

# **EXHIBIT A**

## **Donation Agreement For Solar Array and Electric Vehicle Charging Stations**

**DONATION AGREEMENT  
FOR  
SOLAR ARRAY AND  
ELECTRIC VEHICLE CHARGING STATIONS**

**PREAMBLE**

THIS AGREEMENT is made as of \_\_\_\_\_, 2016 (the "Effective Date") by and between the City of Duluth, a Minnesota municipal corporation (the "City"), Minnesota Power, an operating division of ALLETE, Inc., a Minnesota corporation ("MP"), Enbridge Energy Limited Partnership, a Delaware Limited Partnership ("Enbridge") and Hunt Electric Corporation, a Minnesota corporation ("Hunt").

**RECITALS**

WHEREAS, the City is the fee title owner of real property located at Lower Railroad Street and Lake Avenue in Duluth legally described as Lots Eleven (11) through Nineteen (19), inclusive, Block Two (2), INDUSTRIAL DIVISION OF DULUTH (the "City Property"). A portion of the City Property is used as a parking lot more commonly known as the "Lake Place Lot" or "Endion Lot."

WHEREAS, MP is a regulated public utility, providing electricity in a 26,000-square-mile electric service area in northeastern Minnesota to approximately 145,000 retail customers and to 16 non-affiliated municipal customers in Minnesota.

WHEREAS, Enbridge owns and operates crude oil, natural gas, and renewable energy infrastructure throughout North America.

WHEREAS, Hunt is a Minnesota electrical services company that provides electrical design, build and maintenance services throughout the country, including renewable energy projects, with particular expertise and experience designing and installing solar photovoltaic systems.

WHEREAS, the parties wish to provide for the terms pursuant to which MP, Enbridge, and Hunt will donate services and money to the City for a solar array and electric vehicle charging stations to be located on the Endion Lot.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

## **GENERAL PROVISIONS**

### **ARTICLE I Definitions**

Agreement means this Donation Agreement for Solar Array and Electric Vehicle Charging Stations, together with its exhibits, as amended or modified from time to time.

CD or Consent Decree means a Consent Decree between MP, the United States of America, and the State of Minnesota, effective September 29, 2014.

City has the meaning given in the Preamble to this Agreement.

City Property has the meaning given in the Recitals to this Agreement.

Effective Date has the meaning given in the Preamble to this Agreement.

Enbridge has the meaning given in the Preamble to this Agreement.

Endion Lot or Lake Place Lot has the meaning given in the Recitals to this Agreement.

Environmental Law means any and all applicable present and future treaties, laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the presence, management, release or threatened release of any Hazardous Material or to health and safety matters.

EPA means the United States Environmental Protection Agency.

EPC Contract has the meaning given in Article II.C. of this Agreement.

Government Approval(s) means any authorization or permission issued or granted by any Governmental Authority with respect to the Project.

Governmental Authority means any federal, state or local governmental body (including any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power and any court or governmental tribunal) having jurisdiction over a Party, the Project, or the Project Site.

Hazardous Materials means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.



Hunt has the meaning given in the Preamble to this Agreement.

Indemnified Person(s) has the meaning given in Article VIII.A. of this Agreement.

Indemnifying Party has the meaning given in Article VIII.A. of this Agreement.

Loss or Losses means any liability, loss, direct damage, fine, judgment, penalty, fee, cost, interest, or expense (including reasonable attorney's fees).

MP has the meaning given in the Preamble to this Agreement.

MPCA means the Minnesota Pollution Control Agency.

Net Metering Agreement has the meaning given in Article II.D. of this Agreement.

Non-conformance Notice has the meaning given in Article V.A. of this Agreement.

Party or Parties means individually and collectively, the City, MP, Enbridge, and Hunt.

Project means the solar array and electric vehicle charging stations described on **Exhibit A**.

Project Completion means that the solar panels are delivering power to the grid and the electric vehicle charging stations are operational.

Project Costs mean payments made and expenditures incurred in carrying out the Project to the extent that such payments or expenditures constitute external costs for contractors, vendors, and equipment and shall not include the personnel time of any Party, except as to interconnection costs required to be paid pursuant to the Net Metering Agreement.

Project Plan has the meaning given in Appendix A to the Consent Decree and means the Project Plan as approved by the EPA and MPCA.

Project Site means that portion of the Endion Lot marked as "Solar Carport Canopy" on the attached **Exhibit B**.

Project Specifications has the meaning given in Article III. A. of this Agreement

Renewable Energy Certificate or REC means a certificate, credit, allowance, green tag, or other transferable indicia, howsoever entitled, created by a Certification Authority (e.g., the Midwest Renewable Energy Tracking System (M-RETS) or similar Certification Authority) indicating generation of a particular quantity of energy, or product associated with the generation of a specified quantity of energy from a renewable energy source, as that term is defined pursuant to applicable state or federal law. A REC may include some or all additional environmental attributes associated with the generation of electricity, and those attributes may, but need not be, verified or certified by the same or different Certification Authorities, and



disaggregated and retained or sold separately. A REC is separate from the energy produced and may be separately transferred or conveyed.

Warranty Rights has the meaning given in Article II.C. of this Agreement.

## **ARTICLE II**

### **Conditions to Project Commencement**

MP, Enbridge and Hunt shall be under no obligation to commence the Project until all of the following conditions have been met:

A. Temporary License Agreement. The City shall have granted MP and its contractor(s) the right to occupy the Project Site and those portions of the City Property as necessary for the purpose of performing site assessments, designing, permitting, and constructing the Project, in substantially the form attached hereto as Exhibit C.

B. Government Approvals. MP shall have received all Governmental Approvals necessary to construct the Project, including without limitation, the approval of the EPA and MPCA of the Project pursuant to the Consent Decree. The City and Enbridge agree to cooperate with MP's requirement to submit a project plan pursuant to the Consent Decree, including without limitation, by providing information to or working with MP to determine the following:

1. A summary-level budget for the Project;
2. A timeline for implementation of the Project;
3. A description of the anticipated environmental benefits of the Project, including an estimate of emission reductions (e.g., SO<sub>2</sub>, NO<sub>x</sub>, PM, mercury, CO<sub>2</sub>), expected to be realized.
4. The proposed number and location of Level 2 and Level 3 charging stations;
5. A justification for the proposed location of the charging stations; and
6. General specifications for the proposed charging stations.

C. EPC Contract. MP shall have entered into a contract or contracts for the engineering, design, procurement, and construction of the Project reasonably satisfactory to all of the Parties (the "EPC Contract"). The City shall be designated a third-party beneficiary of the EPC Contract. The Parties agree that all warranties available under the EPC Contract and other applicable law, along with all design, product, materials, and equipment warranties provided by contractors, subcontractors, equipment manufacturers or suppliers in relation to the Project ("Warranty Rights"), shall be transferred to City, in a form or forms approved by the City, in accordance with the provisions of the EPC Contract and the Project transfer provisions set forth in Article V below, including the final Bill of Sale referenced therein.

It is anticipated that Hunt will be the counterparty to the EPC Contract. If that is the case, for the sake of clarity, the Parties agree that Hunt's general contracting and performance obligations (as opposed to donation and other obligations identified herein) regarding the Project will be governed by the EPC Contract, not this Agreement.

D. Net Metering Agreement. The City and MP shall have entered into a Uniform Statewide Contract for Cogeneration and Small Power Production Facilities in substantially the form attached hereto as **Exhibit D** ("Net Metering Agreement").

E. Project Specifications. The City shall have approved the Project Specifications, in accordance with Article III below.

### **ARTICLE III Project Specifications**

A. City Approval. Before commencement of construction of the Project or delivery of any materials onto the Project Site or City Property, MP shall furnish to the City for approval plans and specifications for the Project (as so approved, the "Project Specifications"). The parties acknowledge that the City will review Project Specifications in its normal course in accordance with applicable code requirements, but the City shall not unreasonably delay, condition or deny such approval.

B. Changes. Any material changes to the Project Specifications must be submitted to the City for approval in writing.

### **ARTICLE IV Construction and Donation**

A. Construction of the Project. MP shall be responsible for causing the Project to be constructed in accordance with the Project Specifications, which responsibility MP shall fulfill by entering into and administering the EPC Contract.

