

~~December 12, 2022~~~~December 10, 2022~~
 School District of New Berlin (CUSD #16)
 300 W. Ellis St., New Berlin, IL 62670

Re: Letter of Intent - Solar Power Purchase Agreement

Dear Superintendent Larson,

Keystone Power Holdings, LLC. (“SELLER”) is pleased to submit this letter of intent (this “Letter”) to the Board of Education of New Berlin Community Unit School District No. 16 (“PURCHASER/HOST”) regarding the Parties’ intentions for the development, construction and financing of a community solar energy project on PURCHASER/HOST owned land at or near the New Berlin Elementary School at 600 N. Cedar, New Berlin, IL 62670 as agreed between PURCHASER/HOST and SELLER (the “Solar Project”) further described in Section I below (the “Intentions”). SELLER and PURCHASER/HOST agree to use their commercially reasonable efforts to negotiate (i) an agreement (the “Subscription Agreement”) for a guaranteed savings off PURCHASER/HOST’s current utility rates (“Community Solar Credits” or “Credits”); and (ii) a lease agreement (“Lease”) by which SELLER will install, operate, and maintain the Solar Project on land owned by PURCHASER/HOST for an agreed lease rate. ***Nothing in this letter, however, will constitute a binding obligation of any Party to enter into a definitive agreement, and either party can terminate this Letter agreement at any time*** (subject to the terms of the Exclusivity Provision and the Non-Disclosure, which are binding on the Parties and which will survive a termination). The assumed terms of the Parties’ intentions are summarized in Sections II and III below. For purposes of this Letter, SELLER and PURCHASER/HOST may be referred to herein individually as a “Party” and collectively as the “Parties”. Please Note: If the Solar Project interconnection costs are too high to make the Solar Project economically feasible or the Solar Project cannot be developed for any other reason, SELLER will offer a backup solar option at a rate 20% below current contracted electricity supply cost for two smaller behind the meter systems just for the elementary and junior/high schools, instead of the Solar Project lease agreement and subscription agreement described below. The PURCHASER/HOST is not obligated to accept this option.

I. THE INTENTIONS

The Parties intend to agree to the following:

<u>Narrative:</u>	SELLER wishes to apply for, be awarded, and build a community solar system on PURCHASER/HOST land and deliver a portion of the Credits generated by the solar system to PURCHASER/HOST on a long-term basis via a Subscription Agreement. In addition, SELLER and PURCHASER/HOST will execute a binding agreement to grant site control for the Solar Project (the “Lease”) for the agreed location to contain the Solar Project which shall allow SELLER to develop, install/build and maintain the Solar Project. The total capacity of Credits will be sized such that PURCHASER/HOST’s share is less than PURCHASER/HOST’s total aggregate electricity bill cost and between 10% and 40% of the output of the Solar Project, with the remaining output sold to other customers by SELLER with no involvement by PURCHASER/HOST. Credits will provide guaranteed savings on the community solar portion of PURCHASER/HOST’s bill(s).
<u>Expenses:</u>	SELLER will be responsible for all of its own costs and expenses incurred in connection with the Solar Project.
<u>Exclusivity Provision:</u>	Upon signature of this Letter the Parties agree that for a period of twelve months thereafter they will work with each other and act in good faith to negotiate and execute the Subscription Agreement and Lease and other necessary ancillary agreements for the Solar Project. During that period, PURCHASER/HOST will work exclusively with SELLER and will not solicit or entertain any other offers pertaining to any Solar Project. This Exclusivity Provision shall automatically renew for one additional twelve month term unless terminated in writing by either Party prior to the expiration of the initial twelve-month period. This provision shall be fully binding on the Parties and survive the termination of this Letter.
<u>Non-Disclosure</u>	The Parties agree that any of the information provided to either Party by the other Party that is not in the public domain shall be considered a trade secret or otherwise confidential and shall not be disclosed by the Party receiving that information, unless it later becomes in the public domain through other sources, or unless the receiving Party is obligated to disclose that information in a legal process or through applicable law, including but not limited to the Illinois Freedom of Information Act. This provision shall be fully binding on the Parties and shall survive the termination of this Letter.

