b/a Xcel Energy  
414 Nicollet Mall  
Minneapolis, MN 55401  
Telephone: 612-330-6739  
Fax: 612-330-7601  
Email: [mark.g.ritter@xcelenergy.com](mailto:mark.g.ritter@xcelenergy.com)

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit E  
Confidential Intellectual Property List**

None.

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

Docket No. EE002/M-17-\_\_\_\_\_

Attachment A

Page 78 of 109



**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)  
3/15/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed, if SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Advance Insurance Agency 5241 Viking Drive Ste 200  Edina MN 55435	<b>CONTACT NAME:</b> Jason Hoschette <b>PHONE (A/C No. Ext.):</b> (952) 831-1928 <b>FAX (A/C No.):</b> (952) 831-0572
	<b>EMAIL ADDRESS:</b> _____
<b>INSURED</b> DRAGONFLY SOLAR, LLC 10583 202ND ST W  LAKEVILLE MN 55044	<b>INSURER(S) AFFORDING COVERAGE</b>
	<b>INSURER A:</b> Integrity Mutual Ins Co <b>NAIC #</b> 14303
	<b>INSURER B:</b> Acuity Insurance Company <b>14184</b>
	<b>INSURER C:</b>
	<b>INSURER D:</b>
	<b>INSURER E:</b>

**COVERAGES**      **CERTIFICATE NUMBER** Master 2016      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	X	CF 2663872	11/1/2015	11/1/2016	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					DAMAGE TO RENTED PREMISES (Per occurrence) \$ 100,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					MED EXP (Any one person) \$ 5,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOG					PERSONAL & ADV INJURY \$ 1,000,000
	OTHER:					GENERAL AGGREGATE \$ 2,000,000
	AUTOMOBILE LIABILITY					PRODUCTS - COMP/OP AGG \$ 2,000,000
	ANY AUTO					Expense constant \$
	ALL OWNED AUTOS					COMBINED SINGLE LIMIT (Per accident) \$
	SCHEDULED AUTOS					BODILY INJURY (Per person) \$
	NON-OWNED AUTOS					BODILY INJURY (Per accident) \$
	HIRED AUTOS					PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB					\$
	EXCESS LIAB					EACH OCCURRENCE \$
	DED					AGGREGATE \$
	RETENTIONS					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N/A	832862	11/2/2015	11/2/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)					E.L. EACH ACCIDENT \$ 100,000
	if yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$ 100,000
						E.L. DISEASE - POLICY LIMIT \$ 500,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Xcel Energy Inc., all subsidiaries thereof and the RDF advisory Group are additional insureds

<b>CERTIFICATE HOLDER</b>  Xcel Energy 414 Nicollet Mall Minneapolis, MN 55401	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Jason Hoschette/H118
--------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

© 1988-2014 ACORD CORPORATION. All rights reserved.

ACORD 25 (2014/01)  
INS026 (01/11)

The ACORD name and logo are registered marks of ACORD

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit F  
Insurance Requirements**

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit G  
Special Conditions**

**Dragonfly Solar, LLC**

**EP4-29**

1. All Project reports, posters, presentation handouts, publications and public documents are to include the following credit text: "Project funding provided by customers of Xcel Energy through a grant from the Renewable Development Fund."
2. Contractor acknowledges and agrees that nothing under this Grant Contract or Commission order approving the RDF grant to Contractor for the purposes of the Project obligates NSP or its affiliates to enter into any agreement for the interconnection of the Facility or Project with NSP's electrical system.
3. Contractor attests and represents that it has obtained or all necessary permits, orders, authorizations or any other necessary permissions for the performance of this Grant Contract, including but not limited to, emissions permits, transportation permits, building permits, conditional use permits, zoning permits, stormwater permits, electric permits, and waste permits.

**Exhibit H**  
**Contractor's Balance Sheet**

[TRADE SECRET DATA BEGINS]

[TRADE SECRET DATA ENDS]

**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit I  
Notice of Change or Potential Change in RDF Grant Contract Project.**

**[DATE]**

RDF Grant Administrator  
414 Nicollet Mall, 7<sup>th</sup> Floor  
Minneapolis, MN 55401

RE: RDF Grant Contract No. EP4-29  
Notice of Potential Change in RDF Grant Contract Project

Dear RDF Grant Administrator,

Contractor, Dragonfly Solar, LLC, hereby notifies Northern States Power Company, a Minnesota Corporation ("NSP") of the following potential change in its Project: **[Potential Change]**. The potential change in the Project is necessary because **[Reason for Potential Change]**.

Should this change to the Project be acceptable to NSP, Contractor requests that NSP prepare an amendment to the Grant Contract executed by Contractor and NSP on **[Date]**.

Sincerely,

**[Signature]**

**[Grant Recipient Representative]**



**PUBLIC DOCUMENT:  
TRADE SECRET INFORMATION EXCISED**

**Exhibit J**

**Contractor's approved Proposal**

**Schedule 11**

**Exceptions to Contractor's Representations**

**EP4-29**

Contractor represents, warrants and covenants that, in addition to Section 11.F, it has entered or will enter into all contracts, in a form satisfactory to NSP, necessary for the services, supplies, materials, equipment and other products necessary for performance of the Project with qualified suppliers and will pay and discharge when due all such obligations upon receipt of conforming goods and services provided for the Project; and all such orders and contracts may be assigned to NSP if NSP exercises its right, in its sole discretion, under this Grant Contract to complete the performance of the Grant Contract, and contractor hereby authorizes any monies paid by NSP on such order or contracts to be offset and deducted from the Grant Amount of this Grant Contract. NSP agrees that approval of the form of any contract will not be unreasonably withheld.

