



LETTER OF INTENT FOR SOLAR POWER PROJECT
"LAND LEASE" & "SOLAR REBATE" AGREEMENT

Candia Town Solar, LLC

and Town of Candia

Town of Candia and Candia Town Solar, LLC hereby express their mutual intent as of the date hereof to enter into a solar photovoltaic project land lease & Solar Rebate agreement ("Lease") relating to a solar electric generation facility consisting of (a) photovoltaic panels, and associated equipment and construction with an estimated nameplate capacity of up to 100 kW to be located at the Town Landfill at:

New Boston Rd, Candia NH 03034

Final specific size for each system will be determined based on site conditions, local permitting and the party's mutual agreement to develop up to 100 kW.

This Letter of Intent memorializes the intent of the Parties to pursue in good faith, negotiations of the final terms to the Lease reflected below:

20 year term with (2) 5 year extensions

Up to \$3,000 per year (includes the lease & Solar Rebate payments)

This proposal does constitute a binding offer to enter into a Lease, shall form the basis for an agreement by estoppel or otherwise, and any actions taken by a Party in reliance on the terms set forth herein or on statements made during negotiations shall be at that Party's own risk. Once Lease has been executed between the Parties, no Party shall have any other legal obligations relating to the subject matter hereof, expressed or implied, or arising in any other manner or in the course of negotiations, other than the obligations arising under the penultimate paragraph of this Letter of Intent.

The final execution of the Lease will include completion by the parties of mutual and reasonable due diligence investigation on the parties and facility and terms will be finalized at such time. Due diligence shall include, but not limited to, electrical and site engineering, Interconnections, local entitlements, financial assessments, and other related items.

I. Confidentiality & Exclusivity:

To the extent that either Party reveals information that it considers to be confidential, it will clearly mark or otherwise designate such information with a confidentiality notice. Until such time as the Lease is executed, all price terms shall be considered confidential information. Each Party shall maintain in confidence all such designated information, and shall not disclose such information other than on a need to know basis to affiliates, advisors, regulators or consultants subject to a confidentiality obligation or where

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required by law. As to non-confidential information, the Parties agree to fully participate in any permitting process, as necessary, to build local and other support for the Photovoltaic Project approval, and may disclose the fact that the Parties are pursuing Lease arrangements.

II. Costs

Each party shall bear their own costs and expenses in connection with the Lease.

III. Entire Agreement

These provisions in this Letter constitute the entire agreement between the parties, and supersede all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealing between the parties on the subject matter hereof. Except as otherwise provided herein, this Letter may be amended or modified only by writing, executed by both parties.

IV. Governing Law

The Binding Provisions will be governed by the laws of New Hampshire.

V. No Liability

The paragraphs and provisions of Part One of this Letter do not constitute and will not give rise to any legally binding obligation on the part of any of the parties. Moreover, except as expressly provided in the Binding Provisions (or as expressly provided in any binding written agreement that the parties may enter into in the future), no past or future action, course of conduct, or failure to act relating to the Possible Transaction, or relating to the negotiation of the terms of the Possible Transaction or of any Definitive Agreement, will give rise to or serve as a basis for any obligation or other liability on the part of the parties.

Dated: January 22, 2015

Candia Town Solar, LLC

Town of Candia

A handwritten signature in black ink, appearing to read "Andrew Kellar".

Name: Andrew Kellar
Title: Manager

By:
Town of Candia
Title: Town Manager



Executive Summary

NhSolarGarden is pleased to provide this early stage executive summary to develop up to a 100 kW ground mounted solar photovoltaic (PV) array, known as Community Solar Garden, at the Candia landfill or other Town land or rooftops. This solar array would produce an estimated 125,000 kWhs annually and account for over 100% of the new service's annual electrical usage created for the array and allow the excess generation to be shared with the Town buildings, schools and/or Town residents under the newly passed Group Net Metering (GNM) law. This proposal outlines the ground lease and Solar Rebate options and describes the initial relationship between the Town of Candia and NhSolarGarden during the course of the project development.

Land Lease option:

- No capital investment required
- 20 year term, with (2) 5 year extension options
- Up to a **\$1,800 a year** lease payment to Town of Candia
- \$36,000 in total additional fixed income to Town



Benefit to community: "Solar Rebates"

- **1 cent per kWh savings** for joining a solar garden
- **No credit checks, just a copy of PSNH electric bill to qualify**
- Solar Rebate paid out every 6 months to group members
- A 5,000 kWh PSNH group member bill = \$25 solar rebate paid out every 6 months
- A 125,000 kWhs PSNH group member bill (Candia est. kWhs) = \$1250 solar rebate paid out
- **\$25,000 in total est. savings to Town over 20 years**



Next Steps:

1. Perform utility "pre-application" interconnection process
2. Receive Town approval to lease land (no RFP required)
3. Sign up community members as solar group members
4. Confirm project timeline & begin construction development

By combining a Land Lease & Solar Rebate, the Town could save up to \$3,050 a year against their PSNH electric bills!



* The above rates are based on a traditional installation and current State GNM policies. If special upgrades are required or changes in the state policy occur, NhSolarGarden.com reserves the right to adjust the rates accordingly prior to signing any contracts.

01/19/2015

LOOK
PLEASE READ

RECEIVED JAN 22 2015

Dear Mr. Snow -

I would like to enter my name for a volunteer position as a Cemetery Trustee.

Length of term could be any one of the three options.

Sincerely,

Theodore F. Michalek

Plow Rate Comparison By Town

| | Candia | Deerfield | Epping | Chester | Kingston |
|---------------|--------|-----------|--------|-----------------|----------|
| 6 Wheel Truck | 68.00 | 78.00 | 95.00 | 90.00/plus fuel | 95.00 |
| One Ton Truck | 49.100 | 60.00 | 70.00 | 70.00 | 70.00 |

Break Down of State Rate -for average 6 wheel plow truck

Example of typical 6 whl. Plow Truck:

| | |
|----------------------------------|------------------|
| Operator pay | 11.00/hour |
| Truck | 35.00/hour |
| Snow plow | 3.00/hour |
| Wing plow | 2.00/hour |
| Plow frame & Hydraulic system | 11.00/hour |
| Salt spreader | <u>6.00/hour</u> |
| Total: | \$68.00 |

Replacement Cost for Truck & plow Equipment

Truck-fully equipped \$ 160,000.00

Break down of equipment cost

| | |
|-------------------------------|---------------------|
| Bare Truck & body | \$ 120,500.00 |
| Snow plow | \$ 6,500.00 |
| Wing plow | \$ 2,500.00 |
| Salt spreader | \$ 10,500.00 |
| Plow frame & hydraulic system | <u>\$ 20,000.00</u> |
| Total: | \$ 160,000.00 |