

SOLAR GARDENS TERMS AND CONDITIONS

Consumers Energy's Solar Gardens is a voluntary pilot program and is governed by the [tariff](#) 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 Solar Gardens and is subject to the applicable tariff. The Solar Gardens program is created to provide Consumers Energy's customers with an easy way to support the development of solar energy.

Consumers Energy has and 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 program. Participants are required to pay a subscription fee and in return receive a solar energy credit on their monthly bill for energy generated.

ELIGIBILITY

Consumers Energy's Solar Gardens program is available upon request to all Full Service electric customers served on Rate RS, RT, GS, GSD, GP, GPD, MMPP and GPTU and who have not received a shut off notice in the previous nine months.

ENROLLMENT

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

APPLICATION

Those interested in participating in the Solar Gardens 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 who are not accepted.

SUBSCRIPTION PAYMENT OPTIONS

Applicants may participate in the Solar Gardens program by enrolling in one of the program payment options. The cost of the options will be dependent on the length of payment terms, the subscription level and the remaining program life.

A participant who agrees to subscribe to the Solar Gardens program shall select one of the following payment options:

PAYMENT OPTION 1: UPFRONT

Participants may elect to make a single upfront payment. This payment will be due approximately 2 months after subscribing to the program. This cost will appear on the participant's monthly bill and is in addition to the participant's normal monthly electric charges billed under the applicable tariffs.

PAYMENT OPTION 2: THREE (3) YEARS

Participants may elect to make monthly payments each month for three years, for a total of thirty-six (36) payments. These payments will start approximately 2 months after subscribing to the program. These costs will appear on the participant's monthly electric bill and are in addition to the participant's normal monthly electric charges billed under the applicable tariffs.

PAYMENT OPTION 3: SEVEN (7) YEARS

Participants may elect to make monthly payments each month for seven years, for a total of eighty-four (84) payments. These payments will start approximately 2 months after subscribing to the program. These costs will appear on the participant's monthly electric bill and are in addition to the participant's normal monthly electric charges billed under the applicable tariffs.

PAYMENT OPTION 4: TWENTY-FIVE (25) YEARS

Participants may elect to make monthly payments each month for the full 25 years of the program beginning in 2016. These payments will start approximately 2 months after subscribing to this program. These costs will appear on the participant's monthly electric bill and are in addition to the participant's normal monthly electric charges billed under the applicable tariffs.

SOLAR ENERGY CREDIT

Participants will receive a bill credit for the value of solar energy actually generated in accordance with the [tariff](#). The Solar Energy credit is based on the participant's subscription level and the energy and capacity credit, as described in the tariff.

Credits associated with the Consumers Energy's Solar Gardens program will begin the first month of subscription. For years 1-5 of the program, the credit will be based on a fixed energy and capacity credit of \$0.075/kWh; and Years 6-25 of the program, the credit will be based on market value of energy and capacity produced.

Solar Energy Credits will be provided for the program duration of 25 years. Participants enrolling after the first year of the program will have reduced subscription payments and reduced years of solar energy credits, pro-rated based on the date of enrollment.

This voluntary program is not designed to reduce participants' electric bills.

Rather, it offers an opportunity to voluntarily participate in a program that generates clean, renewable energy, therefore reducing greenhouse gas emissions by displacing fossil-fueled generation. The subscription charges will add to participants' monthly electric bills and the solar energy credits will reduce the participant's monthly electric bills. 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 and **participants 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 program will be retired annually.

TERMINATION

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

- (1) Participant enrollment will be discontinued without refund if three consecutive Subscription Payments are delinquent,
- (2) The participant is no longer a full service electric participant, and/or
- (3) The participant is no longer an electric customer in the Consumers Energy service territory.

Consumers Energy may terminate Solar Gardens under the following cases:

- (1) Solar Facilities are unavailable or cannot be procured to serve the program,
- (2) The Solar Gardens program is cancelled,
- (3) Federal and/or State laws are established that may make the Solar Gardens 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 program, and/or
- (5) Other reasons not contemplated, discussed with the MPSC, and agreed upon as sufficient to terminate the Solar Gardens program.

SUBSCRIPTION CANCELLATION

Customers who have elected to participate in the Solar Gardens program agree to remaining enrolled for a minimum of 12 billing months. After 12 months, participants may voluntarily choose to cancel their enrollment in the program. Participants electing to cancel their enrollment may do so by notifying the Program Administrator at 800-241-3368 or by emailing their request to: solargardens@cmsenergy.com

REFUND

Participants relocating outside Consumers Energy's electric service territory may elect to receive an equitable pro-rated refund of the subscription payments. The participant must notify Consumers Energy within 90 days of relocating in order to receive the refund. The pro-rated refund will be calculated in accordance with the [tariff](#).

Refunds will not be provided to participants that voluntarily choose to discontinue enrollment.

RULES AND REGULATIONS

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