**Xcel RDF Proposal  
Grant Application Form  
Xcel Energy Renewable Development Fund  
Energy Production Project**

*(All sections of this form must be completed and attached to all Energy Production proposals.)*

**Applicant Information**

Name and Title of Applicant Robert Messerich, COO/partner

Mailing Address 10583 102nd Street West  
(Street number and name) (Suite number)  
Lakeville, MN 55044  
(City, state, zip code)

Nature of Business Dragonfly Solar, LLC

Contact Person Robert Messerich Phone 612-701-8736

Email b.messerich@gmail.com FAX 612-293-3790

**Project Information**

Project Title New Solar Facility added to Existing Wind Farm - Dodge Center

Project Site Location Dodge Center, MN

**Technology Type: check one(s) that apply**

Biomass  Hydro  Solar PV  Solar Thermal-Electric  Wind

**Funding Request and Project Cost**

Total RDF funding requested: \$ 1,650,000 Other funding \$ 1,000,000

Total Project Cost \$ 2,650,000

RDF Funds requested by year:

1<sup>st</sup> Year: \$ 1.65M 2<sup>nd</sup> Year: \$ -0- 3<sup>rd</sup> Year: \$ -0- 4<sup>th</sup> Year: \$ -0- 5<sup>th</sup> Year: \$ -0-

**Project Capacity**New Projects - Nameplate Capacity (kW or MW) 997.5 Kw/Dc, 850/kw/AC

Refurbishment - Existing Capacity (kW or MW) \_\_\_\_\_

Incremental Capacity \_\_\_\_\_

**Projected Project Duration**Construction Start Date April 22, 2014 Commissioning Date Sept. 18, 2014**Energy Production**

Estimated amount of AC energy (kWh or MWh) to be produced annually for each year of operation for up to a 15-year power purchase contract length. For biomass or biofuel projects that use a portion of renewable fuel (i.e., blended fuel), show the total amount of energy generated in the first column and the amount generated by the renewable fuel in the second column.

<u>Total Energy (kWh)</u>	<u>Renewable Energy (kWh)</u> <u>(fuel blend projects)</u>
2014: <u>1,302,784</u>	2014: _____
2015: <u>1,302,784</u>	2015: _____
2016: <u>1,302,784</u>	2016: _____
2017: <u>1,302,784</u>	2017: _____
2018: <u>1,302,784</u>	2018: _____
2019: <u>1,296,270</u>	2019: _____
2020: <u>1,289,789</u>	2020: _____
2021: <u>1,283,340</u>	2021: _____
2022: <u>1,276,923</u>	2022: _____
2023: <u>1,270,538</u>	2023: _____
2024: <u>1,264,186</u>	2024: _____
2025: <u>1,257,865</u>	2025: _____
2026: <u>1,251,576</u>	2026: _____
2027: <u>1,245,318</u>	2027: _____

**Xcel RDF Proposal  
Grant Application Form  
Xcel Energy Renewable Development Fund  
Energy Production Project**

*(All sections of this form must be completed and attached to all Energy Production proposals.)*

**Applicant Information**

Name and Title of Applicant Robert Messerich, COO/partner

Mailing Address 10583 102nd Street West  
(Street number and name) (Suite number)  
Lakeville, MN 55044  
(City, state, zip code)

Nature of Business Dragonfly Solar, LLC

Contact Person Robert Messerich Phone 612-701-8736

Email b.messerich@gmail.com FAX 612-293-3790

**Project Information**

Project Title New Solar Facility added to Existing Wind Farm - Dodge Center

Project Site Location Dodge Center, MN

**Technology Type: check one(s) that apply**

Biomass  Hydro  Solar PV  Solar Thermal-Electric  Wind

**Funding Request and Project Cost**

Total RDF funding requested: \$ 1,650,000 Other funding \$ 1,000,000

Total Project Cost \$ 2,650,000

RDF Funds requested by year:

1st Year: \$ 1.65M 2nd Year: \$ -0- 3rd Year: \$ -0- 4th Year: \$ -0- 5th Year: \$ -0-



**Project Capacity**

New Projects - Nameplate Capacity (kW or MW) 997.5 kW/DC, 850 kW/AC

Refurbishment - Existing Capacity (kW or MW) \_\_\_\_\_

Incremental Capacity \_\_\_\_\_

**Projected Project Duration**

Construction Start Date April 22, 2014 Commissioning Date Sept. 18, 2014

**Energy Production**

Estimated amount of AC energy (kWh or MWh) to be produced annually for each year of operation for up to a 15-year power purchase contract length. For biomass or biofuel projects that use a portion of renewable fuel (i.e., blended fuel), show the total amount of energy generated in the first column and the amount generated by the renewable fuel in the second column.

<u>Total Energy (kWh)</u>	<u>Renewable Energy (kWh)</u> <u>(fuel blend projects)</u>
2014: <u>1,302,784</u>	2014: _____
2015: <u>1,302,784</u>	2015: _____
2016: <u>1,302,784</u>	2016: _____
2017: <u>1,302,784</u>	2017: _____
2018: <u>1,302,784</u>	2018: _____
2019: <u>1,276,270</u>	2019: _____
2020: <u>1,289,789</u>	2020: _____
2021: <u>1,283,390</u>	2021: _____
2022: <u>1,276,923</u>	2022: _____
2023: <u>1,270,538</u>	2023: _____
2024: <u>1,264,186</u>	2024: _____
2025: <u>1,257,865</u>	2025: _____
2026: <u>1,251,576</u>	2026: _____
2027: <u>1,245,318</u>	2027: _____





2028: 1,239,041 2028: \_\_\_\_\_

Please estimate the amount of energy in kWh that will be produced in each month of a typical year. The sum of the monthly estimates should total the annual estimates above.

Jan 84,255 Feb 98,338 Mar 110,926 Apr 127,538 May 135,820 June 135,661  
July 138,166 Aug 131,065 Sept 111,476 Oct 96,268 Nov 63,549 Dec 70,722

Please estimate the percent of energy that will be produced on-peak and off-peak on a typical year. The on peak period is defined as those hours between 9:00 a.m. and 9:00 p.m. Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. Off Peak is defined as all other hours.

Percent (%) Generated On-Peak 68.83%

Percent (%) Generated Off-Peak 31.17%

---

---

**Energy Pricing Narrative** (please use additional pages as necessary)

[ TRADE SECRET BEGINS ... ]

... [ TRADE SECRET ENDS ]

---

---

**Energy Pricing**

Annual price schedule (\$/kWh or \$/MWh in 2013 dollars) for each year of operation for up to a 15-year period.