B. Project Costs. MP, Enbridge, and Hunt will each be responsible for Project Costs up to the following amounts:

Party	Donation
Enbridge	\$178,000
MP	\$150,000
Hunt	\$ 50,000
"Maximum Donation Amount"	\$378,000

Hunt's donation may be in the form of donated labor. The City will pay the costs associated with obtaining a building permit for the Project, which such costs are not included in the Maximum Donation Amount.



If the total Project Costs exceed the Maximum Donation Amount due to Project Site conditions unknown to MP on the Effective Date, the City Agrees to pay the costs in excess of the Maximum Donation Amount subject to availability of funding and council approval, provided that no other Party shall be obligated to pay such excess unless expressly agreed to in writing. If Project Costs are expected to exceed the Maximum Donation Amount for any reason, the Parties agree to work in good faith to revise the design of the Project in order to reduce the total Project Costs. If, despite the Parties' best efforts at such revisions, the total Project Costs are still expected to exceed the Maximum Donation Amount, the Parties other than the City agree to pay the excess, exclusive of excess costs that result from Project Site conditions unknown to MP on the Effective Date, in the following proportions: Enbridge, 47%; MP, 40%; and Hunt 13%. The Parties acknowledge that if none of them agrees to pay unanticipated costs related to Project Site conditions, that the Project may have to be put on hold pending resolution of the issue.

MP agrees to make payments for Project Costs to contractors, vendors, and equipment suppliers. MP will then invoice Enbridge for its share of the Project Costs. Enbridge agrees to pay MP invoices within thirty (30) days of receipt.

C. Progress Reports. MP agrees to provide the other Parties with bi-weekly progress reports for the Project, including the status of Project construction and anticipated Project completion date (with an explanation for any change from the anticipated completion date given in the previous progress report). The Parties' goal is to complete the Project by December 31, 2016, weather permitting, balancing Project Costs and Project completion if severe weather conditions are encountered.

D. Renewable Energy Certificates/RECs. The parties agree that the City and Enbridge are entitled to certify, claim, bank, retire, or otherwise use as the City or Enbridge deems fit, up to fifty-percent (50%) of all Renewable Energy Certificates generated or capable of generation by the Project. The parties agree that any RECs generated by solar panels installed at the City's sole expense in excess of the Project's Maximum Donation Amount shall be the property of the City to certify, claim, bank, retire or otherwise use as the City may deem fit.

## **ARTICLE V**

### **Completion, Transfer, and Warranties**

A. Transfer. Within thirty (30) days of Project Completion, including payment of all Project Costs, MP agrees to transfer the Project to the City via a Bill of Sale in a form approved by the City, including written certification that the Project is free of all mechanics' liens, and further including all records generated in relation to the Project, including all designs, blueprints, drawings, as-builts and construction progress reports. Within sixty (60) days of receipt of such Bill of Sale and certification, the City agrees to inspect the Project, as completed, and indicate its acceptance by countersigning the Bill of Sale, or else to indicate in writing the specific manner in which the Project does not conform to this Agreement or the Project Specifications ("Non-conformance Notice"). Failure by the City to respond within such sixty (60)-day period shall be deemed acceptance of the Bill of Sale.



B. Assignment of Third-party Warranties. MP agrees to assign all Warranty Rights to the City, and to use best efforts to cause contractors, vendors, and/or equipment suppliers to consent to such assignment and supply copies of all product, materials and equipment warranties to the City.

C. MP Warranties. MP warrants to the City that the services provided by MP employees will be performed in a good, professional, workmanlike, and competent manner, in conformity with all applicable professional standards and the requirements of this Agreement. MP MAKES NO OTHER WARRANTIES WITH RESPECT TO THE PROJECT AND MP EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES RELATING THERETO, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY INTENDED OR PARTICULAR PURPOSE.

The City's sole remedy for breach of the above-described warranty will be for MP to re-perform the services for the City at MP's expense. In no event shall MP, be liable to the other Parties for consequential, incidental, indirect, punitive or special damages (including loss of profits, business data or goodwill), regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranties, failure of essential purpose or otherwise, and even if the party to which such damages are attributed is advised of the likelihood of such damages.

D. Project Completion Report. The other Parties agree to cooperate with MP's requirement to submit a project completion report to EPA within sixty (60) days after Project completion, including without limitation, by providing information to or working with Minnesota Power to determine the following:

1. The date the Project was completed; \_\_\_\_\_
2. The results of implementation of the Project, including estimated emission reductions or other environmental benefits achieved; and
3. Total Project Costs.

## **ARTICLE VI**

### **Operations and Maintenance**

Upon completion of the Project and transfer thereof to the City in accordance with Article V.A., the City shall be solely responsible for the ongoing operations and maintenance of the Project.

## **ARTICLE VII**

### **Advertising and Publicity**

A. Signage. None of the Parties shall use another Party's name, photographs, logo, trademark, or other identifying characteristics or that of any of the other Party's subsidiaries or affiliates without such Party's prior written approval, such approval not to be unreasonably withheld or delayed. The Parties agree to cooperate with respect to signage for the Project that identifies the Parties.

B. Publicity. The Parties agree to cooperate with respect to any shared publicity in relation to the Project. In the event that any Party is contacted by the media concerning the Project, the contacted Party agrees to inform the other Parties of the existence and nature of the inquiry.

## **ARTICLE VIII**

### **Indemnification**

A. Generally. In performing its obligations in relation to the Project and this Agreement, each Party to this Agreement shall assume the risk of any liability arising from its own acts, errors, omissions, and the results thereof – including the acts, errors or omissions of its officers, employees, agents, contractors, subcontractors, or anyone directly or indirectly employed or hired by the Party. None of the Parties shall be responsible for insuring, defending or indemnifying any other Party for the acts, errors or omissions of another Party or its officers, employees, agents, contractors, subcontractors, or anyone directly or indirectly employed or hired by another Party. The Parties acknowledge that the scope of the City's liability is governed by Minnesota Statutes Chapter 466 or other applicable law.

B. Environmental Indemnification. The City hereby agrees that for itself, its successors and assigns, that it will indemnify and save the other Parties and their respective officers, agents, and employees, harmless from and against all Losses arising out of any condition existing on City Property prior to commencement of construction of the Project which constitutes a violation of any Environmental Law.

## **ARTICLE IX**

### **Insurance**

A. City of Duluth. During the term of this Agreement, and subject to the maximum liability limits and exceptions set forth in Minn. Stat. § 466.03-.04, as may be amended, the City agrees to provide self-insurance covering its operations associated with the Project, along with real and personal property interests located at or near the Project Site.

B. Enbridge. During the term of this Agreement, Enbridge agrees to provide self-insurance covering its respective operations associated with the Project.

C. Minnesota Power. During the term of this Agreement, Minnesota Power agrees to either (a) self-insure; or (b) purchase and maintain insurance – naming the City as an additional



insured – in the form of Workers Compensation and Employers Liability, Commercial General Liability and Automobile Liability covering each Party's operations associated with the Project, and Property insurance covering their respective real and personal property interests at or near the Project Site, with the following limits:

Workers' Compensation	Statutory
Employers' Liability	\$1,000,000
Auto Liability (owned, hired and non-owned)	\$1,000,000
Commercial General Liability (including Contractual Liability)	
Each Occurrence	\$2,000,000
Aggregate	\$4,000,000
Property Insurance	To Replacement Value
Umbrella or Excess Liability (if applicable)	\$10,000,000
Professional Liability (if applicable)	\$1,000,000
Environmental Liability (if applicable)	\$1,000,000

D. Hunt. During the term of this Agreement, Hunt agrees to purchase and maintain insurance in the form of Workers Compensation and Employers Liability, Commercial General Liability and Automobile Liability covering operations associated with the Project, and Property insurance covering real and personal property interests at or near the Project Site, with the following limits:

Workers' Compensation	Statutory (MN)
Employers' Liability	\$1,000,000
Auto Liability (owned, hired and non-owned)	\$1,000,000
Commercial General Liability (including Contractual Liability)	
Each Occurrence	\$2,000,000
Aggregate	\$4,000,000
Property Insurance	To Replacement Value
Umbrella or Excess Liability	\$10,000,000
Professional Liability	\$1,000,000
Environmental Liability	\$1,000,000

Prior to commencement of construction, Hunt agrees to deliver to the City a Certificate of Insurance, naming the City as an Additional Insured, as evidence that the above coverages are in full force and effect.

