

**CONTRACT FOR PARTICIPATION IN THE VOLUNTARY
LARGE CUSTOMER RENEWABLE ENERGY PROGRAM
OPTION A**



PART I

(Customer Name)

Subscription Information:

First Customer Facility Name: _____

Contract Account Number: _____

Projected Annual Maximum Demand (MW): _____

Annual Projected Energy (MWh): _____ Year 1 _____ Year 2 _____ Year 3

(The Annual Projected Energy (MWh) amount is requested for Consumers Energy Company's planning purposes only).

Subscription Level: _____ %

The subscription level is expressed as a percentage of energy use. Minimum participation match is 20% of energy use for each enrolled customer account. The customer may select participation levels in 5% increments up to 100% of their total energy use.

Subscription Term: _____ 10 Years _____ 15 Years _____ 20 Years _____ Renewal

Subscription Charge: Not to exceed _____ per kWh for all kWh subscribed and met with program supplied energy.

Use this section if subscribing more than one facility.

Second Customer Facility Name: _____

Contract Account Number: _____

Projected Annual Maximum Demand (MW): _____

Annual Projected Energy (MWh): _____ Year 1 _____ Year 2 _____ Year 3

Subscription Level: _____ %

Third Customer Facility Name: _____

Contract Account Number: _____

Projected Annual Maximum Demand (MW): _____

Annual Projected Energy (MWh): _____ Year 1 _____ Year 2 _____ Year 3

Subscription Level: _____ %

(Attach additional pages if needed)

Contact Information:

Customer Energy Contact: _____

Title: _____ Phone No.: (____) _____

Address: _____

Email: _____

Customer Accounting Contact: _____

Title: _____ Phone No.: (____) _____

Address: _____

Email: _____

Billing Information:

(Please select a rate option)

Standard Rate

The customer will pay all applicable Full-Service monthly standard tariff charges for their Full-Service rate, plus the LC-REP Program subscription charge based on the customer's selected participation level, monthly usage, program supplied generation and subscription term. The customer will be billed on a calendar-month basis.

Market Index Provision

Full-Service customers served on Rate GPD, who elect to match a minimum of 85% of their total energy use in the previous 12-month period with renewable energy, may substitute the Real Time Locational Marginal Price (RT-LMP) at Consumers Energy's Zonal Load Node plus a Market Settlement Fee of \$0.002 per kWh for the standard-rate power supply energy charges. Customers selecting the Market Index Provision shall be responsible for all capacity and non-capacity Power Supply charges included in the standard, Full-Service GPD Rate. Customers may select the Market Index Provision on an annual basis for the program after providing a 60-day advance notice.

Renewable Energy Credit (REC) Treatment:

(Please select a REC Treatment option)

Retire REC

Consumers Energy will track and retire the RECs via the MIRECS system associated with the customer's subscription.

Transfer REC

Consumers Energy will transfer the RECs via the MIRECs system associated with the customer's subscription to the customer.

Part II, Terms and Conditions are a part of this Agreement. CUSTOMER ACKNOWLEDGES HAVING READ SAID TERMS AND CONDITIONS.

CONSUMERS ENERGY COMPANY

(Customer Name)

By: _____
(Signature)

By: _____
(Signature)

(Print or Type Name)

(Print or Type Name)

Title: _____

Title: _____

Date: _____

Date: _____

Reviewers:

Account Manager

Legal

PART II

TERMS AND CONDITIONS:

1. **Request for Service:** Consumers Energy Company ("Company") agrees to supply, and the Customer agrees to purchase hereunder, all energy usage identified in Part I in accordance with the Company's Voluntary Large Customer Renewable Energy Program (LC-REP) [Tariff](#), a copy of which is attached hereto and made a part hereof, and in accordance with such tariff amendments thereto as may be filed with and approved by the Michigan Public Service Commission (MPSC) during the term of this Agreement.
2. **Rate Scheduled for Electric Service:** This Agreement does not include the providing of electric service. Electric service will be provided at an available rate in accordance with the appropriate Rate Schedule in Section D of the [Rate Book](#).
3. **Application of Rate Schedule:** Such service shall be governed by the Company's Rate Book and such future revisions and amendments thereof, supplements thereto or substitutions therefore as may be filed with and approved by the Michigan Public Service Commission during the term of this Agreement.
4. **Billing:** Customer's subscription charge is a dollar per kWh monthly charge applied to the portion of energy of Customer's account(s) designated to participate in LC-REP and is designed to fully recover the costs of the program. Should the amount of subscribed energy for any given month exceed the energy generated from the renewable facilities, the available resource will be allocated in a prorated fashion according to the amount of energy subscribed by participants in that month. Any underage will be accommodated through the application of additional energy in future months of the same year of the program allocated in a prorated fashion according to the amount of energy owed to participants as available until the subscription is made whole, up to the Michigan Public Service Commission approved limit. If a quarterly review demonstrates the renewable facilities have a shortfall in output versus total subscription for the program, then the Company will provide, at Customer's option and cost, RECs in an amount that satisfies Customer's share of the shortfall.
5. **Subscription Charge:** The subscription charge will be a flat fee based on the levelized cost of service of the designated renewable facilities and will be determined after the costs are finalized. If the subscription charge will exceed \$_____ per kWh, Customer will have the option to terminate this Agreement at any time within 30 days of the charge amount being determined. An amendment to this Agreement will be executed to confirm the subscription charge once the levelized cost of service of the designated renewable energy facilities designated to LC-REP, and other program costs, become available.