2014 \$ [ TRADE SECRET - REDACTED ]

2015 \$ [ TRADE SECRET - REDACTED ]

2016 \$ [ TRADE SECRET - REDACTED ]

2017 \$ [ TRADE SECRET - REDACTED ]

2018 \$ [ TRADE SECRET - REDACTED ]

2019 \$ [ TRADE SECRET - REDACTED ]

2020 \$ [ TRADE SECRET - REDACTED ]

2021 \$ [ TRADE SECRET - REDACTED ]

2022 \$ [TRADE SECRET-REDACTED]  
 2023 \$ [TRADE SECRET-REDACTED]  
 2024 \$ [TRADE SECRET-REDACTED]  
 2025 \$ [TRADE SECRET-REDACTED]  
 2026 \$ [TRADE SECRET-REDACTED]  
 2027 \$ [TRADE SECRET-REDACTED]  
 2028 \$ [TRADE SECRET-REDACTED]

Please indicate the percent of total energy produced that you plan to sell Xcel Energy, and the percent you plan to consume on-site:

Estimated % total energy to be sold to Xcel Energy: 100%

Estimated % to be consumed on-site: -0-

**Emission Rates**

If the proposed project produces any of the following emissions, please provide emission rates in pounds per kWh at full load.

PM-10 \_\_\_\_\_

NOx \_\_\_\_\_

CO \_\_\_\_\_

CO2 \_\_\_\_\_

Pb (lead) \_\_\_\_\_

**Business Type** LLC

Number of Employees 5 Year Established 2010

How Long Under Current Ownership 3 years

Legal Form or Ownership (check one)

Sole Proprietorship

Limited Partnership

General Partnership

Corporation

Sub-Chapter S Corporation


Other (identify) \_\_\_\_\_

**Project Team**

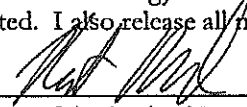
<u>Steve Peters</u>	<u>President</u>	<u>3 years</u>
(Name)	(Title)	(Years with Company)
<u>Robert Messerich</u>	<u>VP COO</u>	<u>3</u>
(Name)	(Title)	(Years with Company)
<u>Joel Kleven</u>	<u>PM</u>	<u>3</u>
(Name)	(Title)	(Years with Company)
<u>John Johnson</u>	<u>Syp</u>	<u>2</u>
(Name)	(Title)	(Years with Company)

**Standard Grant Contract Terms and Conditions Acceptance**

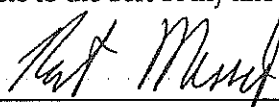
I am authorized to act on behalf of the applicant in this matter, and I have received, reviewed and do hereby accept the Standard Terms and Conditions of the Grant Contract included as Appendix C of the Xcel Energy Renewable Development Fund RFP except as shown on the Contract Modification Form enclosed herewith.

 4/11/2013  
 Signature of Authorized Representative Date

I hereby authorize Xcel Energy to make any inquiries and obtain any financial information necessary to evaluate my organization's capability to implement the proposed project. I also authorize Xcel Energy to make any necessary inquiries to verify the information I have presented. I also release all necessary information to Xcel Energy.

 4/11/2013  
 Signature of Authorized Representative Date

I hereby certify that I have read and understand the terms and conditions contained in the Xcel Energy RFP and that the information contained in this proposal is true, correct and complete to the best of my knowledge.

 4/11/2013  
 Signature of Authorized Representative Date

Robert Messerich VP  
 Typed Name Title

**Xcel Energy RDF Proposal**

**Dragonfly Solar – Xcel Energy RDF Funds RFP**

**New Solar PV Facility added to Existing Wind Farm in Dodge Center, MN**

**Table of contents**

Table of Contents.....pg 1

Statement of Work ..... pg 2

    1.1 Executive Summary .....pg 2

    1.2 Project Goals.....pg 3

    1.3 Project Objectives.....pg 4

    1.4 Performance Measurements.....pg 4

    1.5 Project Schedule.....pg 4

**Section 2 – Technical Aspects** ..... pg 5

    2.1 Project Description.....pg 5

    2.2 Project Team.....pg 7

    2.3 Final Project Reporting.....pg 8

**Section 3 – Project Benefits** ..... pg 8

    3.1 Economics.....pg 8

    3.2 Environmental.....pg 9

    3.3 Xcel Energy Electric Ratepayers.....pg 9

**Section 4 – Use of Project Funds** ..... pg 10

    4.1 Project Budget.....pg 11

    4.2 Project Cost Narrative.....pg 11

    4.3 Energy Pricing Narrative (EPP Only).....pg 11

**Section 1 – Scope of Work****Grant Application Form****Statement of Work****1.1 Executive Summary**

Location – GM, LLC Wind Farm in Dodge Center, MN

Construct a 997.5kW solar facility on an existing wind farm.

Garwin McNeilus through his company, GM, LLC wind farm owns and operates the wind farm. The existing turbines are connected with a 34.5 kV collector system owned by GM Transmission, LLC, which is owned by the wind turbine companies and managed by G. McNeilus, LLC. The solar facilities would interconnect with the existing 34.5 kV collection system. The collector system is underground to an overhead 34.5 kV feeder which travels in the right-of-way along Highway 56 north across highway 14 to Dodge Center where it enters a substation owned by GM Transmission, LLC which transforms the power to 69 kV and delivers the power to NSP at NSP's existing substation and 69 kV line on the south side of Dodge Center.

GM Transmission, LLC has an interconnection agreement with MISO and NSP for the interconnection of all the existing wind projects at the Dodge Center substation. NSP has arranged for transmission of such power and has Network Resource status for the existing wind projects. The interconnection agreement is sufficient to accommodate the additional solar energy expected; while MISO may need to study the proposed additional power, it is expected to be handled through expedited processes, and no substantive amendment to the existing interconnection agreement is expected to be required.

No third party agreements are needed other than with entities owned and controlled by McNeilus family members.

**Why This Project?**

This project provides an affordable cost of energy. By taking advantage of an existing interconnection it saves on construction costs. Because the energy would be sold to Xcel through an existing PPA, soft costs, such as load studies and attorney fees are minimized.

**List of Project Metrics and Risk Mitigation Factors This Project Meets**

Lump Sum – Owner providing construction financing

Cost Sharing

Management Strength – Experienced facility operators and integrators

Quality of work

Well Defined Project - Yes

Realistic Schedule - Yes

Technical Leverage

Soundness of Technical Basis – certain of them

Identification of a plan that overcomes barriers – previous relationship, familiar with legal, insurance, safety, contract, payment structures, etc...