E. Proof of Self-insurance. If Minnesota Power or Enbridge elects to self-insure in accordance with the terms and provisions of this Agreement, a letter evidencing same will be forwarded to the City's Insurance Adjuster and Claims Representative, Don Douglas, at 411 West First Street, Room 410, Duluth, Minnesota, 55802. If Minnesota Power or Enbridge elects to purchase and maintain insurance in accordance with the terms and provisions stated herein, a certificate of insurance naming the City as additional insured shall likewise be forwarded to the City's Insurance Adjuster at the above address. If policies for which certificates have previously been provided expire during the course of this Agreement or any renewals hereof, certificates evidencing renewal of such policies shall immediately be provided upon renewal. Minnesota Power, Enbridge, and Hunt shall instruct their insurance representative to notify the City should any of the policies be cancelled before the expiration date thereof.



**ARTICLE X**  
**Representations and Warranties**

Each Party hereby represents and warrants that it has all requisite power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by such Party and constitutes a valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws in effect from time to time relating to or affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

**ARTICLE XI**  
**Term and Survival**

The term of this Agreement shall commence upon execution by all Parties hereto and shall continue until the City's acceptance of the Bill of Sale required by Article V.A. Any obligations and duties which by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement.

**Article XII**  
**Notices**

All notices required or permitted to be given hereunder shall be in writing and addressed as follows:

City of Duluth  
Property and Facilities Management  
1532 W. Michigan Street  
Duluth, Minnesota, 55806  
(218) 730-4333

Minnesota Power, an ALLETE Company  
Attn: Renewable Program Lead  
30 W. Superior Street  
Duluth, MN 55802  
(218) 355-3227

Enbridge Energy Limited Partnership  
Mr. James Goodman  
Mainline Project Manager  
26 East Superior Street, Suite 309  
Duluth, MN 55802  
(218) 522-4811

Hunt Electric Corporation  
Mr. Todd Lyden, Vice President  
4330 West 1<sup>st</sup> Street  
Duluth, MN 55807  
218-628-3323

A Party may change its address for notices by giving notice to the other Parties. Nothing contained herein shall be construed to restrict the transmission of routine communications between representatives of the Parties

All submittals or notices which any Party is required or authorized to give under the terms of this Agreement shall be deemed to have been sufficiently given if given by (i) hand delivery, (ii) registered or certified mail, or (iii) a nationally recognized overnight delivery service for next business day delivery, addressed to the Parties' addresses above, unless otherwise specified elsewhere.

### **ARTICLE XIII**

#### **Miscellaneous**

A. No Rights or Benefits to Third Parties. The Parties do not intend to create rights in, or to grant remedies to, any third-party as a beneficiary of this Agreement or to create any duty to, or standard of care on behalf of, any third-party by any covenant, obligation or undertaking established in this Agreement. There are no incidental third-party beneficiaries to this Agreement.

B. Governing Law, Jurisdiction, and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota of the United States of America, exclusive of its choice of law provisions, and all questions concerning the meaning, intention or validity of the terms of this Agreement, as well as the performance of the parties hereto, shall be determined and resolved in accordance therewith. The Parties agree to submit to the exclusive jurisdiction of the State and Federal Courts sitting in St. Louis County, Minnesota, and waive any objections to such location based on jurisdiction, venue or inconvenient forum.

C. Construction of Agreement. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement is to be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

D. Severability. If any provision of this Agreement is declared void, or otherwise unenforceable by a court or other tribunal of competent jurisdiction, such provision shall be deemed to severed from this Agreement to the limited extent required and this Agreement shall otherwise remain in full force and effect.

E. Force Majeure. Other than as expressly provided elsewhere in this Agreement, no Party shall have any liability for delays in performance to the extent caused by acts of God, acts

of war or the public enemy, strikes, picketing, lockouts or other labor disturbances, fires, floods, earthquake or other force or violence of the elements (including adverse weather), or any other contingency beyond the reasonable control of the party affected thereby. In the event of any such occurrence of force majeure, the time for the Party's performance affected thereby shall be extended for such period as reasonably required under the circumstances.

F. Entire Agreement and Amendment. This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof. No modification, amendment or waiver may be made to the terms of this Agreement without the written consent of all Parties.

G. Counterparts. This Agreement may be executed in any number of counterparts and by each Party hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same Agreement.

H. Assignment. Except in connection with the merger, consolidation, or sale of all or substantially all of a Party's assets, this Agreement may not be assigned by any Party without the prior written consent of the other Parties, which such consent shall not be unreasonably withheld, delayed, or conditioned.

[remainder of page left intentionally blank]



IN WITNESS WHEREOF, the parties have executed this Agreement effective the date first written above.

CITY OF DULUTH, MINNESOTA

MINNESOTA POWER, an operating division  
of ALLETE, Inc.

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

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

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

ATTEST:

Title: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

COUNTERSIGNED:

ENBRIDGE ENERGY LIMITED  
PARTNERSHIP By ENBRIDGE PIPELINES  
(LAKEHEAD) L.L.C., as General Partner

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

\_\_\_\_\_  
City Auditor

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

Title: \_\_\_\_\_

APPROVED AS TO FORM:

Dated: \_\_\_\_\_

\_\_\_\_\_  
City Attorney

Hunt Electric Corporation

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

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

## **EXHIBIT INDEX**

Exhibit A	-	Project Description
Exhibit B	-	Project Site
Exhibit C	-	Temporary License Agreement
Exhibit D	-	Net Metering Agreement

# Duluth Solar Electric Vehicle Carport Proposal



A powerful partnership between:



## EXHIBIT A



## Duluth Solar Electric Vehicle Charging Car 'Port'

### Project Description

Minnesota Power, Enbridge, Hunt Electric, and the City of Duluth are partnering to construct a solar powered electric vehicle charging carport at the Endion Station parking lot in Canal Park as an opportunity to visibly demonstrate a commitment to transforming the energy landscape. The project exemplifies the nexus of technological change in energy production and transportation. This powerful collaboration of public and private organizations demonstrates how these partners view the future and encourage the growth and development of new technology.