If facilities are added to the program at a lower rate, the subscription fee will be prorated for all subscribers: resulting in a net decrease in the subscription fee for all customers. If facilities are added to the program at a higher rate, resulting in an increased subscription fee, customers currently paying a lower amount would retain that amount for their current subscribed participation during their contracted period.

6. **Capacity Credit:** Customer will be provided a monthly dollar per kWh capacity credit based on Customer's renewable energy subscription under this program and the value of the auction clearing price in the annual Midcontinent Independent System Operator Inc.'s (MISO) capacity auction for the planning period. The annual MISO planning resource auction currently takes place in March with the revenue from system capacity being updated for the next twelve months beginning June 1st of each year. The annual reconciliation will be completed by the end of March for each preceding program year.
7. **Energy Credit:** Customer will be provided a monthly dollar per kWh energy credit based on the Real Time Locational Marginal Price (RT-LMP) at the MISO assigned Commercial Load Node for the generated output of the designated renewable facilities. The credit will be based on Customer's pro rata share of the energy produced from the designated renewable facilities and Customer's subscription level. Credits will be reconciled annually based on MISO settled Day Ahead and Real Time LMP related payments for the renewable energy.

The Energy and Capacity Credits may be paid to Customer via bill credit or direct payment at the Company's discretion.

- 8. Environmental Attribute Treatment:** REC transfers and/or retirement will take place by March 31 of the following year, annually. An attestation will be provided by March 31 to participating customers indicating the volume and serial numbers of RECs transferred and/or retired.
- 9. Subscription Term:** The applicable ten (10) year, fifteen (15) year, or twenty (20) year Service Agreement option, as selected in the *Subscription Information* section above is the customer's subscription term. The Agreement will become effective the date the Agreement is signed, or the last date the designated facility or facilities are available to LC-REP and in operation (if later), and will continue for the duration of the selected Subscription Term.
- 10. Re-enrollment:** If the customer elects to re-enroll in the Program after their initial or subsequent ten-year Service Agreement term ends for an additional ten-year Service Agreement, then they will pay their current subscription charge plus a 2% increase for the subsequent enrollment term. The 2% increase will be limited to ten-year re-enrollments, after which it is subject to increase at the Company's discretion. A customer may elect to re-enroll from a ten-year Service Agreement to a 15-year or 20-year Service Agreement at the same rate, subject to availability.
- 11. Early Termination of Contract:** A customer that ceases to be a Full-Service customer or elects to terminate their subscription, will be subject to an early termination fee. The termination fee will be calculated based on the terms of the agreement, remaining subscription term and subscription charge, not to exceed the remaining value of the customer agreement. If the Customer or Company is able to transfer the level of subscription to another customer that meets the eligibility requirements and is outside the existing program queue (or as otherwise acceptable at the Company's discretion), the termination fee may be waived. Customers who choose to terminate or transfer their LC-REP subscription will be required to give the Company a sixty (60) day written notice. If the customer would like to re-enroll in LC-REP after termination, they will be eligible, subject to LC-REP availability.
- 12. Entire Agreement:** This Agreement inures to and binds the heirs, administrators, successors and assigns of the respective parties hereto. There are no understandings or agreements between the parties to this Agreement in relation to electric service at the Customer's Site except as contained herein. This Agreement supersedes all previous representations, negotiations, understandings or agreements, either written or oral, between the parties hereto or their representatives pertaining to the subject matter hereof and constitutes the entire agreement of the parties. This Agreement shall not be transferred by the Customer or otherwise alienated without the Company's written consent; any such attempted transfer without the Company's written consent shall be void.
- 13. Dispute Resolution:** The parties to this Agreement agree the service provided hereunder is subject to the exclusive jurisdiction of the MPSC. The parties agree to attempt to resolve any dispute arising out of this Agreement in good faith. The parties agree, in the event they are unable to resolve any dispute arising out of this Agreement, any claim arising out of this Agreement and service provided hereunder shall be made exclusively at the MPSC.
- 14. Counterparts and Electronic Documents:** This Agreement may be executed and delivered in counterparts, including by a facsimile or an electronic transmission thereof, each of which shall be deemed an original. Any document generated by the parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically and introduced as evidence in any proceedings as if original business records. Neither party will object to the admissibility of such images as evidence in any proceeding on account of having been stored electronically.