Understand interconnection costs, etc..

Team Structure – experienced facility operators and Dragonfly project management experience

Team Skills – Yes – see bio's  
 Efficient Use of Funds – experienced procurement team  
 Appropriate Budget Level  
 Project Contractors engaged  
 Finance Plan – Yes  
 Increase market competitiveness  
 Permitting Issues clear – clearly understood  
 Level of novelty -  
 Benefit MN rate payers other than host  
 Accept lump sum - yes  
 Shift risk from Xcel to project sponsor – Initial funding provided by project owner

#### **RDF Fund Project Specifics**

Solar is gaining acceptance around the world as a complimentary form of energy production which is suited to complement existing infrastructure in some unique ways. As utility companies wrestle with the right mix of solutions to deliver ongoing quality service, they are forced to scale to cover all expected energy demands even when some of these demands may be only needed on an intermittent basis.

More than 2/3 of the production occurs during peak hours. Solutions that may contribute to the ability to help shave some of the highest demand spikes would allow the utility to manage its portfolio and grow their generation capabilities in a smooth, controlled manner while addressing those times when the level of demand asks them to maximize production for brief, but necessary occasions.

A wind farm averages more production in the evening while solar provides all of it's production during daylight hours. By adding solar to the wind facility the net affect is an increase in both production and predictability.

## **1.2 Project Goals**

### **Project Goals Summary**

**Minnesota Statute, Section 116C.779 states the following goals:**

**Goal 1 “Near commercial-scale demonstration projects that produce and/or deliver renewable electric energy”**

At 997.5kW/DC, (850kW/AC) this project falls squarely in to the definition of near commercial scale.

**Goal 2 “Renewable energy projects that will increase the market penetration of renewable electric energy in the state at reasonable cost”**

Minnesota is a leader in wind energy. Having a strategy to add solar PV to these existing wind farms has the potential to make a large contribution to the clean energy sector in Minnesota.

**Goal 3: "to promote the start-up, expansion, and attraction of renewable electric energy projects and companies within the state"**

As a local Twin Cities based company, we have had to go out of state to build projects of a scale larger than 40kW. Being able to work with existing wind facilities would allow us to stay in-state and to employ the services of Minnesota residents and purchase a larger degree of product from Minnesota based vendors. We believe if funded, the scale and ease of completion will lead to a wider adoption of this technology.

**PROJECT GOALS MET SUMMARY:**

- 1.2.1 Demonstrate viability of near commercial scale solar projects in MN
- 1.2.2 Continue design and manufacture of these systems locally for broader distribution
- 1.2.3 Incorporate an easier approach to the inter connection
- 1.2.4 Promote the growth of the solar industry and associated supply chain in Minnesota

**1.3 Project Objectives**

- 1.3.1 Help establish Minnesota as a leader in progressive energy technology development
- 1.3.2 Offer an affordable cost per kW to the utility.
- 1.3.3 Demonstrate the value of using existing inter connection facilities

**1.4 Performance Measurements**

- 1.4.1 More predictable flow of energy from the overall facility
- 1.4.2 Longer more stable output from the facility compared to a wind only plant .
- 1.4.3 Demonstrate that a lower cost per kW is feasible in Minnesota (\$2,650 per kW of capacity)

**1.5 Project Schedule**

**GMM – Dragonfly Solar Schedule\***

<b>Pre Construction Phase</b>	October 1, 2013	April 28, 2014
Contract negotiations	October 1, 2013	January 3, 2014
Plan revisions	October 1, 2013	January 3, 2014
Approve contracts	January 6, 2014	January 6, 2014
Electrical engineering	January 7, 2014	January 20, 2014
Civil engineering	January 7, 2014	January 20, 2014
Plan revisions	January 21, 2014	February 3, 2014
Permit application	February 4, 2014	February 17, 2014
Plan approval - all parties	February 18, 2014	March 3, 2014
Procurement	March 4, 2014	April 14, 2014
<b>Construction Phase</b>		
Complete survey work	April 22, 2014	April 29, 2014
Grading	April 30, 2014	May 10, 2014
Install fencing	May 13, 2014	May 17, 2014

Install piers	May 27, 2014	June 3, 2014
Install racking	June 4, 2014	June 25, 2014
Trench transmission lines	July 26, 2014	June 28, 2014
Concrete work	July 1, 2014	July 3, 2014
Install solar components	July 8, 2014	August 1, 2014
Wire DC side of system	August 1, 2014	August 8, 2014
Install interconnection equipment	August 9, 2014	August 16, 2014
System diagnosis – DC side	August 19, 2014	August 21, 2014
System diagnosis – AC side	August 22, 2014	August 24, 2014
Inspections	August 26, 2014	August 29, 2014
Finish detail work	September 3, 2014	September 6, 2014
Clean up	September 9, 2014	September 13, 2014
<b>Post construction phase</b>		
Performance measurements	October 9, 2014	October 28, 2014
Commissioning	September 16, 2014	September 18, 2014
Knowledge transfer to facility team	September 23, 2014	September 25, 2014
Final reporting	September 26, 2014	September 27, 2014
Final walk through with owner	September 30, 2014	October 1, 2014
Contract settlement	October 2, 2014	October 2, 2014

**\*NOTE TO CONSTRUCTION SCHEDULE:** The above schedule is a conservative estimate. If the project is approved in a timely manner with typical negotiation timeframes, the construction could begin ahead of the schedule as proposed.

**1.5.1** *The monthly reporting mandate in addition to all milestone events will be adhered to throughout the project.*

## Section 2 – Technical Aspects

### 2.1 Project Description

#### Adding a Solar Component to an Existing Wind Farm

This project provides an affordable cost of energy. By taking advantage of an existing interconnection it saves on construction costs. Because the energy would be sold to Xcel through an existing PPA, soft costs, such as load studies and attorney fees are minimized.