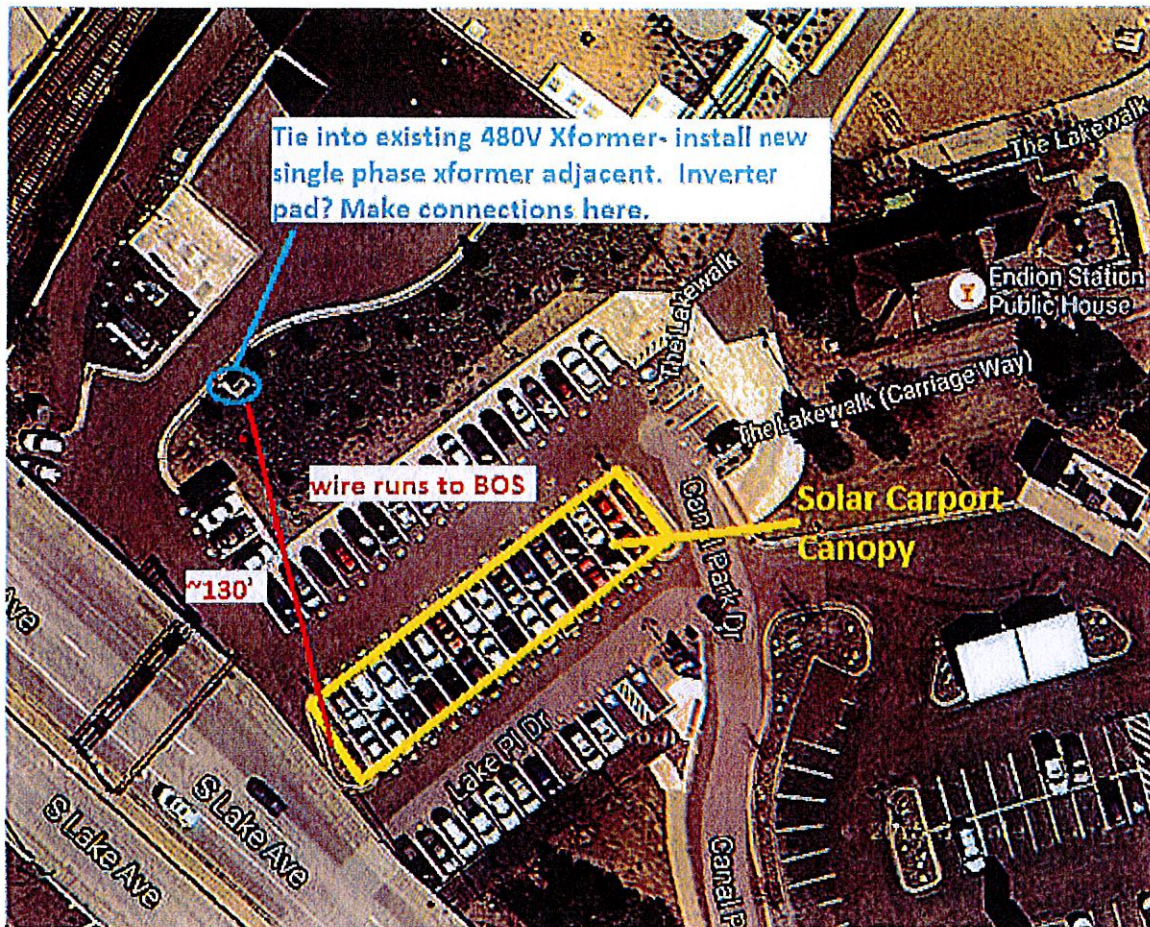
The partner group will plan, authorize and construct the project. Minnesota Power, Enbridge Energy, and Hunt Electric will contribute to the payment for the completed system. Upon completion of the project the assets will be donated to the City. The City will then operate and maintain the systems for the benefit of the public.

The carport structure is design and engineered by Solar Structures LLC. The structure will host a 54 kilowatt solar array consisting of tier 1 modules such as Trina or equivalent. The power will be conditioned to three phase 480 volt output with high quality SMA inverters or equivalent. This power will be fed through balance of system gear to feed the nearest loads. If electric vehicles (EVs) are present during generation periods, presumably this energy may feed directly into the electric vehicle charging at one of the eight level 2 charging ports or the DC fast charging station.

A total of nine electric vehicle charging ports will be available for public use. The four dual port level 2 car charging stations will be mounted to the columns of the carport structure. These units will supply single phase 240 volt power to EVs. Level 2 charging can fully charge a vehicle in 2-6 hours depending on make and models. A single DC fast charging unit shall be installed. This is a free-standing unit that employs 480 volt power to charge a vehicle in 20-40 minutes.

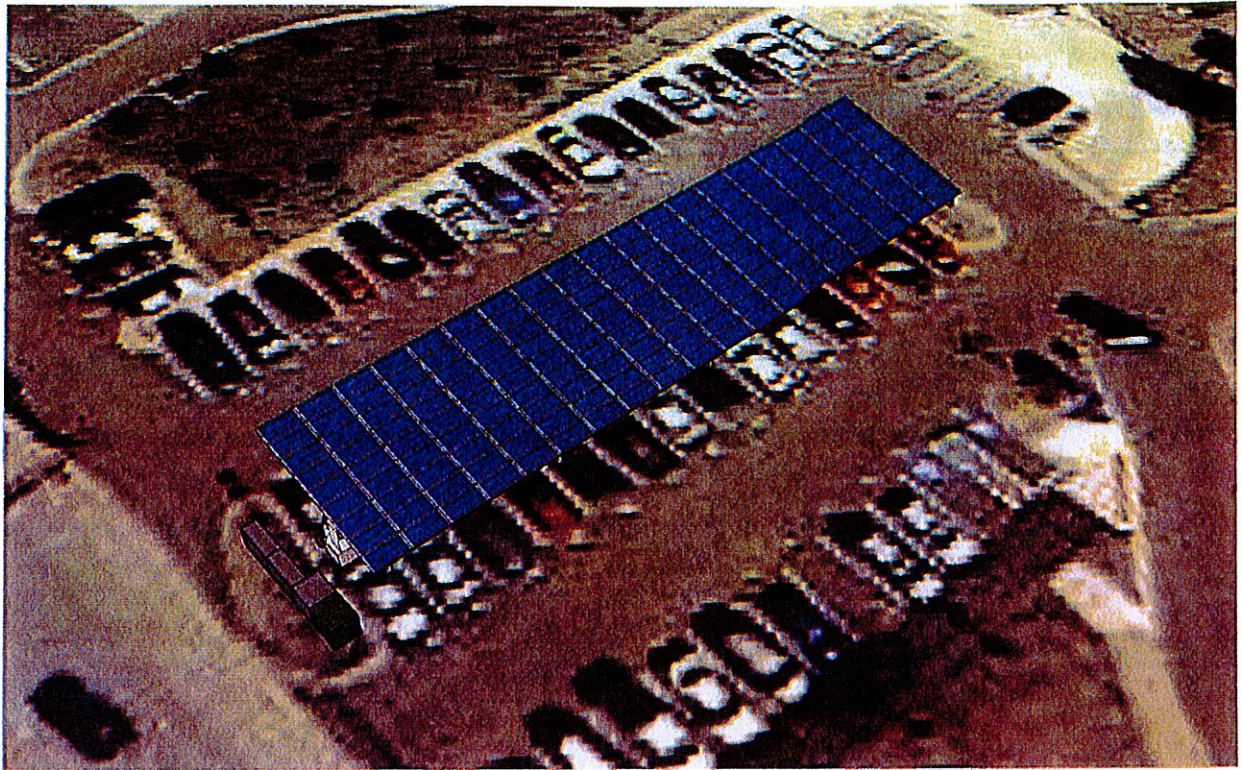
The benefits of the project are multifold. The partners will continue to enjoy pride, experience and goodwill from collaborating on this innovative and forward-looking project. This new infrastructure will encourage increasing numbers of EV owners to visit Duluth's Canal Park. The Canal Park area offers many amenities that make a charging stop here more attractive. In addition, the City will benefit from the ability to operate and maintain the charging infrastructure in a revenue neutral or positive operation. Solar power will offset electric use from charging. During periods of generation without EV charging loads the power will be fed into the smart grid and the energy will be credited against City accounts. The City will also have the option to charge for the electric vehicle charging service to offset any O&M costs. In summer and winter the carport will provide a covered area to park as well. Solar EV carports are a great use of parking lot space to provide many benefits.





