

Solar Gardens Sunrise Terms and Conditions

Consumers Energy's Solar Gardens-Sunrise is a voluntary pilot program and is governed by the <u>tariff</u> which is approved by the Michigan Public Service Commission ("MPSC").

The information contained in this document is a summary of the terms governing participation in the Solar Gardens-Sunrise program. The Solar Gardens-Sunrise program was created to provide non-profit organizations and Consumers Energy's income qualified customers whom are served by the non-profit organizations with an affordable way to participate in the development of solar energy.

Consumers Energy will construct, own, operate, and maintain (or contract with third parties to provide) solar energy facilities ("Facilities"). The energy produced from these Facilities is placed on the electric grid together with the energy being supplied from all other generation sources. Consumers Energy makes no representation that energy from these Facilities is delivered directly to those participating in the Solar Gardens-Sunrise program. Non-profit organizations who wish to participate in Sunrise are required to pay an Upfront subscription fee and will assign subscription blocks to residential participants whom they and Consumers Energy identify meet the tariff requirements as income qualified. In return, the non-profit organization and/or the participants to whom the non-profit organization has assigned Solar Gardens-Sunrise SolarBlocks will receive a solar energy credit on their monthly bill for energy generated.

ELIGIBILITY and PARTICIPATION

Consumers Energy's Solar Gardens-Sunrise program is available upon request to all Full-Service non-profit organization electric customers who have not received a shut off notice in the previous nine months. Participants to whom the non-profit subscriber wishes to assign SolarBlocks for purposes of sharing bill credits must be Full-Service electric customers that meet income eligibility requirements based on established income-eligibility criteria as defined in Consumers Energy's Tariff Rule C5.4, Shutoff Protection Plan for Residential Customers. Non-profit organizations wishing to participate must have processes in place in which to determine potential assigned participants meet income qualifications. The participating non-profit organization who will hold the subscription to the SolarBlocks will retain all rights to reassign the SolarBlocks. Assigned participants who fail to abide by the Terms and Conditions or follow any additional requirements set forth by the participating non-profit organization, may be removed from the program.

Those non-profit organizations requesting to enroll in the Solar Gardens-Sunrise program will be enrolled on a first-come, first-served basis to the program capacity. In the event the Solar Gardens-Sunrise program is oversubscribed, applicants' names will be maintained on a Consumers Energy list in the order under which they were received, and the non-profit organizations will be enrolled on a first-come, first-served basis if the program is expanded.

APPLICATION

Non-profit organizations interested in participating in the Solar Gardens-Sunrise program will complete an online application to commit to the desired subscription level (in ½ kW increments). In the event Consumers Energy is unable 1) to secure adequate solar resources to serve applicants, or 2) to secure sufficient participant interest in the program, Consumers Energy will provide notice to any applicants.

Income qualified participants to whom the non-profit organization wishes to assign SolarBlock billing credits will also be required to submit an application which gives permission for Consumers Energy to make changes to their energy billing that will allow the subtraction of the billing credits associated with the program. In addition, the non-profit organization may request those participants to agree to other requirements, such as to participate in home weatherization and energy usage monitoring for purposes of evaluating program success.

SUBSCRIPTION PAYMENT

Non-profit organizations wishing to participate in the program will be required to make a single, upfront payment for the total subscription level they wish to reserve. This payment will be due the second billing cycle after subscribing to the program. This cost will appear on the non-profit organization's monthly energy bill and is in addition to their normal monthly electric charges billed under the applicable tariffs.

Subscription costs for program participation will be the responsibility of the non-profit organization and will not be borne by the income qualified participants to whom the SolarBlock billing credits are assigned by the organization. Upon the termination of the SolarBlock billing credits assignment by the non-profit organization, the income qualified customer may choose to apply to the Solar Gardens program at the normal subscription rate in effect for the year in which their application is received. If continued enrollment in the Solar Gardens program is approved, all costs of the new subscription will then become the responsibility of the new subscriber and will no longer be borne by the non-profit organization.



SOLAR ENERGY BILLING CREDITS

The subscribing non-profit organization and assigned participants, as applicable, will receive a monthly billing credit for the value of solar energy generated in accordance with the <u>tariff</u>. The Solar Energy credit is based on the non-profit organization's subscription level and the energy and capacity credit, as described in the <u>tariff</u>. Credits associated with the Consumers Energy's Solar Gardens-Sunrise program will begin the first month of subscription. Per the <u>tariff</u>, the credit will be based on a fixed energy and capacity credit of \$0.075/kWh through March 31, 2021. Beginning April 1, 2021, the credit will be based on market value of energy and capacity produced. Solar Energy Credits will be provided for the 25-year life of the Solar Gardens program.

This program offers an opportunity to voluntarily participate in the generation of clean, renewable energy, therefore reducing greenhouse gas emissions by displacing fossil-fueled generation. The subscription charges will be added to the participating non-profit organization's first monthly electric bill after enrolling in the program and the solar energy credits will reduce the organization's and its assigned participants' monthly electric bills, as applicable based on the SolarBlocks credits that are assigned to each. Although the value of the solar energy credit may increase over the life of the Consumers Energy's Solar Gardens program, there is no guarantee the value will be greater than the subscription payment that was paid and organizations should not enroll in this program with any expectation of profit or financial gain.

RENEWABLE ENERGY CERTIFICATES (RECS)

Renewable Energy Certificates (RECs) represent the environmental benefits associated with the generation of solar energy. The RECs generated from the Solar Gardens and Solar Gardens-Sunrise program will be retired annually.

TERMINATION

Termination from the Solar Gardens-Sunrise program may occur in the following cases:

- (1) The non-profit organization or the assigned participant is no longer a full-service electric customer,
- (2) The non-profit organization or the assigned participant is no longer a customer in Consumers Energy's service territory, or
- (3) The assigned participant does not meet the requirements for program participation that are set forth by the non-profit organization who is the paid subscriber.

Consumers Energy may terminate the Solar Gardens-Sunrise program under the following cases:

- (1) Solar Gardens-Sunrise Facilities are unavailable or cannot be procured to serve the program,
- (2) The Solar Gardens-Sunrise program is cancelled,
- (3) Federal and/or State laws are established that may make the Solar Gardens-Sunrise program unnecessary, noncompliant, or in need of revision,
- (4) Insufficient interest and/or participation by participants as compared to the time and costs involved in offering the Solar Gardens-Sunrise program, or
- (5) Other reasons not contemplated, reviewed by the MPSC, and agreed upon as sufficient to terminate the Solar Gardens-Sunrise program.

REFUND

Non-profit organizations relocating outside Consumers Energy's electric service territory may elect to receive an equitable pro-rated refund of the subscription payments. The organization must notify Consumers Energy within 90 days of relocation in order to receive the refund. The pro-rated refund will be calculated in accordance with the <u>tariff</u>. Assigned participants will not be eligible for any refund due to relocation as they will not have borne any cost of subscribing to the program.

RULES AND REGULATIONS

Provisions of this voluntary program are subject to orders of the MPSC and as set forth in Consumers Energy's Electric <u>Tariff</u>, Rule C 10.5, Pilot Solar Program.