#### Additional Project Benefits

Since GM Transmission, LLC has an interconnection agreement with MISO and NSP for the interconnection of all the existing wind projects at the Dodge Center substation and the interconnection agreement is sufficient to accommodate the additional solar energy expected and it is expected to be handled through expedited processes, this should be a very quick and uncomplicated project. Also no substantive amendment to the existing interconnection agreement is expected to be required.



No third party agreements are needed other than with entities owned and controlled by McNeilus family members.

More than 2/3 of the production occurs during peak hours. This should help mitigate the increasing cost of purchasing on-peak energy.

A wind farm averages more production in the evening while solar provides all of its production during daylight hours. By adding solar to the wind facility the net affect is an increase in both production and predictability.

### **2.1.2 Detailed Project Overview**

The project is a 997.5kW/DC (850kW/AC) solar PV project installed at GM, LLC's existing wind farm in Dodge Center, MN. (See attached Location Map) The output will share the existing interconnection at the wind farm.

The system consists of the following. (See S-1 site plan)

997.5 kW/DC ground mounted PV array near the northern edge of the existing wind farm (see S-4 site plan)

3,990 Solar World PV (made in the USA) modules

Custom racking system mounted on metal piers

Solar Edge module level DC optimizers

Solar Edge Inverters

Step-up transformer to bring it to line voltage of 34.5kV

34.5kV fused switch gear

Revenue grade production meters

Web based monitoring system

The Solar Edge DC optimizers are a relatively new product in our market. They have been used extensively in Europe and other areas of the US. They move the maximum power point tracking technology from the inverter to the individual solar modules. This reduces output losses due to partial shading, module mismatch, and uneven degradation amongst the individual modules. It provides module level monitoring capabilities, reducing system downtime due to speedy identification of problems in the array. It also allows for future expansions of these systems because different PV technologies can be easily incorporated into the same system without having to replace other parts of the system. This will increase the economic life of the system.

SolarWorld PV modules are widely used through out the world and provide a 25 year warranty.

Every technical aspect of this design is tried and true. Ground mounts are very common in all solar markets. Although our racking design offers increased pitch for snow sloughing and lower sun angles and are elevated from the ground higher to avoid snow cover and spring flooding, the technology is widely used and accepted through out the world.

No third party agreements are needed other than with entities owned and controlled by McNeilus family members.

More than 2/3 of the production occurs during peak hours. This should help mitigate the increasing cost of purchasing on-peak energy.

A wind farm averages more production in the evening while solar provides all of it's production during daylight hours. By adding solar to the wind facility the net affect is an increase in both production and predictability.

### **2.1.2 Detailed Project Overview**

The project is a 997.5kW/DC (850kW/AC) solar PV project installed at GM, LLC's existing wind farm in Dodge Center, MN. (See attached Location Map) The output will share the existing interconnection at the wind farm.

The system consists of the following. (See S-1 site plan)

997.5 kW/DC ground mounted PV array near the northern edge of the existing wind farm (see S-4 site plan)

3,990 Solar World PV (made in the USA) modules

Custom racking system mounted on metal piers

Solar Edge module level DC optimizers

Solar Edge inverters

Step-up transformer to bring it to line voltage of 34.5kV

34.5kV fused switch gear

Revenue grade production meters

Web based monitoring system

The Solar Edge DC optimizers are a relatively new product in our market. They have been used extensively in Europe and other areas of the US. They move the maximum power point tracking technology from the inverter to the individual solar modules. This reduces output losses due to partial shading, module mismatch, and uneven degradation amongst the individual modules. It provides module level monitoring capabilities, reducing system downtime due to speedy identification of problems in the array. It also allows for future expansions of these systems because different PV technologies can be easily incorporated into the same system without having to replace other parts of the system. This will increase the economic life of the system.

SolarWorld PV modules are widely used through out the world and provide a 25 year warranty.

Every technical aspect of this design is tried and true. Ground mounts are very common in all solar markets. Although our racking design offers increased pitch for snow sloughing and lower sun angles and are elevated from the ground higher to avoid snow cover and spring flooding, the technology is widely used and accepted through out the world.

Sharing an interconnection with two technologies is a less common approach but not un-tried. The resulting increase in extended more predictable output, reduced expenses from an expatiated process more than out weighs any risk

### 2.1.3 EP Project Development Details

**Project ownership:** Ownership would remain with GM LLC.

**Project Management:** Dragonfly Solar assumes project design and implementation control in concert with GM, LLC and the RDF governing body. Dragonfly will receive construction funds in accordance to a fee schedule agreement between Dragonfly Solar and GM, LLC.

**Project Funding:** Project Cash Flow Benefit to RDF Program: Assuming any other issues that remain open are resolved and the project is funded as described, GM, LLC has agreed to offer the construction financing throughout the project and be reimbursed by the grant monies at the end of the project.

Additionally, GM LLC has agreed to directly fund ~\$1. MM of the project and request the balance as proposed of \$1.65 MM from the RDF.

**Permitting:** There are no expectations for permitting beyond that which we have encountered in previous projects similar in nature - Construction and electrical permits from the local authorities.

### 2.2.1 Electrical Generation

The project is designed such that 100% of the energy produced will be used on site.

1. Estimated Annual Energy Production: 1,302,704 kWh/AC
2. Expected Accredited Capacity: 820 kW/AC \*  
\*(The median hourly capacity for weekday hours between 3:00-7:00PM)
3. Installed Cost/kW: \$3,117 per kW/AC (\$2,650 per kW/DC)
4. Energy Production On Peak: 68.83% (666,727 kWh/AC)
5. Energy Production Off Peak: 31.17% (301,895kWh/AC)

### 2.2 Project Team

#### 2.2.1 Project Management Team from Dragonfly Solar

Steven C Peters – President Dragonfly Solar. Mr. Peters is a founder of Dragonfly Solar, a Minnesota based commercial solar and environmental services firm and will take the lead on this project from all business perspectives including interface and project control between all parties.

Mr. Peters assumed this role in previous solar initiatives with GE, Luther College and other commercial clients as he has throughout his career in developing Dragonfly Solar as a premier commercial solar – environmental services company. Prior to Dragonfly Solar, Mr. Peters was charged with developing large scale IT and business processing outsourcing initiatives for Fortune 500 companies around the US and beyond. He has been in charge of creating and supporting projects over 60 million dollars in the US and as far as India.