## EXHIBIT B



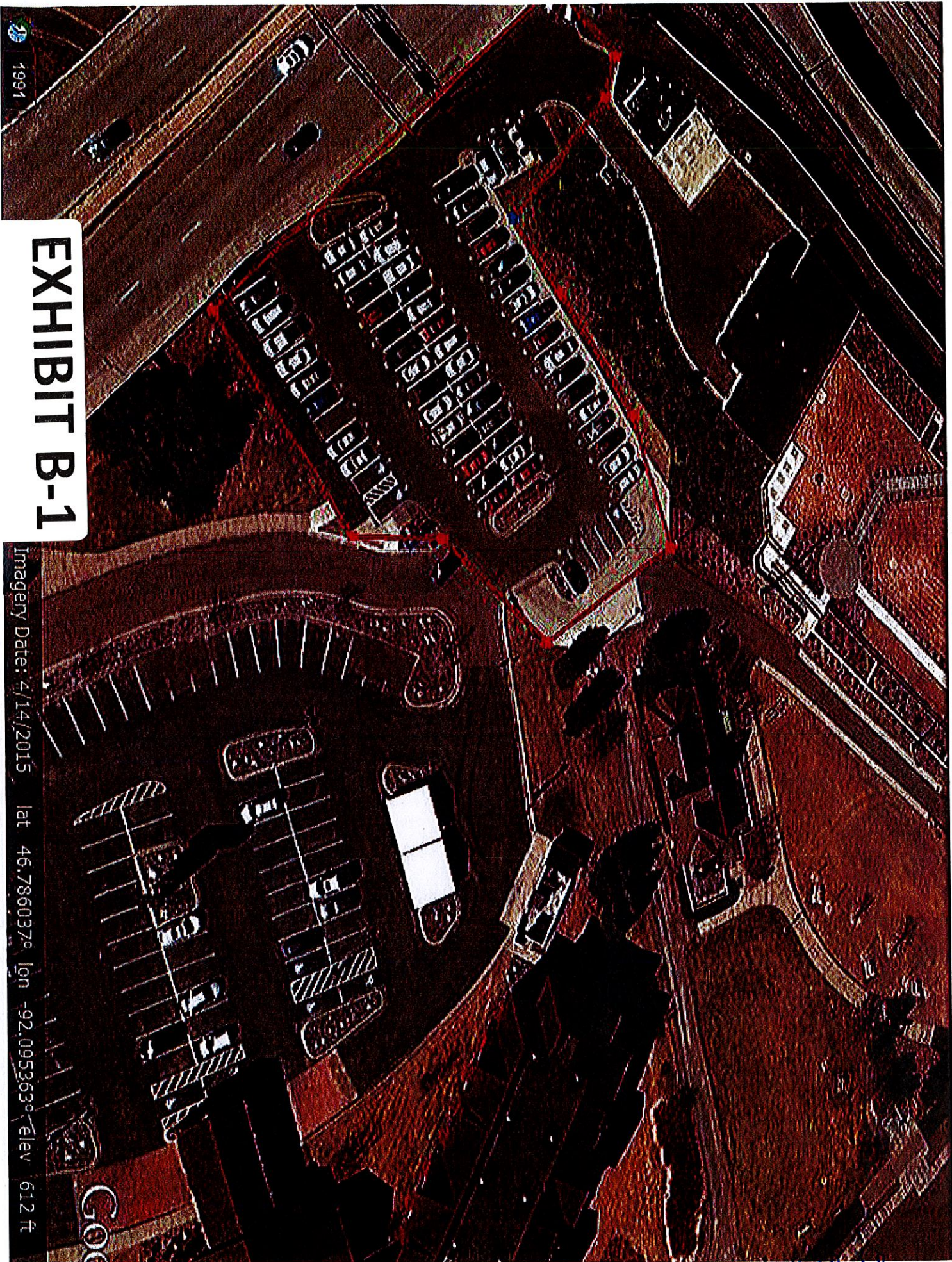




## Exhibit A

### ~~—~~ DONATION AGREEMENT





1991

# EXHIBIT B-1

Imagery Date: 4/14/2015 lat 46.786037° lon -92.095363° Elev 612 ft

22958



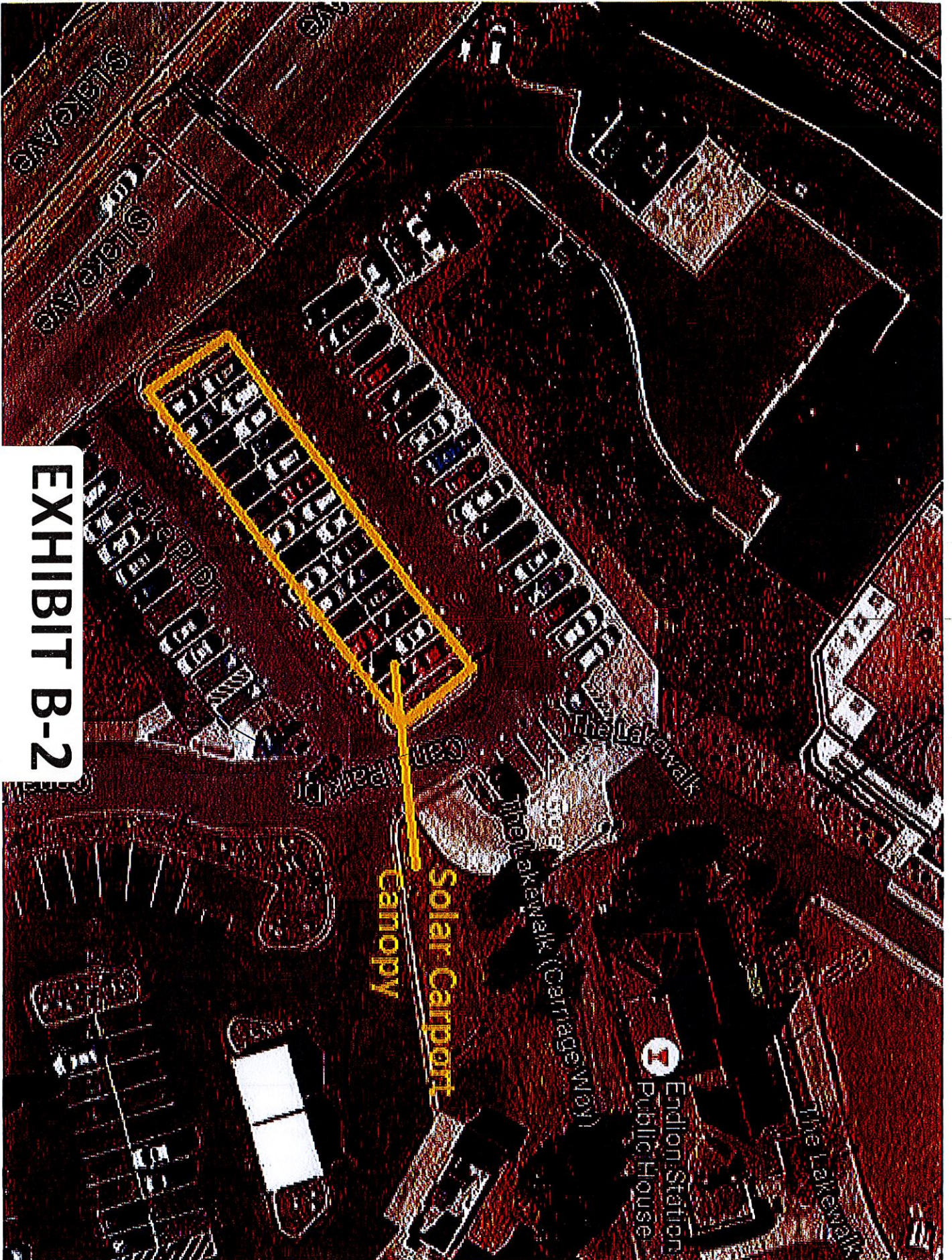


EXHIBIT B-2



**LICENSE AGREEMENT BETWEEN  
THE CITY OF DULUTH AND  
MINNESOTA POWER/ALLETE, INC.**

THIS LICENSE AGREEMENT is entered into by and between MINNESOTA POWER, an operating division of ALLETE, INC., a Minnesota corporation ("Minnesota Power"), Hunt Electric Corporation, a Minnesota corporation ("Hunt"), and the CITY OF DULUTH, a municipal corporation created and existing under the laws of the State of Minnesota ("the City"), hereinafter "the parties."

The parties acknowledge the following:

A. The City is the fee title owner of real property located at Lower Railroad Street and Lake Avenue in Duluth legally described as Lots Eleven (11) through Nineteen (19), inclusive, Block Two (2), INDUSTRIAL DIVISION OF DULUTH (hereinafter referred to as "City Property"). A portion of the City Property and adjoining right-of-way is used as a parking lot more commonly known as the "Lake Place Lot" or "Endion Lot."

B. Minnesota Power, the City, Hunt, and Enbridge Energy Limited Partnership, a Delaware Limited Partnership ("Enbridge") have entered into an agreement for the purpose of partnering, constructing and maintaining a 54 kilowatt (kW) solar carport and electric vehicle charging station on City Property, specifically the Lake Place or Endion Lot, the details, site location and description of which are set forth more fully in the Donation Agreement incorporated by reference and attached hereto as **Exhibit A** ("the Project").

