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Pleasantdale Middle School
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To: Dr. Dave Palzet, Superintendent

From: Griffin L. Sonntag, Business Manager/CSBO/Director of Transportation

Date: June 6, 2024

Re: Recommendation to Approve Non-binding Solar Terms Sheet with Interstate Gas Supply (IGS)

As a follow-up to the facilities update from May 15, 2024, I have continued conversations with Interstate Gas Supply, Inc. (IGS) about the possibility of installing a solar array on the new roofs at Pleasantdale Middle School.

The next step in the process is for IGS to work with ComEd to learn the exact costs of connecting a solar array to ComEd's electrical grid. Once IGS knows these costs, it can incorporate them into a Purchase Power Agreement (PPA). Prior to signing a PPA with IGS, the board will receive a thorough explanation of the project and the cost savings it could provide. We expect to have more information to share in the late fall.

Recommendation: Approve the non-binding solar terms sheet with Interstate Gas Supply, Inc (IGS), which is attached to this memo.



TERM SHEET

This term sheet (“Term Sheet”) sets forth terms pertaining to the potential development and construction by IGS Solar, LLC (“IGS”) of a solar photovoltaic system (the “Project”) to be located at 7450 Wolf Rd, La Grange, IL 60525, (the “Premises”) in connection with potential entry into a power purchase agreement (“PPA”) by Pleasantdale School District 107 (“Buyer” and with IGS, the “Parties”) and IGS (such Project development and construction and execution of the PPA collectively referred to as the “Transaction”). This Term Sheet is effective from the last date this Term Sheet has been signed by a Party (“Effective Date”).

Installed Capacity	284 kW DC / 200 kW AC
Type of Technology	Solar Photovoltaic Array
Utility	Commonwealth Edison
Premises Ownership	Buyer is the owner of the Premises.
Expected Structure	Rooftop System
PPA Term	25 years, commencing on the commercial operation date (COD). Renewal term of (2) 5-year terms at IGS option.
Project Owner	IGS Solar, LLC or an affiliated IGS company
Project Output; Incentives and Credits	Buyer will purchase the as-available electric energy generated by the Project at the PPA Rate; IGS will retain (i) all renewable energy credits (“RECs”) and any other environmental attributes, (ii) IGS will retain all tax credits and incentives, (iii) IGS will retain all rebates, in each case associated with the Project or generation of output by the Project.
PPA Rate	\$0.0950/kWh with 0% annual escalator.
Invoicing/Payment	IGS will calculate the payment amount and deliver monthly invoices to Buyer.
Target COD	The Project will have a target commercial operation date of Q4 2025.
Real Property Agreements	A lease or other real property agreement (“Real Property Agreements”) shall be finalized and entered into, providing IGS sufficient real property rights to develop, construct, own, operate and maintain the Project.
Definitive Agreements	The Parties shall use their best efforts during the Term to negotiate and enter into the PPA, the Real Property Agreements and any other definitive written agreements relating to the Transaction (collectively, “Definitive Agreements”). Entry into the Definitive Agreements shall be at the sole discretion of the Parties and no obligation to buy or sell output from the Project, or to develop or construct the Project, or to consummate the Transaction shall exist until the Definitive Agreements have been executed and subject to the terms thereof.
Conditions Precedent	Under the PPA, IGS’s obligations to construct the Project will be subject to the following conditions precedent among others: <ul style="list-style-type: none"> (i) Completion of all physical inspections and electrical, engineering, structural and other reviews; (ii) Receipt of all permits, interconnection documents, consents, and financing-related approvals; (iii) Confirmation of availability of incentives, credits and related items. (iv) Acceptance into the IL Shines program



Exclusivity	During the Term, Buyer on behalf of itself and its affiliates agrees not to negotiate with, or in any manner encourage, discuss, accept or consider any proposal of, any third-party related to the development or construction of a solar photovoltaic system to be located on the Premises.
Costs and Expenses	Each Party will bear its respective costs and expenses incurred in connection with this Term Sheet and the Transaction.
Assignment	During the Term, neither Party shall assign this Agreement without prior written consent of the other party, provided that IGS may assign this Agreement or any rights or obligations under this Agreement to any affiliate of IGS.
Term Sheet Term; Survival	The provisions of this Term Sheet will remain in effect for a period of 270 days from the Effective Date, until the PPA has been executed or until this Term Sheet has been terminated by mutual written agreement of the Parties, whichever occurs first (the "Term").
Binding and Non-Binding Terms	Notwithstanding any other provision, (a) the following sections of this Term Sheet are legally binding on the Parties: the introductory paragraph of this Term Sheet; "Definitive Agreements"; "Exclusivity"; "Costs and Expenses"; "Assignment"; "Term Sheet Term; Survival"; "Binding and Non-Binding Terms"; "Governing Law and Jurisdiction"; "Confidentiality"; and "Counterparts", and (b) all other provisions of this Term Sheet are preliminary and not legally binding.
Confidentiality	The provisions of any existing confidentiality agreement between the Parties continue to apply and shall encompass this Term Sheet.
Governing Law and Jurisdiction	This Term Sheet is governed by the laws of the State of Illinois and the Parties consent to the exclusive jurisdiction of the courts in the State of Illinois over any dispute or claim related to this Term Sheet. Each Party irrevocably waives its right to a trial by jury in every action related to this Term Sheet.
Counterparts	This Term Sheet may be signed in counterparts which, when taken together, will comprise the entire Term Sheet. PDF or scanned copies of the fully executed Term Sheet shall be deemed as equivalent to originals.

Executed by authorized representatives of the Parties as of the Effective Date:

BUYER

By: _____
Printed Name: _____
Title: _____
Date: _____

IGS

By: _____
Printed Name: _____
Title: _____
Date: _____