The citizens of Minnesota benefit directly from increased renewable energy production because of the resulting cleaner environment, reduced health costs and the reduction in the other social costs of less clean forms of energy. The citizens of Minnesota will benefit from this project for 25+ years. Since 2/3 of the energy from this facility will be "on-peak" it should help relieve the pricing disparity between peak and off peak. With deeper penetration of solar this will ultimately reduce the cost of peak energy. Germany is now providing an example of this shift. This reduction in peak demand will relieve the stress on this section of the grid.

### **3.2 Environmental**

The capacity of this installation, 997.5kW/DC, will result in the production of ~1,302,784 kWh/AC of energy. (see section 2.2.0) According to the EPA's Greenhouse Gas Equivalencies Calculator the 682 metric tons of CO2 saved by this facility is equivalent to the following:

- Annual greenhouse gas emissions from 191 passenger vehicles
- CO2 emissions from 102,985 gallons of gasoline consumed
- CO2 emissions from 2,136 barrels of oil consumed
- CO2 emissions from the electricity use of 138 homes for one year
- Carbon sequestered by 23,555 tree seedlings grown for 10 years
- Carbon sequestered annually by 753 acres of U.S. forests

### **3.3 Xcel Energy Electric Ratepayers**

Since 2/3 of the energy from this facility will be "on-peak", it should help relieve the pricing disparity between peak and off peak. With deeper penetration of solar this will ultimately reduce the cost of peak energy. Germany is now providing an example of this shift.

This reduction in peak demand will relieve the stress on this section of the grid and ultimately reduce capital improvement costs for Xcel. This should help alleviate upward pressure on electric rates.

The value of the resulting cleaner environment, reductions healthcare costs will accrue to all ratepayers and these benefits will continue to accrue for 25+ years.

**PUBLIC DOCUMENT –  
TRADE SECRET DATA HAS BEEN EXCISED**

**Section 4 – Use of Project Funds**

**4.1 Project Budget**

	Year One			Year two		
	RDF share	cost sharing	total	RDF share	cost sharing	total
<b>Direct Costs</b>						
Salary and wages	[ TRADE SECRET BEGINS ...  Not applicable – one year build out.					
Equipment						
Solar equipment						
Interconnect equipment						
Mounting equipment						
Consultant and subcontractors						
Engineering						
Soil tests						
Electrician labor						
Excavation & grading						
Concrete						
crane operator						
Transmission lines						
Equipment rental						
Garbage and recycling						
Shipping						
Grounds repair						
Supplies						
Drafting and duplication						
<b>Total direct costs</b>						

Indirect costs			
Administration	... TRADE SECRET BEGINS ... ... TRADE SECRET ENDS ]		
Total	\$1,650,000.00	\$1,000,000.00	\$2,650,000.00

**4.2 Project Cost Narrative**

The total cost of the project is \$2,650,000. The overall funding strategy for this proposal calls for \$1,650,000 in RDF funds to be granted to Dragonfly Solar. The grant funds will be 100% back-end loaded. There will be a construction contract between Dragonfly Solar and GM, LLC for the facility with a sales price of \$1,650,000. GM, LLC will fund the cost of the construction from the pre-construction phase through commissioning of the system and closing of the Grant contract.

The \$1.65M request for RDF funding represents an approximate 38 -62% split of the initial capital cost of the project. The citizens of Minnesota benefit directly from increased renewable energy production because of the resulting cleaner environment, reduced health costs and the reduction in the other social costs of less clean forms of energy. GM LLC, as the ultimate owner/operator of the facility, will be assuming all ongoing maintenance, insurance and operating expenses of the asset. In addition, the cost of the real property that the facility occupies is not valued into the total cost of the facility. Hence the split is less skewed than the cost sharing numbers would suggest. The citizens of Minnesota will benefit from this project for 25+ years.

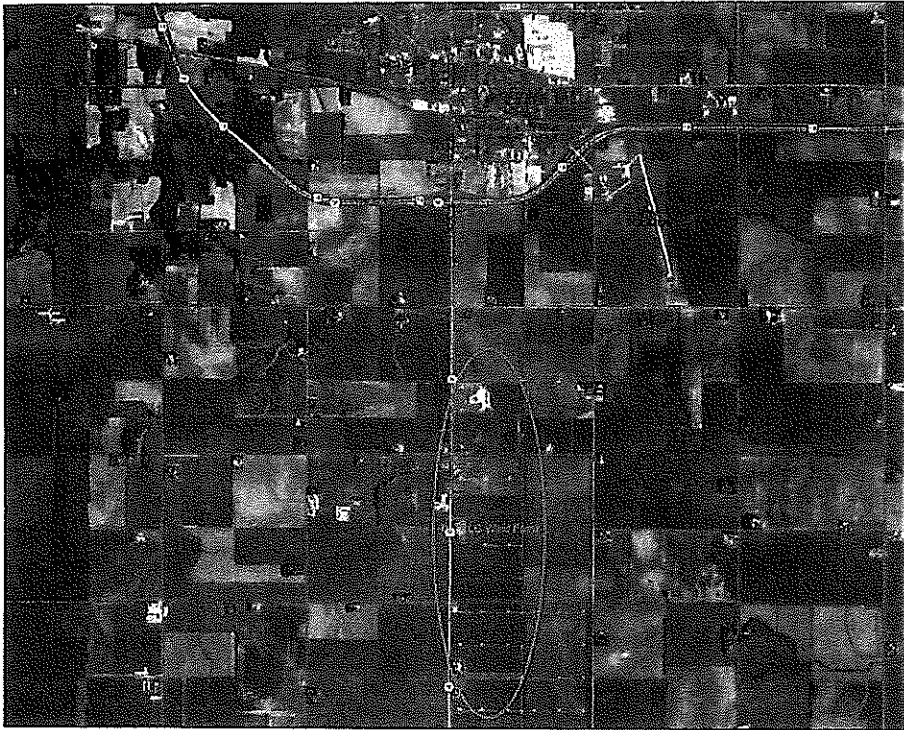
This project is entirely back-end loaded from the perspective of the RDF. GM LLC will provide all of the financing through completion of the project.

There are no travel expenses related to this project. See 4.1 Project Budget.