C. In order to facilitate construction, completion and transfer of the Project to the City in accordance with the Donation Agreement attached hereto, Minnesota Power, Hunt and the City desire to enter into this License Agreement to grant Minnesota Power, Hunt, and their duly authorized employees, agents, contractors or subcontractors access to the Lake Place Lot in order to construct the Project in accordance with the Donation Agreement and the designs, plans and specifications approved by the City prior to commencement of construction.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and the attached Donation Agreement, which is incorporated herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. THE LICENSE. Subject to the terms and conditions set forth herein, the City grants Minnesota Power, Hunt, and their duly authorized employees, agents, contractors or subcontractors, a non-exclusive license (hereinafter "the License") to enter and occupy portions of the Endion Lot to complete construction of the Project in accordance with approved plans ("Services").

The Endion Lot subject to the terms and conditions set forth in this Agreement is depicted on **Exhibit B** ("Licensed Premises"), which is attached hereto and incorporated herein. Minnesota Power and Hunt acknowledge that the Endion Lot is presently used as a public parking facility, agree not to intentionally interfere with said use except in accordance with

**EXHIBIT C**

approved plans, and further agree to coordinate and cooperate with city staff to ensure orderly and safe construction of the Project and minimization, to the greatest extent possible, of impact on surrounding facilities, infrastructure and public use.

2. TERM OF THE AGREEMENT. Notwithstanding the date of execution, this Agreement commences on October 3, 2016, and shall continue through December 31, 2016, as may be amended or modified by the parties in writing as set forth herein.

3. TERMINATION.

a. WITHOUT CAUSE. Either party may terminate this Agreement without cause by providing written notice to the other party setting forth the date of termination.

b. IMMEDIATELY BY CITY. The City may terminate this License Agreement immediately on notice to Minnesota Power and Hunt if the City believes in good faith that the health, welfare, or safety of the Licensed Premises, occupants, or neighbors would be placed in immediate jeopardy by the continuation of Minnesota Power or Hunt's operations.

c. SURRENDER POSSESSION. Upon termination of this License Agreement, Minnesota Power and Hunt agree to surrender possession of Licensed Premises to the City in as good condition and state of repair as said Licensed Premises were in at the time Minnesota Power or Hunt took possession, acts of God excepted.

4. LICENSE FEE. Minnesota Power and Hunt shall have the use of the Licensed Premises during the term of this Agreement at no cost. The consideration for the License shall instead be the final work product of the Services in connection with the Project, including all transferred fixtures, warranties, as-builts, and any other relevant Project reports, plans, blueprints or drawings.

5. LIMITED, NON-EXCLUSIVE USE. Minnesota Power and Hunt agree that the Licensed Premises will only be used to perform necessary Services in connection with the Project. Any other use of the Licensed Premises must be pre-approved in writing by the City.

6. ACCESS. Minnesota Power and Hunt's use of the Licensed Premises hereunder shall in no way limit or restrict the City's use of the property. The City shall continue to enjoy unlimited access to the Licensed Premises during the License Agreement Term.

7. CITY WARRANTY. The City makes no representation that the Licensed Premises is suitable for any particular purpose or specific uses, and Minnesota Power and Hunt accept the Licensed Premises in an "as is" condition without representations or warranties of any kind. The operations and activities of Minnesota Power, Hunt, or their duly authorized employees, contractors, subcontractors or agents on the Licensed Premises shall be at the sole risk of Minnesota Power and Hunt. The City shall not be obligated to make any alterations or improvements on or to the Licensed Premises.



If, in the course of exercising its rights hereunder, Minnesota Power or Hunt discovers the presence of hazardous, toxic, or dangerous materials on the Licensed Premises, Minnesota Power or Hunt shall notify the City of such discovery and may, but is not required to, notify any relevant governmental agency. Nothing herein shall be deemed to confer upon Minnesota Power or Hunt status as an owner, operator, generator, or other responsible party for purposes of any federal or state statute governing the treatment, storage, or disposal of hazardous substances or wastes with respect to any pre-existing contamination or contamination not caused directly by Minnesota Power or Hunt.

8. MAINTENANCE AND RESTORATION. Minnesota Power and Hunt, jointly and independently, agree to exercise reasonable care in their use of the Licensed Premises. Minnesota Power and Hunt shall make no alterations or improvements to the Licensed Premises that are not herein described or described in the Donation Agreement attached hereto without the prior written consent of the City and upon terms or conditions that may be imposed by the City.

Upon expiration or termination of this License Agreement, and prior to the City's acceptance of transfer of the Project pursuant to the Bill of Sale described in the Donation Agreement attached hereto, Minnesota Power and Hunt, jointly and independently, agree to restore the Licensed Premises to its original condition at the time of execution of this License Agreement or, upon demand, pay to the City the reasonable costs incurred by the City to repair any damage done to the Licensed Premises by Minnesota Power, Hunt, or their employees, servants, agents, contractors, invitees, and licensees.

9. HOLD HARMLESS AND INDEMNIFICATION. Minnesota Power and Hunt shall defend, indemnify, and save harmless the City, and its officers, agents, servants, and employees from any and all liens, judgments, claims, including those for contribution and indemnity, suits, demands, liability, costs, damages, and expenses asserted by any person or persons, including agents or employees of the City, by reason of death or injury to person or persons, loss or damage to the Licensed Premises, to the extent that such loss or damages arise out of, or result from, or are related to the Minnesota Power's exercise of the rights herein granted. On ten days' written notice from the City, Minnesota Power or Hunt will appear and defend all lawsuits against the City growing out of such injuries or damages. Notwithstanding anything to the contrary contained herein, the City, Minnesota Power and Hunt shall each be responsible for their own acts and the results thereof and shall not be responsible for the acts of the other party. The scope of the City's liability is governed by Minnesota Statutes Chapter 466 or other applicable law.

10. INSURANCE. During the term of this Agreement, Minnesota Power and Hunt shall have such coverage as will protect Minnesota Power, Hunt and the City against risk of loss or damage to the Licensed Premises and against claims which may arise or result from the maintenance and use of the Licensed Premises during the Agreement Term. Minnesota Power and Hunt shall each procure and maintain continuously in force Public Liability Insurance written on an "occurrence" basis under a Comprehensive General Liability Form in limits of not less than \$1,500,000 per occurrence for personal bodily injury and death and limits of \$1,500,000 for property damage liability. Insurance required in this Agreement shall be taken out and maintained in responsible insurance companies organized under the laws of the states of the



United States and licensed to do business in the State of Minnesota. Insurance shall cover public liability including premises and operations coverage, independent contractors – protective contingent liability, personal injury, contractual liability covering the indemnity obligations set forth herein, and products – completed operations. Minnesota Power and Hunt shall provide to the City Certificates of Insurance evidencing said coverages. The Certificates of Insurance shall name the City as an additional insured.

Notwithstanding anything else herein, the City acknowledges that Minnesota Power may self-insure up to \$2,000,000 of any liability insurance requirements. If Minnesota Power elects to self-insure in accordance with the terms and provisions of this Agreement, a letter evidencing same will be forwarded to the City's Insurance Adjuster and Claims Representative, Don Douglas, at 411 West First Street, Room 410, Duluth, Minnesota, 55802, along with any other Party upon request. If Minnesota Power elects to purchase and maintain insurance in accordance with the terms and provisions stated herein, a certificate of insurance naming the City as additional insured shall likewise be forwarded to the City's Insurance Adjuster at the above address, along with any other Party upon request.

If policies for which certificates have previously been provided expire during the course of this Agreement or any renewals hereof, certificates evidencing renewal of such policies shall immediately be provided upon renewal. Minnesota Power and Hunt shall instruct their insurance representative to notify the other Parties should any of the policies be cancelled before the expiration date thereof.

11. RECORDS RETENTION. Minnesota Power and Hunt agree to maintain all Project records during the term of the License Agreement and for six (6) years after its termination, cancellation, or expiration.

12. INDEPENDENT RELATIONSHIP. Nothing contained in this License Agreement is intended or should be construed in any manner as creating or establishing the relationship of copartners between the parties hereto or as constituting Minnesota Power or Hunt as agents, representatives or employees of the City for any purpose or in any manner whatsoever. The parties do not intend by this License Agreement to create a joint venture or joint enterprise, and expressly waive any right to claim such status in any dispute arising out of this License Agreement. Minnesota Power, Hunt and their employees shall not be considered employees of the City and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of Minnesota Power, ALLETE, or Hunt employees or agents while so engaged, shall in no way be the responsibility of the City.