II. SUBSCRIPTION AGREEMENT TERMS

The terms of the definitive Subscription Agreement to be executed will include the following terms:

<u>Community Solar Power Provider:</u>	SELLER or its assignees, of which the PURCHASER/HOST has the right to withhold so long as that right is not withheld unreasonably
<u>Buyer:</u>	PURCHASER/HOST up to total aggregate electricity bill cost and between 10% and 40% of the output of the Solar Project, with the remaining output sold to other customers by SELLER
<u>Subscription Term:</u>	Twenty-five (25) years after the date on which Credits are first accumulated toward PURCHASER/HOST's allocation as processed by the local electric utility.
<u>Price per Credit:</u>	\$0.02000/kWh flat (not-escalating) for the duration of the agreement.
<u>Estimated Current Price for Electricity Supply Without Credits</u>	\$0.09777/kWh (for comparison purposes, from November > 800 kWh Ameren Price to Compare at https://icc.illinois.gov/downloads/public/pluginillinois/HistoricalPriceToCompare.pdf .)
<u>Guaranteed Savings.</u>	The price for credits is reported above. The price will not change over the course of the term as utility rates change, and is guaranteed to always provide savings on the community solar portion of PURCHASER's bill(s).
<u>Solar Incentives/ Environmental Attributes:</u>	SELLER retains ownership of all Solar Incentives and Environmental Attributes. "Solar Incentives" means any accelerated depreciation, installation, or production-based incentives, investment tax credits and subsidies, and all other solar or renewable energy subsidies and incentives. "Environmental Attributes" means, without limitation, carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags, or tradable renewable credit

III. LEASE AGREEMENT TERMS

The terms of the definitive Lease to be executed will include the following terms:

<u>Use:</u>	For the Solar Project only
<u>Lease Area:</u>	On PURCHASER/HOST property, location to be agreed by the Parties
<u>Lease Option Rate:</u>	\$1,000 each after 90 days, 360 days, and 720 days. Land can still be leased for farming until project is ready for construction. The SELLER must give five (5) days' written notice to the PURCHASER/HOST prior to cutting down or otherwise harming the crops while the SELLER investigates the solar feasibility, and the SELER must compensate the farmer at market rates for the crops. The SELLER must give five (5) days' written notice to the PURCHASER/HOST prior to cutting down or otherwise harming the crops during construction, and the SELLER must compensate the farmer at market rate for the crops.
<u>Lease Option Term:</u>	From Lease execution through latest 720 days after execution
<u>Ongoing Lease Rate:</u>	\$1,300 per fenced acre, or portion thereof, per year
<u>Ongoing Lease Term:</u>	25 years (with three optional extensions of five years each at the same Ongoing Lease Rate by mutual agreement of the Parties)
<u>Expected System Size</u>	Up to 7.5 MW DC (5 MW AC, largest allowable per regulations), to be confirmed with PURCHASER/HOST based on land that will be dedicated by PURCHASER/HOST to solar
<u>Expected Start of Lease:</u>	Before construction, with construction aimed to begin in the summer of 2023, but subject to award of community solar allocation from the Illinois Power Agency, which may happen in the 2022 program, but may also happen in the 2023 program and subject to interconnection approval and cost reasonableness which will be submitted by and decided solely by SELLER

This Letter does not contain all matters or terms upon which agreement must be reached in order for the Intentions to be realized. This Letter is not an offer or acceptance of an offer and is not intended to be a binding agreement. The Parties acknowledge that, except as specifically stated above with regard to the Exclusivity Provision and the Non-Disclosure (each of which shall be fully enforceable), this Letter is not enforceable in law or in equity.

If you feel this Letter accurately summarizes the intentions of the Parties with regard to possible terms for the Solar Project, please execute two copies of this Letter where indicated and return one of those copies to Anthony C. Fotopoulos at SELLER at the address indicated below. Please do not hesitate to contact us if you have any questions.

Very truly yours,	ACKNOWLEDGED AND AGREED
Anthony C. Fotopoulos Keystone Power Holdings, LLC 12 Paoli Pike, Ste#5	This ___ day of _____, 2022. BOARD OF EDUCATION OF NEW BERLIN COMMUNITY UNIT SCHOOL DISTRICT NO. 16 (CUSD #16) By: _____

Paoli PA 19301
www.keystoneph.com

Name: _____

Title: _____