**4.3 Energy Pricing Narrative**

WE are proposing purchase of the energy by excel at [TRADE SECRET BEGINS ...  
 ... TRADE SECRET ENDS ]

GM LLC will see all proceeds from the sale of energy to the utility, the accumulation of RECs will benefit Xcel and ancillary benefits to will accrue Xcel's ratepayers and the citizens of Minnesota in reduced social costs from the resulting decrease in other less clean forms of energy production.



① LOCATION MAP  
 Scale: NTS Reference only

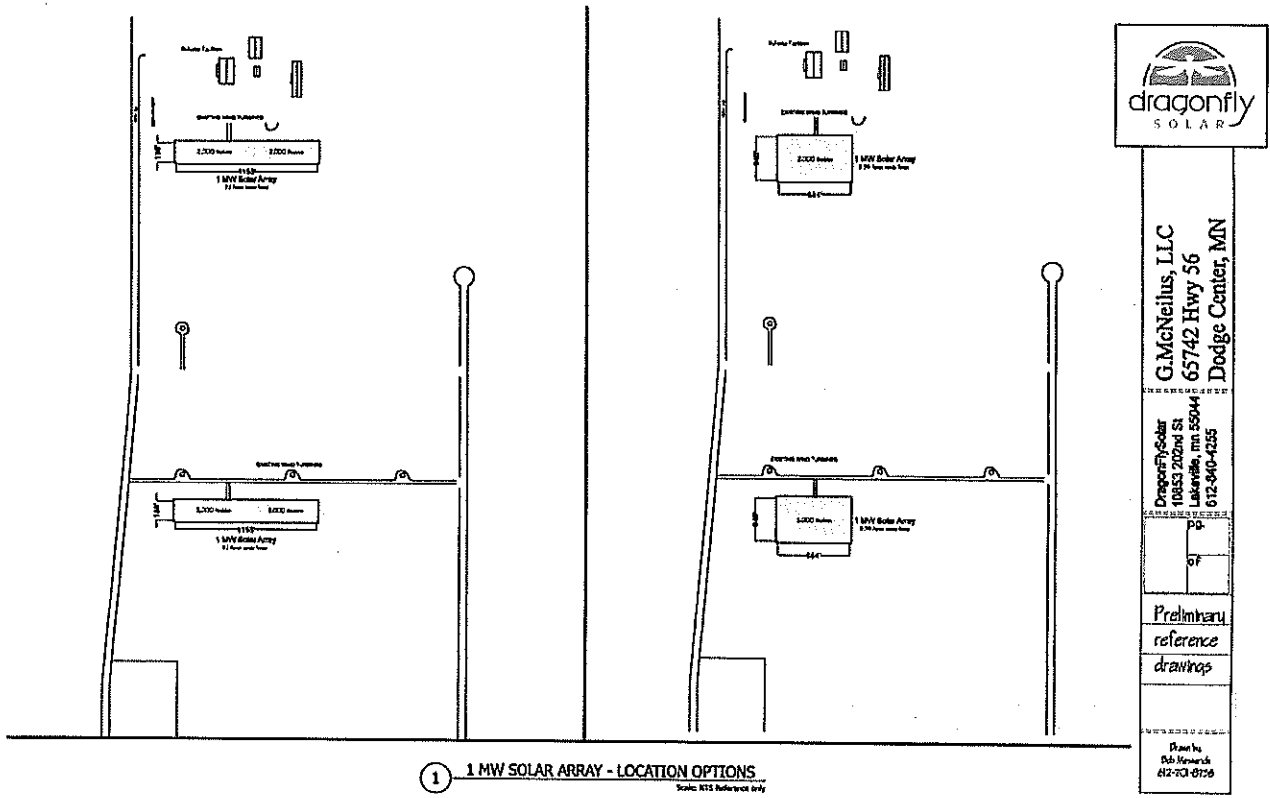


G. McNeilus, LLC  
 65742 Hwy 56  
 Dodge Center, MN

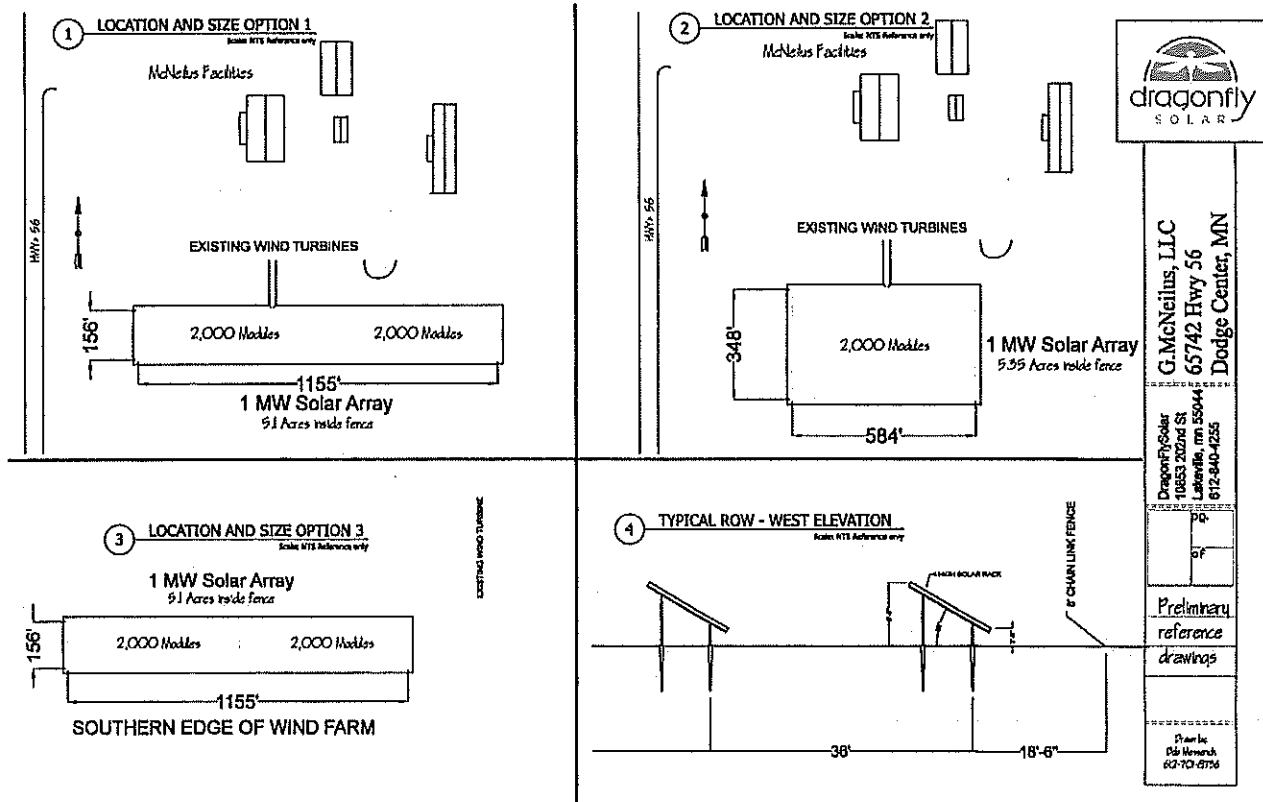
DragonFly Solar  
 10853 202nd St  
 Lakeville, MN 55044  
 612-840-4255