13. ASSIGNMENT. Neither Minnesota Power nor Hunt shall in any way assign or transfer their rights or interests under this Agreement, but Minnesota Power and Hunt may subcontract their obligations in connection with the Project or Services as necessary to complete same. If Minnesota Power or Hunt uses a subcontractor in connection with the Project or Services on the Licensed Premises, Minnesota Power and Hunt assume responsibility for all work performed by said subcontractor and agree to continue to comply with all undertakings, provisions, covenants, and conditions contained in this Agreement.



14. LAWS, RULES AND REGULATIONS. During the term of this Agreement, Minnesota Power and Hunt agree to conduct their activities related to the Licensed Premises in compliance with the United States Constitution and with the applicable laws, rules, and regulations of the United States, State of Minnesota, St. Louis County, and City of Duluth. Minnesota Power and Hunt shall not unlawfully discriminate and shall comply with all applicable federal and state laws regarding non-discrimination.

15. PERMITS. Prior to commencement of its activities related to the Licensed Premises, Minnesota Power and Hunt shall procure any and all permits, licenses, and authorizations necessary for carrying out its obligations under this Agreement or the Donation Agreement in relation to the Project.

16. TAXES. Minnesota Power and Hunt hereby agree to pay all licenses, fees, taxes, and assessments of any kind whatsoever that arise because of, out of, or in the course of Minnesota Power or Hunt's use of the Licensed Premises, including sales and real property taxes, if applicable. It is further agreed that the City may, in the City's sole discretion, pay the same on behalf of Minnesota Power or Hunt and immediately collect the same from Minnesota Power or Hunt. Upon demand by the City, Minnesota Power and Hunt shall promptly reimburse the City for such fees, taxes and/or assessments. Minnesota Power and Hunt shall further be obligated to collect and/or pay any sales and use taxes imposed by any governmental entity entitled to impose such taxes on or before the date they are due and to file all required reports and forms in proper form related thereto on or before their due date.

17. GOVERNMENT DATA PRACTICES. The data collected, created, received, maintained or disseminated by the parties pursuant to this contract shall be governed by the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 ("MGDPA"). Minnesota Power and Hunt agree to comply with the MGDPA. Minnesota Power and Hunt further agree to hold the City, its officers and employees harmless from any claims resulting from Minnesota Power or Hunt's failure to comply with the law. If Minnesota Power or Hunt receives a request to release data referred to in this paragraph, Minnesota Power and Hunt must immediately notify the City and consult with the City with respect to the appropriate management, response or satisfaction of the request.

18. WAIVER. The waiver by the City of any breach of any term, covenant, or condition in this License Agreement, shall not be deemed to be a waiver of any subsequent breach of same or any term, covenant, or condition of this License Agreement.

19. NO THIRD PARTY RIGHTS. This Agreement is to be construed and understood solely as an agreement between the parties hereto regarding the subject matter herein and shall not be deemed to create any rights in any other person or on any other matter. No person shall have the right to make claim that they are a third party beneficiary of this Agreement or of any of the terms and conditions hereof, which, as between the parties hereto, may be waived at any time by mutual agreement between the parties hereto.

20. NOTICES. Notices shall be sufficient if sent by regular United States mail, postage prepaid, addressed to:

City of Duluth  
Property and Facilities Management  
1532 W. Michigan Street  
Duluth, Minnesota, 55806  
(218) 730-4333

Minnesota Power, an ALLETE Company  
Attn: Renewable Program Lead  
30 W. Superior Street  
Duluth, MN 55802  
(218) 355-3227

Hunt Electric Corporation  
Mr. Todd Lyden, Vice President  
4330 West 1st Street  
Duluth, MN 55807  
218-628-3323

or to such other persons or addresses as the parties may designate to each other in writing from time to time.

21. COMPLIANCE WITH AGREEMENT. The rights of Minnesota Power and Hunt to use the Licensed Premises are subject to Minnesota Power and Hunt's compliance with the undertakings, provisions, covenants, and conditions herein.

22. APPLICABLE LAW. The laws of the State of Minnesota shall govern all interpretations of this License Agreement, and the appropriate venue and jurisdiction for any litigation which may arise under the License Agreement will be in and under those courts located within St. Louis County, Minnesota.

23. AMENDMENTS. Any amendments to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

24. SEVERABILITY. Minnesota Power, Hunt and the City agree that if any term or provision of this License Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, then the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the License Agreement did not contain the particular term or provision held to be invalid.

25. AUTHORITY TO EXECUTE AGREEMENT. The parties represent to each other that the execution of this Agreement has been duly and fully authorized by their respective governing bodies or boards, that the officers of the parties who executed this Agreement on their behalf are fully authorized to do so, and that this Agreement when thus executed by said officers of said parties on their behalf will constitute and be the binding obligation and agreement of the parties in accordance with the terms and conditions hereof.



26. ENTIRE AGREEMENT. This Agreement constitutes the entire Agreement between the parties and supersedes all prior written and oral agreements and negotiations between the parties relating to the subject matter hereof.

27. EXECUTION AND COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have set their hands the day and date first shown below.

CITY OF DULUTH, MINNESOTA

MINNESOTA POWER, an operating division  
of ALLETE, Inc.

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

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

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

ATTEST:

Title: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

HUNT ELECTRIC CORPORATION

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

COUNTERSIGNED:

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

\_\_\_\_\_  
City Auditor

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

## UNIFORM STATEWIDE CONTRACT FORM

The form for the uniform statewide contract must be applied to all new and existing interconnections between a utility and cogeneration and small power production facilities having less than 1,000 kilowatts of capacity, except as described in part 7835.5900.

### UNIFORM STATEWIDE CONTRACT FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

THIS CONTRACT is entered into \_\_\_\_\_, 2016, by  
Minnesota Power (hereafter called "Utility") and  
The City of Duluth (hereafter called "QF").

#### RECITALS

The QF has installed electric generating facilities, consisting of: *(description of facilities)*  
a solar Photovoltaic system

rated at 53.865 kilowatts of electricity, on property located at \_\_\_\_\_.

The QF is prepared to generate electricity in parallel with the Utility.

The QF's electric generating facilities meet the requirements of the Minnesota Public Utilities Commission (hereafter called "Commission") rules on Cogeneration and Small Power Production and any technical standards for interconnection the Utility has established that are authorized by those rules.

The Utility is obligated under federal and Minnesota law to interconnect with the QF and to purchase electricity offered for sale by the QF.

A contract between the QF and the Utility is required by the Commission's rules.

#### AGREEMENTS

The QF and the Utility agree:

1. The Utility will sell electricity to the QF under the rate schedule in force for the class of customer to which the QF belongs.
2. The Cooperative Electric Association or Municipally Owned Electric Utility will buy electricity from the QF under the current rate schedule filed with the Commission. The QF elects the rate schedule category hereinafter indicated:

- ☐ a. Average retail utility energy rate under part 7835.3300.
- ☐ b. Simultaneous purchase and sale billing rate under part 7835.3400.
- ☐ c. Time-of-day purchase rates under part 7835.3500.

## EXHIBIT D



A copy of the presently filed rate schedule is attached to this contract.

3. The Public Utility will buy electricity from the QF under the current rate schedule filed with the Commission. If the QF has less than 40 kilowatts capacity, the QF elects the rate schedule category hereinafter indicated:

- ☐ a. Average retail utility energy rate under part 7835.4013.
- ☐ b. Simultaneous purchase and sale billing rate under part 7835.4014.
- ☐ c. Time-of-day purchase rates under part 7835.4015.

A copy of the presently filed rate schedule is attached to this contract.

4. The Public Utility will buy electricity from the QF under the current rate schedule filed with the Commission. If the QF is not a net metered facility and has at least 40 kilowatts capacity but less than 1,000 kilowatt capacity, the QF elects the rate schedule category hereinafter indicated:

- ☐ a. Simultaneous purchase and sale billing rate under part 7835.4014.
- ☐ b. Time-of-day purchase rates under part 7835.4015.

A copy of the presently filed rate schedule is attached to this contract.

5. The Public Utility will buy electricity from a net metered facility under the current rate schedule filed with the Commission or will compensate the facility in the form of a kilowatt-hour credit on the facility's energy bill. If the net metered facility has at least 40 kilowatts capacity but less than 1,000 kilowatts capacity, the QF elects the rate schedule category hereinafter indicated:

- ☒ a. Kilowatt-hour energy credit on the customer's energy bill, carried forward and applied to subsequent energy bills, with an annual true-up under part 7835.4017.
- ☐ b. Simultaneous purchase and sale billing rate under part 7835.4014.
- ☐ c. Time-of-day purchase rates under part 7835.4015. A copy of the presently filed rate schedule is attached to this contract.

6. The rates for sales and purchases of electricity may change over the time this contract is in force, due to actions of the Utility or of the Commission, and the QF and the Utility agree that sales and purchases will be made under the rates in effect each month during the time this contract is in force.

7. The Public Utility, Cooperative Electric Association, or Municipally Owned Electric Utility will compute the charges and payments for purchases and sales for each billing period. Any net credit to the QF, other than kilowatt-hour credits under clause 5, will be made under one of the following options as chosen by the QF:

- ☒ a. Credit to the QF's account with the Utility.
- ☐ b. Paid by check to the QF within 15 days of the billing date.

8. Renewable energy credits associated with generation from the facility are owned by: \_\_\_\_\_  
agreement between the City and project partners, such as Enbridge

9. The QF must operate its electric generating facilities within any rules, regulations, and policies adopted by the Utility not prohibited by the Commission's rules on Cogeneration and Small Power Production which provide reasonable technical connection and operating specifications for the QF. This agreement does not waive the QF's right to bring a dispute before the Commission as authorized by Minnesota Rules, part 7835.4500, and any other provision of the Commission's rules on Cogeneration and Small Power Production authorizing Commission resolution of a dispute.

10. The Utility's rules, regulations, and policies must conform to the Commission's rules on Cogeneration and Small Power Production.

11. The QF will operate its electric generating facilities so that they conform to the national, state, and local electric and safety codes, and will be responsible for the costs of conformance.

12. The QF is responsible for the actual, reasonable costs of interconnection which are estimated to be \$0.00. The QF will pay the Utility in this way: N/A

13. The QF will give the Utility reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Utility's side of the interconnection. If the Utility enters the QF's property, the Utility will remain responsible for its personnel.

14. The Utility may stop providing electricity to the QF during a system emergency. The Utility will not discriminate against the QF when it stops providing electricity or when it resumes providing electricity.

15. The Utility may stop purchasing electricity from the QF when necessary for the Utility to construct, install, maintain, repair, replace, remove, investigate, or inspect any equipment or facilities within its electric system. The Utility will notify the QF before it stops purchasing electricity in this way: \_\_\_\_\_

US Mail or Telephone

16. The QF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The amount of insurance coverage will be \$300,000 (The amount must be consistent with the Commission's interconnection standards under Minnesota Rules, part 7835.4750).

17. This contract becomes effective as soon as it is signed by the QF and the Utility. This contract will remain in force until either the QF or the Utility gives written notice to the other that the contract is canceled. This contract will be canceled 30 days after notice is given.

18. This contract contains all the agreements made between the QF and the Utility except that this contract shall at all times be subject to all rules and orders issued by the Public Utilities Commission or other government agency having jurisdiction over the subject matter of this contract. The QF and the Utility are not responsible for any agreements other than those stated in this contract.



THE QF AND THE UTILITY HAVE READ THIS CONTRACT AND AGREE TO BE BOUND BY ITS TERMS. AS EVIDENCE OF THEIR AGREEMENT, THEY HAVE EACH SIGNED THIS CONTRACT BELOW ON THE DATE WRITTEN AT THE BEGINNING OF THIS CONTRACT.

QF

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

\_\_\_\_\_  
\_\_\_\_\_

UTILITY

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

\_\_\_\_\_  
(Title)

---

---

RIDER FOR PARALLEL GENERATION

---

---

APPLICATION

Applicable to cogenerator or small power producers rated at 100 kW or less. To any customer taking single or three phase service under one of the Company's standard electric rate schedules and who has entered into a contract with the Company for the sale of electricity as a cogenerator or small power producer (Seller) as defined under State or Federal Law.

RATE (Monthly)

The following charges and credits are applicable in addition to all charges for service being taken under Company's standard rate schedule:

- I. Sellers with facilities rated at less than 40 kW shall have the option of selling to Company under either the Net Energy Billing Rate, the Simultaneous Purchase and Sale Rate or the Time-of-Day Purchase Rate. The Rate selected shall be as specified in the Cogeneration and/or Small Power Production Facilities Agreement between Seller and Minnesota Power.

A. Net Energy Billing Rate

Net Energy shall be the difference between all kWh's supplied by the Company to the Seller and those generated by the Seller and fed back into the Company's distribution system as surplus energy during the month. Seller shall be billed on Company's standard applicable rate schedule based on the amount of net energy "to Seller" or based on zero kWh's where the amount of Net Energy is "to Company." In addition, if the amount of Net Energy is "to Seller," Seller shall be subject to the following Service Charge; or, if the amount of Net Energy is "to Company," Seller shall be subject to the following Service Charge and Energy Credit:

Service Charge (Monthly)  
\$2.55

Energy Credit  
9.25¢ per kWh of Net Energy - Residential Customers  
9.80¢ per kWh of Net Energy - General Service Customers  
7.68¢ per kWh of Net Energy - Large Light & Power Customers

B. Simultaneous Purchase and Sale Rate

The Seller shall be billed for all energy and capacity it consumes during each billing period according to the Company's applicable retail rate schedule. The Company shall purchase all energy and capacity which is made available to it by the Seller. The Seller

---

---

Filing Date December 29, 2014 MPUC Docket No. E999/PR -14-09  
Effective Date January 1, 2015 Order Date \_\_\_\_\_

Approved by: Marcia A. Podratz  
Marcia A. Podratz  
Director - Rates



---

---

RIDER FOR PARALLEL GENERATION

---

---

will be subject to the following Service Charge and Energy and Firm Power Capacity Credit:

Service Charge (Monthly)  
\$2.55  
Energy and Firm Power Capacity Credit  
3.24¢ per kWh delivered to Company during period

C. Time-of-Day Purchase Rate

The Seller shall be billed for all energy and capacity it consumes during each billing period according to the Company's applicable retail rate schedule. The Company may require those facilities that choose to sell power on a time-of-day basis to also purchase power on a time-of-day basis. The Company shall purchase all energy and capacity which is made available to it by the Seller. The Seller will be subject to the following Service Charge and Energy and Firm Power Capacity Credit:

Service Charge (Monthly)  
\$2.55  
Energy and Firm Power Capacity Credit  
3.82¢ per kWh delivered to Company during On-Peak periods.  
2.73¢ per kWh delivered to Company during Off-Peak periods.

- II. Facilities rated at 40 kW or greater and less than or equal to 100 kW shall be subject to the following Time-of-Day Purchase Rate.

A. Time-of-Day Purchase Rate

The Seller shall be billed for all energy and capacity it consumes during each billing period according to the Company's applicable retail rate schedule. The Company may require those facilities that choose to sell power on a time-of-day basis to also purchase power on a time-of-day basis. The Company shall purchase all energy and capacity which is made available to it by the Seller. The Seller will be subject to the following Service Charge and Energy and Firm Power Capacity Credit:

Service Charge (Monthly)  
\$3.57  
Energy and Firm Power Capacity Credit  
3.82¢ per kWh delivered to Company during On-Peak periods.  
2.73¢ per kWh delivered to Company during Off-Peak periods.

**DEFINITION OF PEAK PERIODS**

On-Peak periods shall include all hours between 7 a.m. and 10 p.m. Monday through Friday excluding holidays. Off-Peak periods shall include all hours not included in On-Peak periods.

---

---

Filing Date December 29, 2014 MPUC Docket No. E999/PR -14-09  
Effective Date January 1, 2015 Order Date

Approved by: Marcia A. Podratz  
**Marcia A. Podratz**  
Director - Rates