Preliminary  
 reference  
 drawings

Drawn by  
 Bob Mersbach  
 62-10-0156









## CERTIFICATE OF SERVICE

I, Jim Erickson, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

**Docket No. E002/M-17-\_\_\_\_**

**XCEL ENERGY'S MISCELLANEOUS ELECTRIC SERVICE LIST**

Dated this 21<sup>th</sup> day of July 2017

/s/

---

Jim Erickson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Aafedt	daafedt@winthrop.com	Winthrop & Weinstine, P.A.	Suite 3500, 225 South Sixth Street  Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022191	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Alison C	Archer	aarcher@misoenergy.org	MISO	2985 Ames Crossing Rd  Eagan, MN 55121	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ryan	Barlow	Ryan.Barlow@ag.state.mn.us	Office of the Attorney General-RUD	445 Minnesota Street Bremer Tower, Suite 1400 St. Paul, Minnesota 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James J.	Bertrand	james.bertrand@stinson.com	Stinson Leonard Street LLP	150 South Fifth Street, Suite 2300  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
William A.	Blazar	bblazar@mnchamber.com	Minnesota Chamber Of Commerce	Suite 1500 400 Robert Street North St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James	Canaday	james.canaday@ag.state.mn.us	Office of the Attorney General-RUD	Suite 1400 445 Minnesota St. St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Jeanne	Cochran	Jeanne.Cochran@state.mn.us	Office of Administrative Hearings	P.O. Box 64620  St. Paul, MN 55164-0620	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd.  St. Louis, MO 63119-2044	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Corey	Conover	corey.conover@minneapolismn.gov	Minneapolis City Attorney	350 S. Fifth Street City Hall, Room 210 Minneapolis, MN 554022453	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Carl	Cronin	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7  Minneapolis, MN 554011993	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Joseph	Dammel	joseph.dammel@ag.state.mn.us	Office of the Attorney General-RUD	Bremer Tower, Suite 1400 445 Minnesota Street St. Paul, MN 55101-2131	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ian	Dobson	Residential.Utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
John	Farrell	jfarrell@ilsr.org	Institute for Local Self- Reliance	1313 5th St SE #303  Minneapolis, MN 55414	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Emma	Fazio	emma.fazio@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Stephen	Fogel	Stephen.E.Fogel@XcelEnergy.com	Xcel Energy Services, Inc.	816 Congress Ave, Suite 1650  Austin, TX 78701	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St  Saint Paul, MN 55102-2617	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Janet	Gonzalez	Janet.gonzalez@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Michael	Hoppe	il23@mtn.org	Local Union 23, I.B.E.W.	932 Payne Avenue  St. Paul, MN 55130	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Julia	Jazyuka	jjazyuka@energyfreedomcoalition.com	Energy Freedom Coalition of America	101 Constitution Ave NW Ste 525 East  Washington, DC 20001	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2265 Roswell Road Suite 100 Marietta, GA 30062	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Linda	Jensen	linda.s.jensen@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street  St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Sarah	Johnson Phillips	siphillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Mark J.	Kaufman	mkaufman@ibewlocal949.org	IBEW Local Union 949	12908 Nicollet Avenue South  Burnsville, MN 55337	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Thomas	Koehler	TGK@IBEW160.org	Local Union #160, IBEW	2909 Anthony Ln St Anthony Village, MN 55418-3238	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Michael	Krikava	mkrikava@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W  Farmington, MN 55024	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Paula	Maccabee	Pmaccabee@justchangela w.com	Just Change Law Offices	1961 Selby Ave  Saint Paul, MN 55104	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Peter	Madsen	peter.madsen@ag.state.mn.us	Office of the Attorney General-DOC	Bremer Tower, Suite 1800 445 Minnesota Street St. Paul, Minnesota 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd  Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E  St. Paul, MN 55106	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Joseph	Meyer	joseph.meyer@ag.state.mn.us	Office of the Attorney General-RUD	Bremer Tower, Suite 1400 445 Minnesota Street St Paul, MN 55101-2131	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022093	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office	1110 West Avenue Red Wing, MN 55066	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Jeff	Oxley	jeff.oxley@state.mn.us	Office of Administrative Hearings	600 North Robert Street St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206 St. Paul, MN 551011667	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Inga	Schuchard	ischuchard@larkinhoffman.com	Larkin Hoffman	8300 Norman Center Drive Suite 1000 Minneapolis, MN 55437	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Zeviel	Simpser	zsimpser@briggs.com	Briggs and Morgan PA	2200 IDS Center80 South Eighth Street Minneapolis, MN 554022157	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Byron E.	Starns	byron.starns@stinson.com	Stinson Leonard Street LLP	150 South 5th Street Suite 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James M.	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine	225 South Sixth Street, Suite 3500  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Cam	Winton	cwinton@mnchamber.com	Minnesota Chamber of Commerce	400 Robert Street North Suite 1500 St. Paul, Minnesota 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Patrick	Zomer	Patrick.Zomer@lawmoss.com	Moss & Barnett a Professional Association	150 S. 5th Street, #1200  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric