

IN THE PENNSYLVANIA OFFICE OF OPEN RECORDS

Brian King; Hollidaysburg Community Watchdog,	:	
	:	
Requesters	:	AP-2022-1220
	:	
v.	:	
	:	
Bedford County Pennsylvania	:	
Respondent	:	

**RESPONSE/FURTHER SUBMISSIONS
OF BEDFORD COUNTY**


In response to the Right-to-Know request and appeal filed in the above-captioned matter, Bedford County submits the following:

1. A summary of the project which is the subject of the RTK request prepared by Kurt Karsten, Esquire, representing RER Energy (Attached as “BCtyKarsten”).
2. The Power Purchase Agreement (PPA) (Attached as BCtyPPA Parts #1 and #2).
3. Petition filed with the Pennsylvania Public Utility Commission (Attached as “BedCtysolar”).
4. Initial Application with Bedford Rural Electric Cooperative (BREC) (Attached as “BCtyBREC”).
5. Bedford County Planning Commission correspondence with Letter of Credit for Developers Agreement (previously provided) (Attached as “BCtyPlanning”).
6. RER Energy/Bedford County letters of intent (Attached as “BCtyLtrsIntent”).
7. Report from PC Works, Bedford County’s i.t. service until February 2021, indicating that it has “scrubbed” the County’s e-mail from its system (Attached as “BCtyPCWorks”).
8. E-mail relating to the solar project (Attached as BCtyEmail”). Additional e-mail will be provided as soon as possible.
9. Miscellaneous records (Attached as “BCtyMisc”).
10. To the best of my knowledge, information and belief, and after review of County records, no County funds have been spent on this project. As indicated in the summary provided

by Mr. Karsten, the project was proposed by RER Energy Group, LLC. The CFA grant application was processed by Bedford 58 Solar, LLC not by Bedford County. Bedford County is an intended beneficiary of the project but has not expended County funds for the project. None of the costs of the grant application, PUC litigation or any other aspects of this project have been paid by Bedford County.

Bedford County

Date: June 13, 2022

By 
Debra Brown, Bedford County
Right to Know Officer

Koontz & Crabtree law office

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Thursday, June 09, 2022 2:28 PM
To: dcrabtree.kclaw@comcast.net
Cc: Jim Kurtz
Subject: RTK Appeal

Attachments available until Jul 9, 2022

Dean,

Attached is a copy of the Power Purchase Agreement (“PPA”), as requested. Also Attached is a copy of the filing in the Public Utility Commission. While Bedford County is listed as the Petitioner, Bedford County did not retain the attorney, Jamie Van Nostrand, Esq. and did not pay his fees and expenses or that of his law firm. RER Energy Group, LLC both retained that lawyer and paid all fees and expenses incurred to bring and litigate the PUC Petition.

RER Energy Group, LLC is not aware of any payments made or taxpayer monies expended by Bedford County on any aspect of this solar project. The Commonwealth Finance Authority (“CFA”) Grant that was awarded for this project, was awarded to Bedford 58 Solar LLC, a single member LLC that is the entity that is developing and will own the solar project once it is complete. It is inaccurate to say that the Project has been abandoned - it has not been. There are many other inaccuracies in the Appeal document that you provided.

Regarding the CFA Grant, when this project was first proposed by RER Energy Group, LLC to the CFA, the only involvement that Bedford County had, was to execute the PPA attached hereto. The application for the grant and the execution of the Grant documents, were done by Bedford 58 Solar LLC, which will be the system owner of the solar array, once the project is built. That entity is the company that will then sell electricity generated by the solar array to Bedford County, in accordance with the terms of the PPA. Solar Projects require all of the capital to build the project “up-front” - since, once the project is operating, the ongoing maintenance costs are low, and the “fuel” - the sun - is free. Much of those upfront costs are financed by the system owner (Bedford 58 Solar LLC) which then pays the debt service on that financing over time through the PPA payments. Consequently, the grant received from the CFA is beneficial to the County, because the cost that the County will pay over time for that electricity is lower (due to the grant reducing the amount of money that the system owner has to finance.) But the County is not a signatory, grantee, guarantor or obligor as to the Grant in any way.

Regarding the PUC Petition, when this Project was originally proposed, it was discussed by RER Energy Group, LLC with employees of BREC conceptually. BREC employees attended the public meeting in which the Project was discussed and BREC employees were aware of the significant press coverage that the Project engendered. The window of time between the announcement of the availability of CFA Grant awards, and the deadline to apply for them was short, and the application that was submitted presumed that BREC would cooperate with a Service Territory agreement to allow for the project to move forward. In fact, when an interconnection application was filed by RER Energy Group, LLC with BREC, BREC charged RER \$7,500 to complete a full engineering study of the interconnection needed for the full Project size and returned a favorable study report. However, at about the same time, BREC’s third party energy supplier, from whom BREC purchases all of its electricity, became involved in the process and quickly told BREC not to cooperate with the Project being located on the Jail Property.

Because BREC is a Rural Electric Cooperative, that is supposedly owned and operated by its Members (such as Bedford County and other power users in the territory) for the benefit of its members, like Bedford County (according to its Bylaws and the Rural Electric Cooperative enabling legislation), it seemed to RER Energy Group, LLC that not allowing this Project, which will provide lower cost electricity for the BREC member, Bedford County, than what BREC itself was paying their third party electricity provider for, was furthering the interests of a BREC Member. However, BREC did not see it that way - BREC was only willing to proceed with this Project being located at the Bedford Jail site location in their territory if BREC could buy this electricity at \$0.025 cents, rather than at \$0.075 (the amount BREC was then paying its third party supplier for electricity.) That was not sufficient income to pay for the necessary debt service. In order to fulfill its goal of providing the citizens of Bedford County with low cost solar power, RER Energy Group, LLC was willing to incur the costs to hire an attorney to file the PUC Petition, asking the PUC to change the Jail from the BREC service territory to the Penelec Service Territory. Because Penelec is a PUC regulated utility (and not a Rural Electric Cooperative) different rules apply to Penelec that require Penelec to allow for this kind of project to proceed under PA's net-metering laws.

Initially, the PUC Petition filing was delayed for much of 2020 due to the fact that the PUC shut down all operations due to COVID, causing the Petition to be put on hold until the Fall of 2020. BREC then ignored the September 25, 2020 PUC filing (for approximately 4 months.) Supposedly, the lawyer RER hired to file the Petition did not fully serve BREC initially. BREC finally responded to the Petition in early 2021. In the Spring of 2021, PUC operations were very curtailed, and the lawyer retained by RER Energy Group, LLC went on to have several challenges in conducting the discovery needed to maintain the Petition. At about the same time, Pennsylvania's net-metering law was clarified by court cases and PUC rulings in such a way as to provide a path to building this project on land that might be leased in Penelec territory, so that the Jail location was no longer required. RER Energy Group, LLC started exploring properties where the Project might be located, and entered lease negotiations with several property owners, and one in particular for a very promising site. After almost a year of negotiations, however, that Site owner ultimately decided not to enter a lease, and RER is currently in other lease negotiations. Also during this time, uncertainties over solar tariffs, labor shortages, COVID restrictions in PA, and other industry factors have made financing and constructing solar projects that were executed based upon energy pricing from the early 2018 time period extremely challenging. Throughout this time, RER has requested and received extensions of the CFA Grant award, so that the Grant is still available to be disbursed by the CFA to the Project company, should the project be built.

I hope this narrative provides some additional context on the status of the Project.

Thanks,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Ave.
Suite 402
Annapolis, MD 21401
410-991-3184
KarstenLaw@gmail.com

[Click to Download](#)

Petition FINAL Filed at PUC.pdf
6.6 MB

EXHIBIT 14a

Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this "Agreement") is entered into by the parties listed below (each a "Party" and collectively the "Parties") as of the date signed by Seller below (the "Effective Date").

Purchaser:		Seller:	
Name and Address of System and Premises Owner	Bedford County (PA) 200 S Julianna St. Bedford, PA 15522 Attn: Josh Lang, Commissioner Barry Dallara, Commissioner Paul Crooks, Commissioner	Name and Address	Bedford 58 Solar, LLC 2000 Shelby Rd. Reading PA 19604 Attn: Stephanie Brun de Pontet, Director
Phone	(814)-623-4807	Phone	(678) 773-1675
E-mail	bdallara@bedfordcountypa.org	E-mail	sbrundepontet@sunvestmentgroup.com

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electric energy from the solar panel system described in Exhibit 2 (the "System") and installed at the Purchaser's facility described in Exhibit 2, Attachment A (the "Facility") and credited pursuant to a "aggregated virtual net-metering agreement" with the Utility against electrical energy used at the Purchaser's Facilities, with Seller to retain all responsibility for the Operation, Maintenance and Repair of the System until buy-out or termination. In consideration of the terms and conditions set forth in Exhibits 1 and 4 and the payments set forth in Exhibit 1, the Seller agrees to sell and Purchaser agrees to purchase, the energy from the system described in Exhibit 2, attached hereto.

The exhibits listed below are incorporated by reference and made part of this Agreement.

<u>Exhibit 1</u>	Basic Terms and Conditions
<u>Exhibit 2</u>	System Description
<u>Exhibit 3</u>	Credit Terms
<u>Exhibit 4</u>	Solar PPA General Terms and Conditions
<u>Exhibit 5</u>	Termination Value
<u>Exhibit 6</u>	Description of Premises
<u>Exhibit 7</u>	Operations and Maintenance Manual and Agreement

Purchaser:

Signature: _____

Printed Name: Josh Lang

Title: Chairman, Bedford Co. Commissioners

Date: January 16, 2018

Seller: Bedford 58 Solar LLC

Signature: _____

Printed Name: Stephanie Brun De Pontet

Title: Director, Bedford 58 Solar

Date: January, 2018

Exhibit 1
Basic Terms and Conditions

1. **Term:** Up to Twenty-Five Years (25) years pursuant to the terms and conditions herein, beginning on the Commercial Operation Date with buy out or renewal options at years 5, 7, 10, 15 or 20 years.
2. **Additional Terms:** Optional extensions at years 25 and 30 - two (2) Additional Terms of five (5) years each.
3. **Environmental Incentives and Environment Attributes:** Accrue to Seller until buyout or termination.
4. **Energy Prepayment:** Purchaser has elected not to pursue an energy prepayment for this Solar Project

Contract Year	\$/kWh	kWh
1	\$0.064	2,342,195
2	\$0.065	2,330,484
3	\$0.066	2,318,832
4	\$0.067	2,307,237
5	\$0.069	2,295,701
6	\$0.070	2,284,223
7	\$0.072	2,272,802
8	\$0.073	2,261,438
9	\$0.074	2,250,130
10	\$0.076	2,238,880
11	\$0.077	2,227,685
12	\$0.079	2,216,547
13	\$0.081	2,205,464
14	\$0.082	2,194,437
15	\$0.084	2,183,465
16	\$0.085	2,172,547
17	\$0.087	2,161,685
18	\$0.089	2,150,876
19	\$0.091	2,140,122
20	\$0.093	2,129,421
21	\$0.094	2,118,774
22	\$0.096	2,108,180
23	\$0.098	2,097,639
24	\$0.100	2,087,151
25	\$0.102	2,076,715

5. **Seller's Condition Satisfaction Date:** December 31, 2018
6. **Anticipated Commercial Operation Date:** December 31, 2018
7. **Purchaser Options to Purchase System.** None or as set forth in Section 16(b).
Agreed upon Fair Market Value (subject to confirmation as per Section 16(b) and these amounts include the pre-payment credits remaining):
 Year 5: \$ NA
 Year 7: \$ 1,629,703.44
 Year 10: \$ 1,540,459.85
 Year 15: \$ 1,289,253.30
8. **Outside Commercial Operation Date:** Dec. 31. 2019

9. System Installation:

Includes:	<p><input checked="" type="checkbox"/> Design, engineering, permitting, installation, monitoring, rebate application and paperwork processing of the System, including unforeseen groundwork (including, but not limited to, excavation/circumvention of underground obstacles), upgrades or repair to the Facility or utility electrical infrastructure, payment bonds, performance bond(s), prevailing wage construction, tree removal, or tree trimming all prior to COD.</p> <p><input checked="" type="checkbox"/> Limited Warranty.</p> <p><input checked="" type="checkbox"/> Any like substantive equipment, in the sole discretion of the Seller.</p> <p><input checked="" type="checkbox"/> State or Utility Rebate, if any.</p>
Excludes:	<p>Unforeseen groundwork (including, but not limited to, excavation/circumvention of underground obstacles), upgrades or repair to the Facility or utility electrical infrastructure, payment bonds, performance bond(s), prevailing wage construction, tree removal, or tree trimming.</p>

Exhibit 2
System Description

1. **System Location:** Bedford County Jail 425 Imlertown Rd, Bedford, PA 15522
2. **System Size (DC kW):** 1,830 kW DC
3. **Expected First Year Energy Production (kWh):** 2,342,195 kWh.
4. **Expected Structure:** Ground Mounted
5. **Expected Modules:**

<u>Manufacturer/Model</u>	<u>Quantity</u>
Bloomberg Rated Tier I modules or Equivalent	TBD

6. **Expected Inverters:**

<u>Manufacturer/Model</u>	<u>Quantity</u>
Bloomberg Rated Tier One High Quality String Inverters or Equivalent	TBD

7. **Facility and System Layout:** To be provided at permitting
8. **Utility:** Bedford Rural Electric Co-Op

Exhibit 2
Attachment A:
Facility and System Layout

An Aerial Photograph of the Facility	See below
Conceptual Drawing of the System	See below
Delivery Point	TBD –
Access Points	All points of access necessary to construct, operate, inspect, repair and maintain the System

Aerial Photograph of Facility and Preliminary Design:



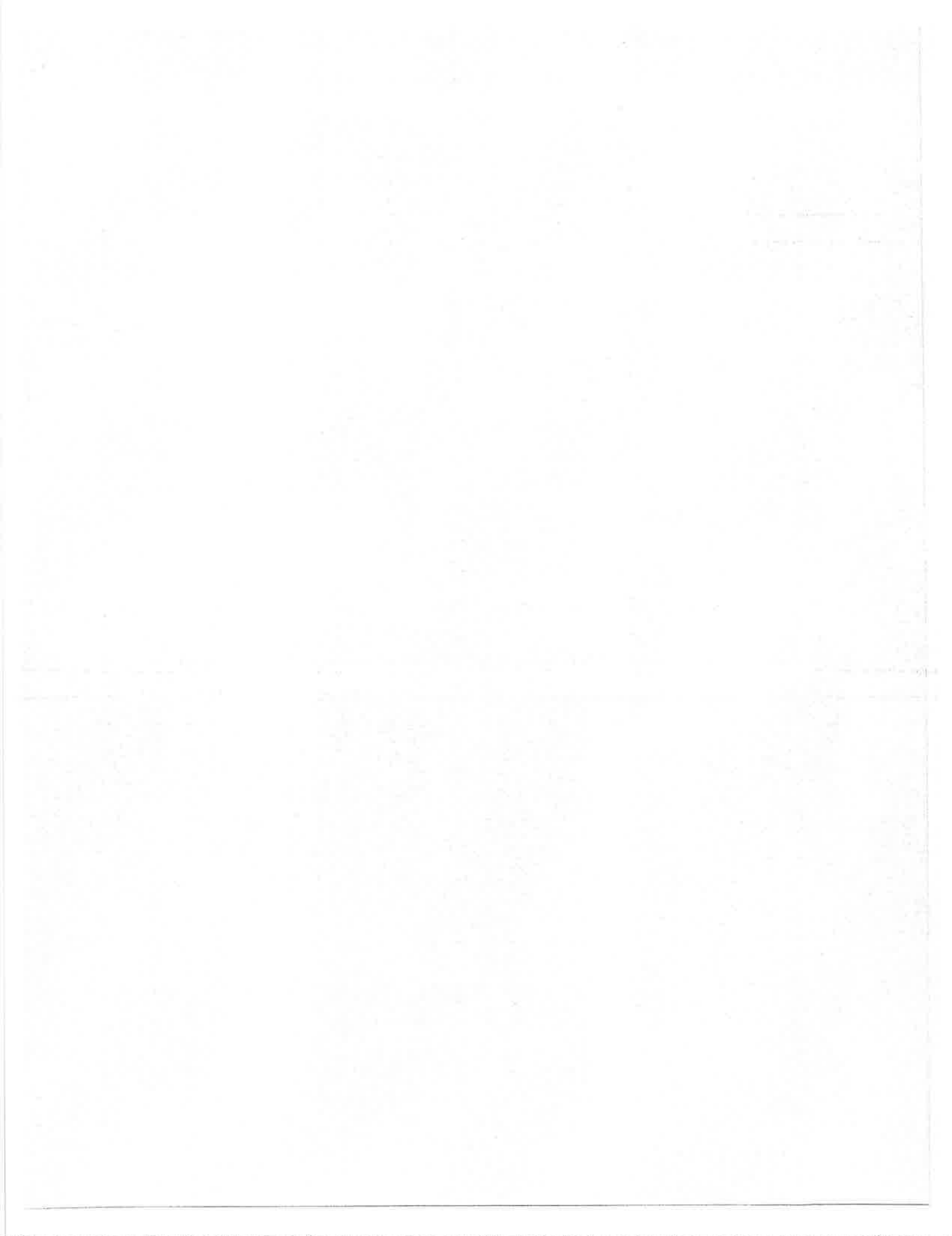


Exhibit 3
Credit Information

Promptly following the execution of this Agreement, Purchaser shall supply Seller with the following credit information:

PURCHASER INFORMATION							
Name:						Tax ID:	
Previous & Other Names:				Website:			
Corporate Address:							
City, State, Zip							
Phone Number: () - -				Fax Number: () - -			
Entity Type Check One:	S-Corp	C-Corp	Partnership	Sole Prop	LLC	LLP	Other
Property Address for Solar Installation:			State:	Zip Code:	Property Owned by Applicant o YES o NO		
Property Type	Insurance Agent Name		Agents Phone: () - -	Name of Property Owner if Not Applicant			
Information Requested: Please submit the information required below via electronic format to _____ @ _____							
<u>Corporate Records</u>							
<input type="checkbox"/> Copy of Articles of Incorporation, Partnership Agreement, Fictitious Name Statement or Organizational formation Documents (If applicable).							
<u>Financial Statements</u>							
<input type="checkbox"/> Last two (2) years of CPA audited, reviewed, compiled statements (Balance Sheet, Income Statement, Cash Flow).							
<u>Real Estate Documents</u>							
<input type="checkbox"/> Lease with Premises Fee Owner							
<input type="checkbox"/> Copies of Liens or Third Party Security Interests in the Premises							
Seller may request you provide additional documentation to complete the credit evaluation process. Seller will notify you if additional information is required.							

The above information and any information attached is furnished to Seller and its Financing Parties in connection with the Application of credit for which you may apply or credit you may guarantee. You acknowledge and understand that the Lender is relying on this information in deciding to grant or continue credit or to accept a guarantee of credit. You represent, warranty and certify that the information provided herein is true, correct and complete. The Lender is authorized to make all inquiries deemed necessary to verify the accuracy of the information contained herein and to determine your creditworthiness. You authorize any person or consumer-reporting agency to give the Lender any information it may have about you. You authorize the Lender to answer questions about its credit experience with you. Subject to any non-disclosure agreement between you and Lender, this form and any other information given to the Lender shall be the Lender's property. If your application for business credit is denied you have the right to a written statement of the specific reason for the denial. To obtain the statement, please contact Seller at () - -, _____, _____. You must contact us within 60 days from date you are notified of our decision. We will send you a written statement of reasons for the denial within 30 days of receiving your request.

NOTICE: The Federal Equal Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance programs; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is the Office of the Comptroller of the Currency, Customer Assistance Unit, 1301 McKinney Street, Suite 3450, Houston, Texas 77010-9050. Seller is an equal opportunity lender.

Signature:

Title:

Date:

Exhibit 4
Solar Power Purchase Agreement
General Terms and Conditions

1. **Definitions and Interpretation.** Unless otherwise defined or required by the context in which any term appears: (a) the singular includes the plural and vice versa; (b) the words "herein," "hereof" and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection of this Agreement; (c) references to any agreement, document or instrument mean such agreement, document or instrument as amended, modified, supplemented or replaced from time to time; and (d) the words "include," "includes" and "including" mean include, includes and including "without limitation." The captions or headings in this Agreement are strictly for convenience and shall not be considered in interpreting this Agreement.
2. **Purchase and Sale of Electricity.** Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electric energy generated by the System during the Initial Term and any Additional Term (as defined in **Exhibit 1**, and collectively the "Term"). Electric energy generated by the System will be delivered to Purchaser as a credit from the Utility at the delivery point identified on **Exhibit 2** (the "Delivery Point"). Purchaser shall take title to the energy and to the credit for electric energy generated by the System at the Delivery Point, and except as detailed herein, risk of loss of the credit will pass from Seller to Purchaser at the Delivery Point at the time of the monthly billing from the Utility. Purchaser may purchase electric energy for the Purchaser's Premises from other sources if at any given time the Purchaser's electric requirements at the Purchaser's Premises exceed the output of the System. Any purchase, sale and/or delivery of electric energy generated by the System prior to the Commercial Operation Date shall be treated as purchase, sale and/or delivery of limited amounts of test energy only and shall not indicate that the System has been put in commercial operation by the purchase, sale and/or delivery of such test energy.
3. **Term and Termination.**
 - a. **Initial Term.** The initial term ("Initial Term") of this Agreement shall be up to Twenty-Five (25) Years, commencing with a five (5) year term on the actual Commercial Operation Date (as defined below), which may be renewed every five (5) years by the Purchaser, continuing for the length of time specified in **Exhibit 1**. **In the event Purchaser does not renew for an additional five (5) year term at either Contract Year 5, 10 15 or 20 during the Initial Term, Purchaser shall be obligated to a buy-out of the System as set forth in Section 16 herein.** The "Commercial Operation Date" ("COD") is the date Seller gives Purchaser written notice that the System is mechanically complete and capable of providing electric energy to the Delivery Point. Such notice shall be deemed effective unless Purchaser reasonably objects within ten (10) days of the date of such notice. Within five (5) days after the Commercial Operation Date, Seller will give Purchaser copies of certificates of completion or similar documentation from Seller's contractor and the interconnection or similar agreement with the entity authorized and required under applicable law to provide electric distribution service to Purchaser at the Facility (the "Utility"), as set forth on **Exhibit 2**, including the "virtual aggregated net-metering agreement" that provides that all electric energy generated by the system shall be credited against the variable transmission and distribution costs, and energy costs at the Premises as if the electric energy generated by the system were generated "behind the meter" at each of the Purchaser's Premise's qualifying meters.
 - b. **Additional Terms.** Prior to the end of the Initial Term or of any applicable Additional Term, as defined below, if Purchaser has not exercised its option to purchase the System, Purchaser may give Seller written notice of its desire to extend this Agreement on the terms and conditions set forth herein for the number and length of additional periods specified in **Exhibit 1** (each such additional period, an "Additional Term"). Such notice shall be given, if at all, not more than one hundred twenty (120) and not less than sixty (60) days before the last day of the Initial Term or the then current Additional Term, as applicable. If Purchaser elects an Additional Term, the Additional Term shall begin immediately upon the conclusion of the Initial Term or the then current term on the same terms and conditions as set forth in this Agreement. If the Purchaser does not request an Additional Term, this Agreement shall terminate at the end of the Initial Term (if the same has not been extended) or the then current Additional Term.
4. **Billing and Payment.**
 - a. **Monthly Charges.** Purchaser shall pay Seller monthly for the electric energy generated by the System and delivered to the Delivery Point at the \$/kWh rate shown in **Exhibit 1** (the "Contract Price"). The monthly payment for such energy will be equal to the applicable \$/kWh rate multiplied by the number of kWh of energy generated during the applicable month, as measured by the System meter that is recording accurately the amount of electric energy received by Purchaser at the Delivery Point.

- b. **Monthly Invoices.** Seller shall invoice Purchaser monthly, either manually or through ACH. Such monthly invoices shall state (i) the amount of electric energy produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement and (iii) the total amount due from Purchaser. The Contract Price includes ACH invoicing
- c. **Taxes.** Seller shall be responsible for any and all taxes assessed on the generation, sale, delivery or consumption of electric energy produced by the System or the interconnection of the System to the Utility's electric distribution system, including property taxes on the System. For purposes of this Section 4(c), "Taxes" means any federal, state and local ad valorem, property, occupation, generation, privilege, sales, use, consumption, excise, transaction, and other taxes, regulatory fees, surcharges or other similar charges, and shall include any income taxes or similar taxes imposed on Seller's revenues due to the sale of energy under this Agreement, which shall be Seller's responsibility.
- d. **Payment Terms.** All amounts due under this Agreement shall be due and payable net twenty (20) days from receipt of invoice. Any undisputed portion of the invoice amount not paid within the twenty (20) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) over the prime rate, as published in the Wall Street Journal (but not to exceed the maximum rate permitted by law).
- e. **Prepayment of Energy Costs.** If Purchaser has elected to prepay for some of the electrical energy being purchased pursuant to this Agreement. Seller will adjust the PPA rate to reflect prepayment at an agreed upon rate. Invoicing shall occur monthly, per Paragraph 4(b) herein, however, the monthly invoice shall show the remaining credit balance on the account for future energy payments. Prepayment credit shall apply to all regular and recurring charges for electricity under paragraph 4(a) and taxes under paragraph 4(c.) Prepayment credits do not apply to buy-out of the system under paragraph 16(b,) as these buy-out values have already taken the Prepayment amounts into account in the construction costs of the system.

5. Environmental Attributes and Environmental Incentives.

Unless otherwise specified on Exhibit 1, Purchaser hereby irrevocably assigns to Seller all Environmental Attributes and Environmental Incentives and from this date forward, Seller is entitled to the benefit of all Tax Credits, and Purchaser's purchase of electricity under this Agreement does not include Environmental Attributes, Environmental Incentives or the right to Tax Credits or any other attributes of ownership and operation of the System, all of which shall be retained by Seller until buy-out or termination. Purchaser shall cooperate with Seller in obtaining, securing and transferring all Environmental Attributes and Environmental Incentives and the benefit of all Tax Credits, including by using the electric energy generated by the System in a manner necessary to qualify for such available Environmental Attributes, Environmental Incentives and Tax Credits, consistent with the New York net-metering laws and regulations. Purchaser shall not be obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. If any Environmental Incentives are paid directly to Purchaser, Purchaser shall immediately pay such amounts over to Seller. To avoid any conflicts with fair trade rules regarding claims of solar or renewable energy use, Purchaser, if engaged in commerce and/or trade, shall submit to Seller for approval any press releases regarding Purchaser's use of solar or renewable energy and shall not submit for publication any such releases without the written approval of Seller. Approval shall not be unreasonably withheld, and Seller's review and approval shall be made in a timely manner to permit Purchaser's timely publication.

"**Environmental Attributes**" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the System, the production of electrical energy from the System and its displacement of conventional energy generation, including (a) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants; (b) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (c) the reporting rights related to these avoided emissions, such as Green Tag Reporting Rights and Renewable Energy Credits. Green Tag Reporting Rights are the right of a party to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party, and include Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Environmental Attributes do not include Environmental Incentives and Tax Credits. Purchaser and Seller shall file all tax returns in a manner consistent with this Section 5. Without limiting the generality of the foregoing, Environmental Attributes include carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags tradable renewable credits and Green-e® products.

"**Environmental Incentives**" means any and all credits, rebates, subsidies, payments or other incentives that relate to self-generation of electricity, the use of technology incorporated into the System, environmental benefits of using the System, or

other similar programs available from the Utility, any other regulated entity, the manufacturer of any part of the System or any Governmental Authority.

“Governmental Authority” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including the Federal Energy Regulatory Commission or the California Public Utilities Commission); or any arbitrator with authority to bind a party at law.

“Tax Credits” means any and all (a) investment tax credits, (b) production tax credits and (c) similar tax credits or grants under federal, state or local law relating to the construction, ownership or production of energy from the System.

6. **Conditions to Obligations.**

- a. **Conditions to Seller's Obligations.** Seller's obligations under this Agreement are conditioned on the completion of the following conditions to Seller's reasonable satisfaction on or before the Seller's Condition Satisfaction Date:
- i. Completion of a physical inspection of the Facility and the property upon which the Facility is located (the “Premises”) including, if applicable, geotechnical work, and real estate due diligence to confirm the suitability of the Facility and the Premises for the System;
 - ii. Approval of (A) this Agreement and (B) the Construction Agreement (if any) for the System by Seller's Financing Parties. “Construction Agreement” as used in this subsection means an agreement between Seller and any contractor or subcontractor to install the System;
 - iii. Confirmation that Seller will obtain all applicable Environmental Incentives and Tax Credits;
 - iv. Receipt of all necessary zoning, land use and building permits; and
 - v. Execution of all necessary agreements with the Utility for interconnection of the System to Facility electrical system and/or the Utility's electric distribution system.
- b. **Failure of Conditions.** If any of the conditions listed in subsection (a) are not satisfied by the Seller's Condition Satisfaction Date, the Parties will attempt in good faith to negotiate new dates for the satisfaction of the failed conditions. If the Parties are unable to negotiate new dates then Seller may terminate this Agreement upon ten (10) days written notice to Buyer without liability for costs or damages or triggering a default under this Agreement.
- c. **Commencement of Construction.** Seller's obligation to commence construction and installation of the System is conditioned on Seller's receipt of (A) proof of insurance for all insurance required to be maintained by Purchaser under this Agreement, (B) written confirmation from any person holding a mortgage, lien or other encumbrance over the Premises or the Facility, as applicable, that such person will recognize Seller's rights under this Agreement for as long Seller is not in default hereunder and (C), a signed and notarized original copy of the Easement agreement suitable for recording, substantially in Solar Power Easement Agreement executed separately (the “Easement Agreement”).
- d. **Conditions to Purchaser's Obligations.** Purchaser's obligations under this Agreement are conditioned on the occurrence of the Commercial Operation Date for the System by the Outside Commercial Operation Date, the delivery of the electricity generated by the system to the delivery point, as well as the following conditions to Purchaser's reasonable satisfaction:
- i. Completion of a physical inspection of the Facility and the property upon which the Facility is located (the “Premises”) including, if applicable, geotechnical work, and real estate due diligence to confirm the suitability of the Facility and the Premises for the System on a mutually agreed upon date prior to Seller incurring permitting costs;
 - ii. Approval of (A) this Agreement and (B) the Construction Agreement (if any) for the System by Seller's Financing Parties as identified on Schedule __ attached hereto. “Construction Agreement” as used in this subsection means an agreement between Seller and any general contractor other than BEDFORD 58 SOLAR to install the System;
 - iii. Confirmation that Seller has obtained all applicable zoning, land use, building and occupancy permits and approvals required by Federal, State and Local law to construct and operate the System;

- iv. Completion of the Construction of the System at the Facility to the standards specified by the Construction Agreement, which shall include meeting all applicable safety and performance standards.
- v. Execution of all necessary agreements with the Utility for interconnection of the System to Facility electrical system and/or the Utility's electric distribution system, including the "virtual aggregated net-metering agreement" that provides that all electric energy generated by the system shall be credited against the variable transmission and distribution costs, and energy costs on the Premises as if the electric energy generated by the system were generated "behind the meter" at Purchaser's Premises.
- vi. The Project being awarded a grant by the Pennsylvania Consumer Financing Administration ("CFA") as a result of a timely application being filed by Purchaser and/or BEDFORD 58 SOLAR (on behalf of the Project) by the January 19, 2018 deadline (or any extension thereof.) The Parties specifically agree that if the Project is not awarded the grant award amount being applied for by Purchaser (or BEDFORD 58 SOLAR on behalf of Purchaser) then this Agreement is voidable at the election of Purchaser for a period of sixty (60) days after release of the Grant award results. To elect to void the Agreement for failure to be awarded a CFA Grant, Purchaser shall deliver a written statement by letter or email to Stephanie Brun de Pontet at the notification addresses herein within this time period, at which point all of each Party's obligations under this Agreement shall be null and void.

- e. **Failure of Conditions.** If any of the conditions listed in subsection (d) are not satisfied by the Purchaser's Condition Satisfaction Date, the Parties will attempt in good faith to negotiate new dates for the satisfaction of the failed conditions. If the Parties are unable to negotiate new dates then Purchaser may terminate this Agreement upon ten (10) days written notice to Buyer without liability for costs or damages or triggering a default under this Agreement.

7. **Seller's Rights and Obligations.**

- a. **Permits and Approvals.** Seller, with Purchaser's reasonable cooperation, shall use commercially reasonable efforts to obtain, at its sole cost and expense:
 - i. any zoning, land use and building permits required to construct, install and operate the System; and
 - ii. any agreements and approvals from the Utility necessary in order to interconnect the System to the Facility electrical system and/or the Utility's electric distribution system in order for Purchaser to receive "net-metering" credits for Utility generated electricity consumed at the Purchaser's Location of Operations.

Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining such agreements, permits and approvals. Purchaser understands and agrees that Seller shall not apply for permits until Purchaser has either satisfied or waived the approval requirements set forth in Section 6.d.1 above.

- b. **Standard System Repair and Maintenance.** Seller shall construct and install the System at the Facility. During the Term, Seller will operate and perform all routine and emergency repairs to, and maintenance of, the System pursuant to a separate Operations and Maintenance Manual and Agreement, attached hereto as Exhibit 7, including any repairs or maintenance resulting from Seller's negligence, willful misconduct or breach of this Agreement. Seller shall not be responsible for any damage caused to the System by repair work or changes made by others to the System or to Purchaser's electrical system at the either the Facility or on the Premises that are not part of the System installed by Seller. Seller shall not be responsible for any work done by others on any part of the System. Seller shall not be responsible for any loss, damage, cost or expense arising out of or resulting from improper environmental controls or improper operation or maintenance of the System by anyone other than Seller or Seller's contractors. If the System requires repairs or maintenance for which Purchaser is responsible, and Purchaser engages Seller to perform those repairs or maintenance, or Purchaser fails to make commercially reasonable efforts to perform those repairs or maintenance on a timely basis, Purchaser shall pay Seller for diagnosing and correcting the problem at Seller or Seller's contractors' then current standard rates. Purchaser hereby grants access to Seller to perform any and all such inspections, maintenance and/or repairs.
- c. **Non-Standard System Repair and Maintenance.** Purchaser shall be responsible for maintaining the System due to conditions at the Facility or due to any other cause, solely at Purchaser's risk and expense, pursuant to Exhibit 7, and subject to Section 7(b) and 8(c) herein.

- d. **Breakdown Notice.** Purchaser shall notify Seller within twenty-four (24) hours following Purchaser's discovery of (i) any material malfunction in the operation of the System or (ii) an interruption in the supply of electrical energy from the System. Purchaser and Seller shall each designate personnel and establish procedures such that each Party may provide notice of such conditions requiring Seller's repair or alteration at all times, twenty-four (24) hours per day, including weekends and holidays.
- e. **Suspension.** Notwithstanding anything to the contrary herein, if delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System becomes necessary, such suspension of service shall not constitute a breach of this Agreement; provided, that Seller shall use commercially reasonable efforts to minimize any interruption in service, and provided further that for any such interruption lasting more than three (3) days, Seller shall credit Purchaser an amount equal to the sum for electric energy that would have been produced by the System during such suspension for repairs. Determination of the amount of energy that would have been produced during any disconnection or removal shall be in accordance with the procedures in Section 10(b).
- f. **Use of Contractors and Subcontractors.** Seller shall be permitted to use contractors and subcontractors to perform its obligations under this Agreement, provided however, that such contractors and subcontractors shall be duly licensed and shall provide any work in accordance with applicable industry standards. Notwithstanding the foregoing, Seller shall continue to be responsible for the quality of the work performed by its contractors and subcontractors. It is understood and agreed that there is no privity of contract between Purchaser and any such contractors or subcontractors. Seller agrees to hold harmless and indemnify Purchaser from any and all claims by any of Seller's contractors or subcontractors.
- g. **Liens and Payment of Contractors and Suppliers.** Seller shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement and shall keep the Facility free and clear of any liens related to such charges, except for those liens which Seller is permitted by law to place on the Facility following non-payment by Purchaser of amounts due under this Agreement. Seller shall indemnify Purchaser for all claims, losses, damages, liabilities and expenses resulting from any liens filed against the Facility or the Premises in connection with such charges; provided, however, that Seller shall have the right to contest any such lien, so long as it provides a statutory bond or other reasonable assurances of payment that either remove such lien from title to the Facility and the Premises or that assure that any adverse judgment with respect to such lien will be paid without affecting title to the Facility and the Premises.
- h. **No Warranty.** UNLESS THE SYSTEM IS PURCHASED PURSUANT TO PURCHASE OPTIONS SET FORTH HEREIN, NO WARRANTY OR REMEDY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. The remedies set forth in this Agreement shall be Purchaser's sole and exclusive remedies for any claim or liability arising out of or in connection with this Agreement, whether arising in contract, tort (including negligence), strict liability or otherwise.

8. **Purchaser's Rights and Obligations.**

- a. **Easement to the Premises; Facility Access Rights.** Purchaser grants to Seller and to Seller's agents, employees, contractors and assignees an irrevocable non-exclusive Easement running with the Premises (the "**Easement**") for access to, on, over, under and across the Premises for the purposes of (i) installing, constructing, owning, maintaining, accessing, removing and replacing the System; (ii) performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement; and (iii) installing, using and maintaining electric lines and equipment, including inverters and meters necessary to interconnect the System to Purchaser's electric system at the Facility, to the Utility's electric distribution system, if any, or for any other purpose that may from time to time be useful or necessary in connection with the construction, installation, operation, maintenance or repair of the System. Seller shall notify Purchaser prior to entering the Facility except in situations where there is imminent risk of damage to persons or property. The term of the Easement shall continue until the date that is one hundred and twenty (120) days following the date of expiration or termination of this Agreement (the "**Easement Term**"). During the Easement Term, Purchaser shall ensure that Seller's rights under the Easement and Seller's access to the Premises and the Facility are preserved and protected. Purchaser shall not interfere with such rights or access. The grant of the Easement shall survive termination of this Agreement by either Party. At request of Seller, Purchaser shall execute a separate Solar Power Easement Agreement agreed to by the parties. Seller may, at its sole cost and expense, record such memorandum of Easement with the appropriate land registry or recorder's office.
- b. **OSHA Compliance.** Both Seller and Purchaser shall ensure that all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws or codes are adhered to in its performance under this Agreement.

- c. **Maintenance of Facility.** Purchaser shall, at its sole cost and expense, maintain the electrical system of the Facility in good condition and repair, so as to maximize the output of the electrical energy generated by the System. Purchaser will ensure that the Facility remains interconnected to the Utility's electric distribution system at all times and will not cause cessation of electric service to the Facility from the Utility. Seller is fully responsible for the maintenance and repair of the System and of all of the System's outputs. Purchaser shall promptly notify Seller of any matters of which it is aware pertaining to any damage to or loss of use of the Facility that could reasonably be expected to adversely affect the System. In the event Purchaser fails to maintain and/or repair the Facility's electrical system in good working order to maximize the amount of output from the System, Seller shall have the right to enter, inspect, maintain and repair the System or the Facility electrical system pursuant to Section 7(b) above, at Purchaser's sole expense. In addition, Purchaser shall pay Seller an amount equal to the sum of any electric energy that would have been produced by the System during such repair or maintenance. Determination of the amount of energy that would have been produced during any disconnection or removal shall be in accordance with the procedures in Section 10(b). All alterations and repairs will be done in a good and workmanlike manner and in compliance with all applicable laws, codes and permits.
- d. **No Alteration of Facility.** Purchaser shall not make any alterations or repairs to the Facility, which could adversely affect the operation and maintenance of the System without Seller's prior written consent. If Purchaser wishes to make such alterations or repairs, Purchaser shall give prior written notice to Seller, setting forth the work to be undertaken (except for emergency repairs, for which notice may be given by telephone.) Purchaser shall be responsible for all damage to the System caused by Purchaser or its contractors. To the extent that removal of the System is necessary to perform such alterations or repairs, such work and any replacement of the System, shall be done by Seller only, at Purchaser's cost. In addition, Purchaser shall pay Seller an amount equal to the sum of any electric energy that would have been produced by the System during such disconnection or removal. Determination of the amount of energy that would have been produced during any disconnection or removal shall be in accordance with the procedures in Section 10(b). All alterations and repairs will be done in a good and workmanlike manner and in compliance with all applicable laws, codes and permits.
- e. **Liens.** Purchaser shall not cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature on or with respect to the System. Purchaser shall immediately notify Seller in writing of the existence of any such mortgage, pledge, lien, charge, security interest, encumbrance or other claim, shall promptly cause the same to be discharged and released of record without cost to Seller, and shall indemnify Seller against all costs and expenses (including reasonable attorneys' fees) incurred in discharging and releasing any such mortgage, pledge, lien, charge, security interest, encumbrance or other claim. Notwithstanding anything else herein to the contrary, pursuant to Section 19.a), Seller may grant a lien on the System and may assign, mortgage, pledge or otherwise collaterally assign its interests in this Agreement and the System to any Financing Party.
- f. **Security.** Purchaser shall be responsible for using commercially reasonable efforts to maintain the physical security of the Facility and the System against known risks and risks that should have been known by Purchaser. Purchaser will not conduct activities on, in or about the Premises or the Facility that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System.
- g. **Insolation.** Purchaser understands that unobstructed access to sunlight ("Insolation") is essential to Seller's performance of its obligations and a material term of this Agreement. If Purchaser becomes aware of any activity or condition that could diminish the Insolation of the System, Purchaser shall notify Seller immediately and shall cooperate with Seller in preserving the System's existing Insolation levels.
- h. **Data Line.** Purchaser shall provide a high speed internet data line during the Term to enable Seller to record the electric energy generated by the System, and Seller shall provide access to Purchaser to review said data.
- i. **Breakdown Notice.** Purchaser shall notify Seller within twenty-four (24) hours following the discovery by it of (i) any material malfunction in the operation of the System; or (ii) any occurrences that could reasonably be expected to adversely affect the System. Purchaser shall notify Seller immediately upon (i) an interruption in the supply of electrical energy from the System; or (ii) the discovery of an emergency condition respecting the System. Purchaser and Seller shall each designate personnel and establish procedures such that each Party may provide notice of such conditions requiring Seller's repair or alteration at all times, twenty-four (24) hours per day, including weekends and holidays.

9. **Change in Law.**

“Change in Law” means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation; (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date of this Agreement (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority which in the case of any of (i), (ii) or (iii); establishes requirements affecting owning, supplying, constructing, installing, operating or maintaining the System, or other performance of the Seller’s obligations hereunder and which has a material adverse effect on the cost to Seller of performing such obligations; provided, that a change in federal, state, county or any other tax law after the Effective Date of this Agreement shall not be a Change in Law pursuant to this Agreement.

If any Change in Law occurs that has a material adverse effect on the cost to Seller of performing its obligations under this Agreement, then the Parties shall, within thirty (30) days following receipt by Purchaser from Seller of notice of such Change in Law, meet and attempt in good faith to negotiate amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller shall have the right to terminate this Agreement without further liability to either Party except with respect to payment of amounts accrued prior to termination. In the event Seller terminates this Agreement on the basis of this Change of Law provision, Purchaser agrees to execute any and all documents necessary to assign sublet or otherwise convey Purchaser’s interests in the Facility to Seller or its assigns.

10. **Relocation of System.**

- a. **System Relocation.** If Purchaser, due to a failure of insolation or force majeure, is unable to conduct operations at the Facility, and must vacate the Facility prior to the expiration of the Term, Purchaser shall have the option to provide Seller with a mutually agreeable substitute premises located within the same utility district as the terminated System or in a location with similar utility rates and insolation. Purchaser shall provide written notice at least sixty (60) days but not more than one hundred eighty (180) days prior to the date that it wants to make this substitution. In connection with such substitution, Purchaser shall execute an amended agreement that shall have all of the same terms as this Agreement except for the (i) Effective Date; (ii) Easement, which will be amended to grant rights in the real property where the System relocated to; and (iii) Term, which will be equal to the remainder of the Term of this Agreement calculated starting at the shutdown of the System pursuant to such relocation, and shall toll until the relocated System achieves commercial operation of such new location. Such amended agreement shall be deemed to be a continuation of this Agreement without termination. In addition, Purchaser shall provide a new executed and notarized Easement agreement covering the substitute premises in form and content substantially similar to the Easement Agreement. Purchaser shall also provide any new consents, estoppels, or acknowledgments reasonably required by Financing Parties in connection with the substitute premises.
- b. **Costs of Relocation.** Purchaser shall pay all costs associated with relocation of the System, including all costs and expenses incurred by or on behalf of Seller in connection with removal of the System from the Facility and installation and testing of the System at the substitute facility and all applicable interconnection fees and expenses at the substitute facility, as well as costs of new title search and other out-of-pocket expenses connected to preserving and refiling the security interests of Seller’s Financing Parties in the System. In addition, Purchaser shall pay Seller for any electric energy that would have been produced by the System during the relocation; Determination of the amount of energy that would have been produced during the relocation shall be based, during the first Contract Year, on the estimated levels of production and, after the first Contract Year, based on actual operation of the System in the same period in the previous Contract Year, unless Seller and Purchaser mutually agree to an alternative methodology. “Contract Year” means the twelve month period beginning at 12:00 AM on the Commercial Operation Date or on any anniversary of the Commercial Operation Date and ending at 11:59 PM on the day immediately preceding the next anniversary of the Commercial Operation Date, provided that the first Contract Year shall begin on the Commercial Operation Date.
- c. **Termination.** At Purchaser’s expense, Seller shall remove the System from the vacated Facility prior to the termination of Purchaser’s rights to use such Facility. Purchaser shall be responsible for the costs of any damage caused during removal of the System, but not for normal wear and tear. If Purchaser is unable to provide such substitute facility and to relocate the System as provided, any early termination will be treated as a default by Purchaser.

11. **Removal of System at Expiration.**

Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option), Seller shall, at its expense, remove all of its tangible property comprising the System from the Facility on a mutually convenient date,

but in no event later than ninety (90) days after the expiration of the Term. Excluding ordinary wear and tear, the Facility shall be returned to its original condition including the removal of System mounting pads or other support structures. Seller shall leave the Facility in neat and clean order. If Seller fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser shall have the right, at its option, to remove the System to a public warehouse and restore the Facility to its original condition (other than ordinary wear and tear) at Seller's cost.

12. Measurement.

At Seller's expense, Seller shall install one or more meter(s), as Seller deems appropriate, at or immediately before the Delivery Point to measure the output of the System. Such meter shall meet the general commercial standards of the solar photovoltaic industry or the required standard of the Utility. Seller shall maintain the meter(s) in accordance with industry standards and shall provide Purchaser with online access to the data metered.

13. Default, Remedies and Damages.

- a. **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below shall be deemed to be the "Defaulting Party", the other Party shall be deemed to be the "Non-Defaulting Party", and each event of default shall be a "Default Event":
- i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("Payment Default");
 - ii. failure of a Party to substantially perform any other material obligation under this Agreement within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure (excepting Purchaser's maintenance and repair responsibilities under Section 7(b) and 8(c), which shall be performed within ten (10) days of said written notice); provided, that such thirty (30) day cure period shall be extended (but not beyond ninety (90) days) if and to the extent reasonably necessary to cure the Default Event, if (A) the Defaulting Party initiates such cure within the cure period and continues such cure to completion and (B) there is no material adverse effect on the Non-Defaulting Party resulting from the failure to cure the Default Event;
 - iii. if any representation or warranty of a Party proves at any time to have been incorrect in any material respect when made and is material to the transactions contemplated hereby, if the effect of such incorrectness is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
 - iv. Purchaser loses its rights to occupy and enjoy the Premises;
 - v. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect, and, if any such bankruptcy or other proceedings were initiated by a third party, if such proceedings have not been dismissed within sixty (60) days following receipt of a written notice from the Non-Defaulting Party demanding such cure; or
 - vi. Purchaser prevents Seller from installing the System or otherwise failing to perform in a way that prevents the delivery of electric energy from the System. Such Default Event shall not excuse Purchaser's obligations to make payments that otherwise would have been due under this Agreement.
- b. **Remedies.**
- i. **Remedies for Payment Default.** If a Payment Default occurs, the Non-Defaulting Party may suspend performance of its obligations under this Agreement. Further, the Non-Defaulting Party may (A) at any time during the continuation of the Default Event, terminate this Agreement upon five (5) days prior written notice to the Defaulting Party, and (B) pursue any remedy under this Agreement, at law or in equity, including an action for damages.
 - ii. **Remedies for Other Defaults.** On the occurrence of a Default Event other than a Payment Default, the Non-Defaulting Party may (A) at any time during the continuation of the Default Event, terminate this Agreement or suspend its performance of its obligations under this Agreement, upon five (5) days prior written notice to

the Defaulting Party, and (B) pursue any remedy under this Agreement, at law or in equity, including an action for damages. Nothing herein shall limit either Party's right to collect damages upon the occurrence of a breach or a default by the other Party that does not become a Default Event. If Purchaser terminates this contract without cause prior to commencement of System installation a five thousand dollar (\$5,000) design cancellation fee shall also apply in addition to any other remedy available to Seller.

iii. **Damages Upon Termination by Default.** Upon a termination of this Agreement by the Non-Defaulting Party as a result of a Default Event by the Defaulting Party, the Defaulting Party shall pay a Termination Payment to the Non-Defaulting Party determined as follows (the "Termination Payment"):

A. **Purchaser.** If Purchaser is the Defaulting Party and Seller terminates this Agreement, the Termination Payment to Seller shall be equal to for any given Contract Year, the amount set forth on **Exhibit 4, Attachment A** attached hereto. The Parties agree that actual damages to Seller in the event this Agreement terminates prior to the expiration of the Term as the result of a Default Event by Purchaser would be difficult to ascertain, and the applicable Termination Payment is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement.

Mitigation of Seller's damages. Seller shall have the obligation to promptly mitigate damages suffered by Seller due to Purchaser's default.

B. **Seller.** If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser shall be equal to the sum of (1) the net present value (using a discount rate of (3.5%)) of the excess, if any, of the reasonably expected cost of electric energy from the Utility over the Contract Price for the reasonably expected production of the System for the remainder of the Initial Term or the then current Additional Term, as applicable; (2) all costs reasonably incurred by Purchaser in re-converting its electric supply to service from the Utility; (3) any removal costs incurred by Purchaser, and (4) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment shall not be less than zero¹.

Mitigation of Purchaser's damages. Purchaser shall have the obligation to promptly mitigate damages suffered by Purchaser due to Seller's default, which shall include taking all commercially reasonable steps necessary to purchase electric energy from a third party at prices equal to or less than the Contract Price, for the remainder of the Initial Term or the then current term, with the amounts saved accruing to reduce the Termination Payment owed by Seller.

C. **Prepayment Credit, Default.** In the event of a termination due to default by Seller, any prepayment credit still remaining shall be used to calculate any damages owed Seller under 13.b.iii.A above.

14. **Representations, Warranties and Covenants.**

a. **General Representations and Warranties.** Each Party represents and warrants to the other the following as of the Effective Date:

- i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and shall not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors' rights generally).
- ii. Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to

execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

b. **Purchaser's Representations, Warranties and Covenants.** Purchaser represents and warrants to Seller the following as of the Effective Date and covenants that throughout the Term:

- i. **Easement.** Purchaser has title to or a leasehold or other property interest in the Premises. Purchaser has the full right, power and authority to grant the Easement contained in Section 8(a). Such grant of the Easement does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Facility and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Facility. If Purchaser does not own the Premises or Facility, Purchaser has obtained all required consents from the owner of the Premises and/or Facility to grant the Easement and enter into and perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser or the Facility is bound.
- iii. **Accuracy of Information.** To the best of Purchaser's knowledge, all information provided by Purchaser to Seller, as it pertains to the Facility's physical configuration, Purchaser's planned use of the Facility, and Purchaser's estimated electricity requirements, is accurate in all material respects.
- iv. **Purchaser Status.** Purchaser is not a public utility nor a public utility holding company and is not subject to regulation as a public utility nor as a public utility holding company.
- v. **Hazardous Substances.** There are no Hazardous Substances at, on, above, below or near the Premises known to Purchaser.
- vi. **No Pool Use.** No electricity generated by the System will be used to heat a swimming pool.

c. **Seller's Representations, Warranties and Covenants.**

- i. **Licenses, Experience and Capacity.** Seller has the full right, power and authority to design and construct and operate the System at the Facility and construction of the System by Seller does not violate any law, ordinance, rule or other governmental restriction applicable to Seller or the Facility and is not inconsistent with and will not result in a breach or default under any agreement by which Seller is bound or that affects the Facility. Seller has obtained all required consents from the owner of the Premises and/or Facility to construct the System and enter into and perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Seller nor the performance by Seller of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Seller is a party or by which Seller or the Facility is bound.
- iii. **Accuracy of Information.** To the best of Seller's knowledge, all information provided by Seller to Purchaser, as it pertains to the Facility's physical configuration, design, construction, equipment, the planned use of the Facility, and the System's estimated electricity production capabilities, is accurate in all material respects.
- iv. **Seller Status.** Seller is not a public utility nor a public utility holding company and is not subject to regulation as a public utility nor as a public utility holding company.
- v. **Hazardous Substances.** There are no Hazardous Substances at, on, above, below or near the Premises known to Seller.

15. **System and Facility Damage and Insurance.**

a. **System and Facility Damage.**

i. **Purchaser's Obligations.** If the System is damaged or destroyed other than by Seller's gross negligence or willful misconduct, Purchaser shall promptly repair and restore the System to its pre-existing condition; provided, however, that if more than fifty percent (50%) of the System is destroyed during the last five (5) years of the Initial Term or during any Additional Term, Seller shall not be required to restore the System.

b. **Insurance Coverage.** At all times during the Term, Seller and Purchaser shall maintain the following insurance:

i. **Insurance.** Both Purchaser and Seller shall maintain (A) property insurance on the System for the replacement cost thereof, (B) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (C) employer's liability insurance with coverage of at least \$1,000,000 and (iv) workers' compensation insurance as required by law.

c. **Policy Provisions.** All insurance policies provided hereunder shall (i) contain a provision whereby the insured Bedford 58 Solar agrees to give the party not providing the insurance (A) not less than ten (10) days written notice before the insurance is cancelled, or terminated as a result of non-payment of premiums, or (B) not less than thirty (30) days written notice before the insurance is otherwise cancelled or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other party.

d. **Certificates.** Upon the other Party's request each Party shall deliver the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.

e. **Deductibles.** Unless and to the extent that a claim is covered by an indemnity set forth in this Agreement, each Party shall be responsible for the payment of its own deductibles.

16. **Ownership; Option to Purchase.**

a. **Ownership of System.** Throughout the Term (except as otherwise permitted in Section 19), Seller shall be the legal and beneficial owner of the System at all times, including all Environmental Attributes (unless otherwise specified on Exhibit 1), and the System shall remain the personal property of Seller and shall not attach to or be deemed a part of, or fixture to, the Facility or the Premises. Each of the Seller and Purchaser agree that the Seller (or the designated assignee of Seller permitted under Section 19) is the tax owner of the System and all tax filings and reports will be filed in a manner consistent with this Agreement. The System shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code. Purchaser covenants that it will use commercially reasonable efforts to place all parties having an interest in or a mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature on the Facility or the Premises on notice of the ownership of the System and the legal status or classification of the System as personal property. If there is any mortgage or fixture filing against the Premises which could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder. If Purchaser is the fee owner of the Premises, Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Facility is located. If Purchaser is not the fee owner, Purchaser will obtain such consent from such owner. Upon request, Purchaser agrees to deliver to Seller a non-disturbance agreement in a form reasonably acceptable to Seller from the owner of the Facility (if the Facility is leased by Purchaser), any mortgagee with a lien on the Premises, and other Persons holding a similar interest in the Premises. To the extent that Purchaser does not own the Premises or Facility, Purchaser shall provide to Seller immediate written notice of receipt of notice of eviction from the Premises or Facility or termination of Purchaser's lease of the Premises and/or Facility.

b. **Option to Purchase.** At 6 Years, 10 years, and 15 years and at the end of the Initial Term and each Additional Term, so long as Purchaser is not in default under this Agreement, Purchaser has the option of either renewing this Agreement or purchasing the System from Seller on any such date for a purchase price equal to the Fair Market Value of the System as defined in Section 16(c). During the Initial Term, the Agreement automatically renews at Contract Years 6, 10, 15, unless Purchaser affirmatively votes not to renew the Agreement. In the event Purchaser affirmatively votes not to renew, Purchaser shall purchase the System as outlined herein. Purchaser may also purchase the System at 7 years pursuant to the terms of this Section 16. To Purchase the System, Purchaser must provide a notification to Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of

the applicable Contract Year or the Initial Term or Additional Term, as applicable, and the purchase shall be complete prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable. Any such purchase shall be on an as-is, where-is basis, and Seller shall not provide any warranty or other guarantee regarding the performance of the System, provided, however, that Seller shall assign to Purchaser any manufacturer warranties that are in effect as of the purchase, and which are assignable pursuant to their terms.

- c. **Determination of Fair Market Value.** "Fair Market Value" means, either: (i) the amount that would be paid in an arm's length, free market transaction, for cash, between an informed, willing seller and an informed willing buyer, neither of whom is under compulsion to complete the transaction, taking into account, among other things, the age, condition and performance of the System and advances in solar technology, provided that installed equipment shall be valued on an installed basis, shall not be valued as scrap if it is functioning and in good condition, or (ii) for any given agreed upon purchase year, the amount set forth on Exhibit 4, Attachment A attached hereto, whichever is greater. Seller shall determine Fair Market Value within thirty (30) days after Purchaser has given notice of its interest in exercising its option to Purchase the System. Seller shall give written notice to Purchaser of its determination of Fair Market Value, along with a full explanation of the calculation of Fair Market Value under both methodologies, including without limitation, an explanation of all assumptions, figures and values used in such calculation and factual support for such assumptions, figures and values. If Purchaser reasonably objects to Seller's determination of Fair Market Value within thirty (30) days after Seller has provided written notice of such determination, the Parties shall select a nationally recognized independent appraiser with experience and expertise in the solar photovoltaic industry to determine the Fair Market Value of the System. Such appraiser shall act reasonably and in good faith to determine the Fair Market Value of the System based on the formulation set forth herein, and shall set forth such determination in a written opinion delivered to the Parties. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error. The costs of the appraisal shall be borne by the Parties equally. Upon purchase of the System, Purchaser will assume complete responsibility for the operation and maintenance of the System and liability for the performance of the System, and Seller shall have no further liabilities or obligations hereunder.

17. **Indemnification and Limitations of Liability.**

- a. **General.** Each Party (the "Indemnifying Party") shall defend, indemnify and hold harmless the other Party and the directors, officers, shareholders, partners, members, agents and employees of such other Party, and the respective affiliates of each thereof (collectively, the "Indemnified Parties"), from and against all loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "Liabilities") resulting from any third party actions relating to the breach of any representation or warranty set forth in Section 14 and from injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein shall require the Indemnifying Party to indemnify the Indemnified Party for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnified Party. This Section 17(a) however, shall not apply to liability arising from any form of hazardous substances or other environmental contamination, such matters being addressed exclusively by Section 17(c).
- b. **Notice and Participation in Third Party Claims.** The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a "Claim"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party shall settle any Claim covered by this Section 17(b) unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party shall have no liability under this Section 17(b) for any Claim for which such notice is not provided if that the failure to give notice prejudices the Indemnifying Party.
- c. **Environmental Indemnification.** Purchaser shall indemnify, defend and hold harmless all of Seller's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 17(c)(i)) to the extent deposited, spilled or otherwise caused by Purchaser, its predecessors or any of its contractors or agents.

- i. **"Hazardous Substance"** means any chemical, waste or other substance (A) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (B) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (C) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (D) the storage, use, handling, disposal or release of which is restricted or regulated by any Governmental Authority, or (E) for which remediation or cleanup is required by any Governmental Authority.

d. **Limitations on Liability.**

- i. **No Consequential Damages.** Except with respect to indemnification for third party claims pursuant to this Section 17 and damages that result from the willful misconduct of a Party, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers shall be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature arising out of their performance or non-performance hereunder even if advised of such. The Parties agree that (1) in the event that Seller is required to recapture any Tax Credits or other tax benefits as a result of a breach of this Agreement by Purchaser, such recaptured amount shall be deemed to be direct and not indirect or consequential damages, and (ii) in the event that Seller is retaining the Environmental Attributes produced by the System, and a breach of this Agreement by Purchaser causes Seller to lose the benefit of sales of such Environmental Attributes to third parties, the amount of such lost sales shall be direct and not indirect or consequential damages.
- ii. **Actual Damages.** Except with respect to indemnification for third party claims pursuant to Section 26, claims covered by insurance, and damages that result from the willful misconduct of a Party, neither Party's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement shall exceed the total payments made (or, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this Section (17)(d)(ii) shall apply whether such liability arises in contract, tort (including negligence), strict liability or otherwise. Any action against a Party must be brought within three (3) years after the cause of action accrues.

18. **Force Majeure.**

- a. **"Force Majeure"** means any event or circumstances beyond the reasonable control of and without the fault or negligence of the Party claiming Force Majeure. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any Governmental Authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any Governmental Authority (provided that such action has been timely requested and diligently pursued); unavailability of electricity from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from the failure of the Party claiming Force Majeure to have exercised reasonable diligence); and failure of equipment not utilized by or under the control of the Party claiming Force Majeure.
- b. Except as otherwise expressly provided to the contrary in this Agreement, if either Party is rendered wholly or partly unable to timely perform its obligations under this Agreement because of a Force Majeure event, that Party shall be excused from the performance affected by the Force Majeure event (but only to the extent so affected) and the time for performing such excused obligations shall be extended as reasonably necessary; provided, that: (i) the Party affected by such Force Majeure event, as soon as reasonably practicable after obtaining knowledge of the occurrence of the claimed Force Majeure event, gives the other Party prompt oral notice, followed by a written notice reasonably describing the event; (ii) the suspension of or extension of time for performance is of no greater scope and of no longer duration than is required by the Force Majeure event; and (iii) the Party affected by such Force Majeure event uses all reasonable efforts to mitigate or remedy its inability to perform as soon as reasonably possible. The Term shall be extended day for day for each day performance is suspended due to a Force Majeure event.
- c. If a Force Majeure event continues for a period of one hundred twenty (120) days or more within a twelve (12) month period and prevents a material part of the performance by a Party hereunder, then at any time during the continuation

of the Force Majeure event, the Party not claiming the Force Majeure shall have the right to terminate this Agreement without fault or further liability to either Party (except for amounts accrued but unpaid).

19. **Assignment and Financing.**

- a. **Assignment.** This Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Seller may, without the prior written consent of Purchaser, (i) assign, transfer, mortgage, pledge or otherwise collaterally assign its interests in this Agreement and the System to any Financing Party, (ii) directly or indirectly assign this Agreement and the System to an affiliate or subsidiary of Seller, (iii) assign this Agreement and the System to any entity through which Seller is obtaining financing or capital for the System (iv) assign this Agreement and the System to any person succeeding to all or substantially all of the assets of Seller, and/or (v) assign this Agreement and the System to any Purchaser that is purchasing all or substantially all of the assets of this Project (provided that Seller shall be released from liability hereunder as a result of any of the foregoing permitted assignments only upon assumption of Seller's obligations hereunder by the assignee. In the event of any such assignment, the Seller shall be released from all its liabilities and other obligations under this Agreement. However, any assignment of Seller's right and/or obligations under this Agreement, shall not result in any change to Purchaser's rights and obligations under this Agreement. Purchaser's consent to any other assignment shall not be unreasonably withheld if Purchaser has been provided with reasonable proof that the proposed assignee (x) has comparable experience in operating and maintaining photovoltaic solar systems comparable to the System and providing services comparable to those contemplated by this Agreement and (y) has the financial capability to maintain the System and provide the services contemplated by this Agreement in the manner required by this Agreement. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees.
- b. **Financing.** The Parties acknowledge that Seller may obtain construction and long-term financing or other credit support from one or more Financing Parties through a Purchase/Sale Lease Back arrangement or standard Project Purchase Agreement. "Financing Parties" means the person or persons providing construction or permanent financing to Seller in connection with construction, ownership, operation and maintenance of the System, or if applicable, means, if applicable, any person to whom Seller has transferred the ownership interest in the System in exchange for Construction Financing in the form of an Engineering, Procurement and Construction Agreement. Both Parties agree in good faith to consider and to negotiate changes or additions to this Agreement that may be reasonably requested by the Financing Parties; provided, that such changes do not alter the fundamental economic terms or benefits to Purchaser of this Agreement. In connection with an assignment pursuant to Section 19(a)(i)-(iv), Purchaser agrees to execute any consent, estoppel or acknowledgement in form and substance reasonably acceptable to such Financing Parties.
- c. **Successor Servicing.** The Parties further acknowledge that in connection with any construction or long term financing or other credit support provided to Seller or its affiliates by Financing Parties, that such Financing Parties may require that Seller or its affiliates appoint a third party to act as backup or successor provider of operation and maintenance services with respect to the System and/or administrative services with respect to this Agreement (the "Successor Provider"). Purchaser agrees to accept performance from any Successor Provider so appointed so long as such Successor Provider performs in accordance with the terms of this Agreement.

20. **Confidentiality and Publicity.**

- a. **Confidentiality.** If either Party provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copyrighted or trademarked information, and/or technical information regarding the design, operation and maintenance of the System or of Purchaser's business ("Confidential Information") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information regarding the facilities or plans of the other, the receiving Party shall (a) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (b) refrain from using such Confidential Information, except in the negotiation and performance of this Agreement, including but not limited to obtaining financing for the System. Notwithstanding the above, a Party may provide such Confidential Information to its officers, directors, members, managers, employees, agents, contractors and consultants (collectively, "Representatives"), and affiliates, lenders, and potential assignees of this Agreement (provided and on condition that such potential assignees be bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information). Each such recipient of Confidential Information shall be informed by the Party disclosing Confidential Information of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. In any event, each Party shall be

liable (with respect to the other Party) for any breach of this provision by any entity to whom that Party improperly discloses Confidential Information. The terms of this Agreement (but not its execution or existence) shall be considered Confidential Information for purposes of this Section 20(a), except as set forth in Section 20(b). All Confidential Information shall remain the property of the disclosing Party and shall be returned to the disclosing Party or destroyed after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party ~~agrees that the disclosing Party would be irreparably injured by a breach of this Section 20(a) by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, in the event of a breach of the provision of this Section 20(a). To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 20(a), but shall be in addition to all other remedies available at law or in equity.~~

- b. **Permitted Disclosures.** Notwithstanding any other provision in this Agreement, neither Party shall be required to ~~hold confidential any information that (i) becomes publicly available other than through the receiving Party, (ii) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena (but a receiving Party subject to any such requirement shall promptly notify the disclosing Party of such requirement to the extent permitted by applicable law), (iii) is independently developed by the receiving Party or (iv) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall cooperate with the other Party in efforts to limit the disclosure to the maximum extent permitted by law.~~

21. **Goodwill and Publicity.** Neither Party shall use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of such other Party. The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement, and each Party shall have the right to promptly review, comment upon and approve any publicity materials, press releases or other public statements by the other Party that refer to, or that describe any aspect of, this Agreement. Neither Party shall make any press release or public announcement of the specific terms of this Agreement (except for filings or other statements or releases as may be required by applicable law) without the specific prior written consent of the other Party. Without limiting the generality of the foregoing, all public statements must accurately reflect the rights and obligations of the Parties under this Agreement, including the ownership of Environmental Attributes and Environmental Incentives and any related reporting rights.

22. Miscellaneous Provisions

- a. **Choice of Law.** The law of the Commonwealth of Pennsylvania shall govern this Agreement without giving effect to conflict of laws principles. The Parties consent to venue being in the Court of Common Pleas of the County of Pennsylvania, in which the Project is located.
- b. **Mediation and Attorneys' Fees.** In the event of a dispute between the Parties arising out of this Agreement, the Parties shall attempt mediation, in good faith, before suit is filed in any court. Choice of a mediator shall be made by agreement of the parties, and if no such agreement is possible, each party shall select an experienced mediator who shall together select an acceptable mediator. The prevailing party in any dispute arising out of this Agreement shall be entitled to reasonable attorneys' fees and costs.
- c. **Notices.** All notices under this Agreement shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either party may specify in writing. Each party shall deem a document faxed, emailed or electronically sent in PDF form to it as an original document.
- d. **Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement shall survive. For the avoidance of doubt, surviving provisions shall include, without limitation, Section 4 (Representations and Warranties), Section 7(h) (No Warranty), Section 15(b) (Insurance Coverage), Section 17 (Indemnification and Limits of Liability), Section 20 (Confidentiality and Publicity), Section 22(a) (Choice of Law), Section 22(b) (Arbitration and Attorneys' Fees), Section 22(c) (Notices), Section 22(g) (Comparative Negligence), Section 22(h) (Non-Dedication of Facilities), Section 22(j) (Service Contract), Section 22(k) (No Partnership) Section

22(l) (Full Agreement, Modification, Invalidity, Counterparts, Captions) and Section 22(n) (No Third Party Beneficiaries).

- e. **Further Assurances.** Each of the Parties hereto agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.
- f. **Right of Waiver.** Each Party, in its sole discretion, shall have the right to waive, defer or reduce any of the requirements to which the other Party is subject under this Agreement at any time (other than with respect to and/or relating to the obligation to make any payment due under this Agreement); provided, however that neither Party shall be deemed to have waived, deferred or reduced any such requirements unless such action is in writing and signed by the waiving Party. No waiver will be implied by any usage of trade, course of dealing or course of performance. A Party's exercise of any rights hereunder shall apply only to such requirements and on such occasions as such Party may specify and shall in no event relieve the other Party of any requirements or other obligations not so specified. No failure of either Party to enforce any term of this Agreement will be deemed to be a waiver. No exercise of any right or remedy under this Agreement by Purchaser or Seller shall constitute a waiver of any other right or remedy contained or provided by law. Any delay or failure of a Party to exercise, or any partial exercise of, its rights and remedies under this Agreement shall not operate to limit or otherwise affect such rights or remedies. Any waiver of performance under this Agreement shall be limited to the specific performance waived and shall not, unless otherwise expressly stated in writing, constitute a continuous waiver or a waiver of future performance.
- g. **Comparative Negligence.** It is the intent of the Parties that where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.
- h. **Non-Dedication of Facilities.** Nothing herein shall be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party shall knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party shall assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use all reasonable efforts to restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller shall have the right to terminate this Agreement without further liability, and Seller shall remove the System in accordance with Section 11 of this Agreement.
- i. **Estoppel.** Either Party hereto, without charge, at any time and from time to time, within five (5) business days after receipt of a written request by the other party hereto, shall deliver a written instrument, duly executed, certifying to such requesting party, or any other person specified by such requesting Party: (i) that this Agreement is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modification; (ii) whether or not to the knowledge of any such party there are then existing any offsets or defenses in favor of such party against enforcement of any of the terms, covenants and conditions of this Agreement and, if so, specifying the same and also whether or not to the knowledge of such party the other party has observed and performed all of the terms, covenants and conditions on its part to be observed and performed, and if not, specifying the same; and (iii) such other information as may be reasonably requested by the requesting Party. Any written instrument given hereunder may be relied upon by the recipient of such instrument, except to the extent the recipient has actual knowledge of facts contained in the certificate.
- j. **Service Contract.** The Parties intend this Agreement to be a "service contract" within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser will not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- k. **No Partnership.** No provision of this Agreement shall be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither shall be considered the agent of the other.
- l. **Full Agreement, Modification, Invalidity, Counterparts, Captions.** This Agreement, together with any Exhibits, completely and exclusively states the agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written, regarding its subject matter. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found

unenforceable or invalid, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law. This Agreement may be executed in any number of separate counterparts and each counterpart shall be considered an original and together shall comprise the same Agreement. The captions or headings in this Agreement are strictly for convenience and shall not be considered in interpreting this Agreement.

- m. **Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- n. **No Third Party Beneficiaries.** Except for assignees, Financing Parties, and Successor Providers permitted under Section 19, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto and shall not imply or create any rights on the part of, or obligations to, any other Person.
- o. **Bonding.**
 - i. **Performance bond liability.** Any performance bond issued for a site or system will cease one (1) year from the completion of construction. If a warranty or guarantee is provided under the terms of this Agreement, the balance of any warranty or guarantee beyond one year term of the applicable performance bond shall continue to be guaranteed solely by Seller under the terms of this Agreement. The performance bond does not guarantee any property restorative requirements.
 - ii. **Payment bond liability.** Any payment bond issued will cease at the termination of any time required by law.
 - iii. **Performance Guarantee.** Neither payment bonds, whether for labor or materials, nor performance bonds are applicable to any specified performance guarantee.

Exhibit 5
Attachment A
Termination Payment

Contract Year	Termination Payment Amount
1	N/A
2	N/A
3	N/A
4	N/A
5	N/A
7	\$1,629,703.44
10	\$1,540,495.85
15	\$1,289,253.30

End of Exhibit 5

Exhibit 6
Attachment A
Description of the Premises

The proposed solar photovoltaic array for the Bedford County Jail and Courthouse is located on the premises of The Bedford County Jail, located at 425 Inlertown Rd, Bedford, PA 15522 in Bedford County, Pennsylvania. The property is owned by Bedford County Government with no encumbrances. The array will provide energy offset to service both the Bedford County Jail and Courthouse facilities. The Array will be installed as a 1.830 MW Ground Mounted Solar Array with regard to industry design standards. The solar photovoltaic array will occupy approximately 6 acres which is subject to change based on final design conditions and site planning requirements of the AHJ.

The area utilized by the solar photovoltaic array will be fenced to limit unauthorized access to individuals. All electrical equipment will be appropriately secured via code to prevent risk of injury. The approved installation equipment as identified in the final system design and all other equipment and materials as required by the final system design shall be delivered directly to the site. Delivery of materials and equipment shall utilize the existing site maintenance access points and loading and unloading locations. The site host shall help in the identification and arrangement of material deliveries and secure onsite inventory locations.

End of Exhibit 6

Exhibit 7


Operations and Maintenance Manual and Agreement

Attached

IN WITNESS WHEREOF, this Agreement has been executed and delivered under seal on this 17th day of
January, 2018.

Seller:

Bedford 58 Solar, LLC

By: 

Print Name: Stephanie Brun de Pontet

Title: Director

Purchaser:

By: 

Print Name: Josh Lang

Title: Chairman, Bedford County Commissioners



September 25, 2020

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**RE: Petition of the Bedford County Board of Commissioners for Relief Under
 Section 73559(c) of the Unincorporated Area Certified Territory Law of
 1990
 Docket No. P-2020-_____**

Secretary Chiavetta:

Enclosed please find the Petition of the Bedford County Board of Commissioners for Relief Under Section 73559(c) of the Unincorporated Area Certified Territory Law of 1990.

Please contact me if you have any questions concerning this matter.

Sincerely,

/s/ James M. Van Nostrand

James M. Van Nostrand
Keyes & Fox LLP
320 Ft. Duquesne Blvd, #15K
Pittsburgh, PA 15222-1126
(304) 777-6050
jvannostrand@keyesfox.com

Counsel to Bedford County Board of Commissioners

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of the Bedford County Board :
of Commissioners for Relief :
Under Section 7355(c) of the : Docket No. P-2020-_____
Unincorporated Area Certified :
Territory Law of 1990 :

PETITION

Pursuant to 52 Pa. Code § 5.41, Bedford County Board of Commissioners (“Bedford County”) hereby petitions the Pennsylvania Public Utility Commission (“Commission”) for relief under Section 7355(c) of the Unincorporated Area Certified Territory Law of 1990, 15 Pa.C.S. § 7355(c). Specifically, Bedford County seeks a ruling from the Commission that:

- (1) includes a finding that the retail electric service being furnished by the Bedford Rural Electric Cooperative, Inc. (“BREC”) to the Bedford County Jail is inadequate and is not likely to be made adequate, and
- (2) authorizes Penelec to be the retail electric supplier to the Bedford County Jail.

In support of its Petition, Bedford County states as follows:

I. Commission Jurisdiction and Authority

1. The Commission is a duly constituted agency of the Commonwealth of Pennsylvania empowered to regulate public utilities within the Commonwealth pursuant to the Public Utility Code, 66 Pa.C.S. §§ 101, *et seq.* (“Code”) and, more specifically, to establish certified territory between retail electric suppliers where one supplier is an electric cooperative corporation and the other supplier is subject to the jurisdiction of the Commission for rates, terms and conditions for electric service, pursuant to the Unincorporated Area Certified Territory Law of 1990, 15 Pa.C.S. §§ 7351-7359 (the “Territory Law”).

2. Complainant is the Board of Commissioners of Bedford County, Pennsylvania, 200 South Juliana Street, Third Floor, Suite 301, Bedford, PA 15522. Bedford County is organized under the authority of Article IX, Section 4 of the Pennsylvania Constitution for the purpose of carrying out certain services mandated by the Commonwealth and other services that meet locally determined needs. The Board of Commissioners is the legislative and administrative body of county government in Bedford County.

3. Counsel for Complainant is as follows:

James M. Van Nostrand
Of Counsel
Keyes & Fox LLP
320 Ft. Duquesne Blvd, #15K
Pittsburgh, PA 15222-1126
jvannostrand@keyesfox.com

4. Respondent is Bedford Rural Electric Cooperative, Inc., a non-profit electric cooperative incorporated on June 2, 1939, with a principal place of business at 8846 Lincoln Hwy, Bedford, PA 15522. BREC provides electric service to the rural areas of Bedford County and portions of Fulton and Somerset Counties. BREC serves over 9,000 members and maintains 9 substations and over 1,260 miles of line.

5. Penelec, a FirstEnergy company, is an electric distribution company with offices located at 2312-2334 Oakland Ave, Indiana, PA 15701. Penelec is a “public utility” as that term is defined in the Public Utility Code at 66 Pa.C.S. § 102(1)(i), inasmuch as it provides utility service as an electric distribution company to the public for compensation, including multiple locations owned by Bedford County.

6. Both Penelec and BREC are “retail electric supplier[s]” under § 7352 of the Territory Law, 15 Pa.C.S. § 7352. Penelec and BREC have a mutual boundary in an unincorporated area of Bedford County.

7. In addition to the several pieces of real property owned by Complainant that receive electric service from Penelec, Complainant owns one piece of real property (the “Bedford County Jail”) that, by virtue of an abandoned railroad bed that is part of the Bedford County Jail property, transects the mutual boundary between BREC and Penelec (i.e., the property is partially within the Penelec service territory and partially within the BREC service territory). The Bedford County Jail has traditionally received electric service from BREC, and Bedford County is a member of BREC.

8. Under the Territory Law, the Commission has jurisdiction to establish the certified territory between retail electric suppliers, where one supplier is an electric cooperative (BREC) and the other potential supplier (Penelec) is subject to the jurisdiction of the Commission for rates, terms and conditions for electric service. 15 Pa.C.S. § 7351

9. The Territory Law allows Bedford County to seek relief from inadequate service provided by BREC. Section 7355(c) provides:

Correction of inadequate service. If the commission, after hearing, determines that the retail electric service being furnished or proposed to be furnished by a retail electric supplier to an electric-consuming facility is inadequate and is not likely to be made adequate, the commission may authorize another retail electric supplier to furnish retail electric service to that facility.

10. Bedford County seeks a ruling from the Commission that, based upon the facts and circumstances described herein, the retail electric service being furnished by BREC to the Bedford County Jail is inadequate and is not likely to be made adequate. Complainant respectfully requests that the Commission authorize Penelec to be the retail electric supplier to the Bedford County Jail property for the reasons stated below.

II. Background

A. The Proposed Project

11. With the help of a \$900,698.00 grant awarded to Bedford County by the Pennsylvania Commonwealth Financing Authority's Solar Energy Program, Bedford County is developing a 1.3 megawatt ("MW") aggregated virtual net metering solar array (the "Bedford Solar Project") which will be situated on approximately 6 acres of land on the site of the Bedford County Jail. In addition to providing electricity to the Bedford County Jail, the Bedford Solar Project is designed to virtually net meter to multiple locations also owned by Bedford County that currently receive retail electric service from Penelec. The Project will not hinder or compromise Jail operations in any way and, in fact, has the potential to provide several benefits to the Jail. Bedford County owns the parcel on which the array will be built and has signed a land lease authorizing the development on site.

12. The overall budget for the Bedford Solar Project is \$3,327,070. As stated, the grant of \$900,698 provided by the CFA Solar Energy Program toward the cost of the Bedford Solar Project represents about 27% of the overall project budget. The remaining funding will be provided by the third party project owner, Bedford 58 Solar, LLC in cooperation with its financial partners.

13. Pursuant to a Power Purchase Agreement ("PPA") for the Bedford Solar Project, Bedford 58 Solar, LLC will provide power from the Jail location that will supply 100% of the electricity currently consumed annually by the Jail (representing 40% of the output of the Bedford Solar Project), and will also produce substantial excess generation (representing 60% of the output of the Bedford Solar Project) that will be virtually net metered to several Bedford County locations, thereby providing significant savings to the citizens of Bedford County.

14. Over its estimated 30-year useful life, the Bedford Solar Project will generate an anticipated 65,401,430kWh of clean energy. The use of a PPA for the Bedford Solar Project will (1) immediately lower Bedford County's cost of energy by reducing the cost per kWh, (2) stabilize escalation of energy rates, and (3) hedge against the increasing costs of electric service provided by both of the County's retail electric suppliers (Penelec and BREC). The Bedford Solar Project is expected to produce savings of \$5,305,222 in energy costs for the citizens of Bedford County over its 30-year estimated useful life.

B. Benefits of the Proposed Project to Bedford County

15. As stated, the taxpayers of Bedford County would receive substantial benefits from the financial savings created from the Bedford Solar Project. The Bedford County Jail is currently the single largest line item expenditure in the annual Bedford County budget. By significantly reducing the operation and maintenance costs of the Bedford County Jail facility—without requiring increases in taxation on the citizens of Bedford County—the Bedford Solar Project would provide a direct financial benefit to all taxpayers in Bedford County. Moreover, it would lessen the burden on the Commonwealth of Pennsylvania to support Bedford County Jail operations.

16. Virtual net metering of the Bedford Solar Project would enable Bedford County to use the electrical output of the Bedford Solar Project—which will produce electricity in excess of the Bedford County Jail's needs—to offset the electricity used at nearby Bedford County-owned buildings, thereby providing additional financial benefits to all taxpayers in Bedford County.

C. Benefits of the Proposed Project to the Commonwealth

17. The Bedford Solar Project is consistent with Pennsylvania's environmental objectives and, more specifically, the encouragement of growth in renewable energy to address

climate and sustainability objectives. The development of renewable energy projects has been and continues to be encouraged by financial incentives, legislative changes, and most recently, Pennsylvania Governor Tom Wolf's Executive Order to establish statewide goals to reduce carbon emissions.

18. Financial incentives from the private sector, state and federal grant programs, and a Federal Investment Tax Credit ("ITC") directly support the development of solar generation. As detailed above, the Bedford Solar Project in particular is receiving nearly a third of its funding through a grant from the CFA Solar Energy Program—a grant which may be lost if the relief requested by this Petition is not obtained. While many state and federal grant programs have ended over the past few years, the ITC is still in effect and used by many solar developers and customers. Bedford 58 Solar, LLC successfully captured the 30% ITC in 2019 under the safe harbor rules (the ITC is phasing down in years after 2019) by purchasing all of the solar modules needed for the Project, which are currently being stored on-site at the Bedford County Jail. The PPA under which the Bedford Solar Project is being financed enables Bedford County to achieve cost savings that are made possible by the application of the federal ITC to the Project. (As a unit of government, without the use of the third-party ownership and the PPA, Bedford County would be unable to receive any cost savings resulting from a Project that qualifies for use of the federal ITC. In a sense, the PPA thus allows the Commonwealth's taxpayers to capture back some of the tax these taxpayers pay to the federal government.) Financial incentives make solar assets less costly and reduce the payback, or break-even period, thereby directly supporting customers' ability to install solar assets at their homes and businesses.

19. Pennsylvania's Alternative Energy Portfolio Standard ("AEPS") encourages the development of solar generation within the Commonwealth. The AEPS was enacted in 2004 and

became effective in February 2005; it has since been revised by Act 35 of 2007 (effective July 2007) and Act 129 of 2008 (effective November 2008). The AEPS establishes a goal of generating 0.5% of the Commonwealth's electricity supply from solar generation by compliance year 2020-2021.

20. In October of 2017, Governor Wolf signed Act 4010 into law, which effectively closed Pennsylvania's borders to solar renewable energy credits ("SRECs") generated from solar facilities outside of the Commonwealth.¹ This action supports the development of solar facilities within the Commonwealth inasmuch as electric distribution companies and electric generation suppliers must now fulfill their solar obligations under the AEPS from the generation of solar energy within the Commonwealth. As a requirement of the CFA grant program, Bedford 58 Solar, LLC has agreed to sign over all of the SRECs that will be generated by the Bedford Jail Project for the benefit of taxpayers of the Commonwealth.

21. The Pennsylvania Department of Environmental Protection ("DEP") in November 2018 released its Pennsylvania's Solar Future Plan ("PSFP").² The PSFP adopts a goal of ten percent (10%) of generation in Pennsylvania from distributed solar projects by 2030, and identifies the expansion of virtual net metering opportunities as a key strategy to achieve that goal.³

22. On January 8, 2019, Governor Tom Wolf issued Executive Order No. 2019-01, "Commonwealth Leadership in Addressing Climate Change and Promoting Energy Conservation and Sustainable Governance," which establishes the goal of achieving a 26 percent reduction of

¹ Act 40 of 2017, H.B. 118, 2017 Pa. Laws 40.

² Pennsylvania Department of Environmental Protection, *Pennsylvania's Solar Future Plan*, November 2018, available at <http://www.depgreenport.state.pa.us/elibrary/GetDocument?docId=1413595&DocName=PENNSYLVANIA%26%2339%3bS%20SOLAR%20FUTURE%20PLAN.PDF%20%20%3cspan%20style%3D%22color:blue%3b%22%3e%28NEW%29%3c/span%3e>

³ *Id.* at iv.

net greenhouse gas emissions statewide by 2025 from 2005 levels, and an 80 percent reduction of net greenhouse gas emissions by 2050 from 2005 levels.⁴ Under the Executive Order, all agencies under the Governor’s jurisdiction are required to “[p]rocure renewable energy to offset at least 40 percent of the Commonwealth’s annual electricity use and evaluate opportunities to source electricity through Pennsylvania Certified Tier I credits, and/or direct purchase of renewable power generation sited within Pennsylvania.”

23. The Commission’s “Electric Power Outlook for Pennsylvania 2018-2023” states that “[o]ver 30 GW of new distributed solar photovoltaic is expected by the end of 2023.”⁵

D. Substantial Progress on Installation of the Bedford Solar Project

24. Following announcement of the \$900,698 grant from the Commonwealth Financing Authority’s Solar Energy Program in March 2018, Bedford County and RER began taking steps to commence installation of the Bedford Solar Project. RER submitted an Application for Interconnection to BREC in June 2018, which was accompanied by a check for \$7500. (*Biederman Affidavit*, ¶ 4) This was followed by extensive communications between Andrew Biederman of RER and Ryan T. Young, Manager of Engineering at BREC. (*Id.*)

25. The solar panels for the Bedford Solar Project were delivered to the site in the fall of 2018. On December 12, 2018, a groundbreaking ceremony was held at the site, attended by local leaders and Department of Community and Economic Development (DCED) Secretary Dennis Davin and Department of Environmental Protection (DEP) Executive Deputy Secretary Ramez Ziadeh. Secretary Davin stated at the time that “[t]he Wolf Administration is committed to cultivating a robust and diverse energy portfolio that takes full advantage of renewable

⁴ Available at <https://www.governor.pa.gov/newsroom/executive-order-2019-01-commonwealth-leadership-in-addressing-climate-change-and-promoting-energy-conservation-and-sustainable-governance/>

⁵ Available at http://www.puc.state.pa.us/General/publications_reports/pdf/EPO_2019.pdf, page 5.

technologies like solar. This project makes sense not just from an environmental perspective, but from an economic perspective as well. It's great news for the Bedford area." According to a statement issued by DEP Secretary Patrick McDonnell, "Pennsylvanians are increasingly interested in the benefits of getting electricity from solar energy at home, at work, at school, and throughout the community. While multi-purposing land around the correctional facility, creating jobs, and lowering electricity costs, the Bedford County solar array will remove over 1,600 metric tons of carbon dioxide from the air, helping to address the challenges of climate change. The project perfectly exemplifies how the diverse benefits of solar energy can improve quality of life for our communities." Josh Lang, chairman of the Bedford County Board of Commissioners stated that "[t]he Bedford County solar project is a great example of coordination and collaboration working – one of the county's overarching goals. This project is another successful implementation of forward-thinking innovative technology that will benefit taxpayers for years to come. I thank everyone who helped to make this project a reality."

26. At the time of the groundbreaking, the Bedford Solar Project was expected to become operational in the spring of 2019. As discussed below, however, BREC is refusing to interconnect the Project as it is currently structured. Moreover, the unfavorable terms under which BREC would interconnect the Project make it economically infeasible. Without the relief requested in this Petition, the Bedford Solar Project will not become a reality.

E. The Impact of BREC's Terms of Utility Service on the Bedford Solar Project

27. Under BREC's Net Metering Rate Rider for Member-owned Alternative Energy Production Systems (attached hereto as Appendix A) ("Net Metering Rider"), the size of any "alternative energy system" interconnected with BREC is limited to 100 kilowatts (kW), which is substantially smaller than the 1.8 MW installation of the Bedford Solar Project.

28. Unlike most electric distribution companies operating in Pennsylvania—which allow excess kilowatthours (kWhs) during any billing period to be carried over to successive periods, subject to an annual reconciliation—BREC’s Net Metering Rider prohibits such excess generation within a billing period to be carried over to succeeding billing periods. Rather, the energy produced by any alternative energy system during any billing period is purchased by BREC at a rate much lower than the applicable net metering rates (its retail price of electricity).

29. And rather than using its own actual “avoided costs” as the price for such excess generation during a billing period—which is about seven cents per kWh—BREC uses the avoided costs of its energy supplier, Allegheny Electric Cooperative, which is about 2.5 cents per kWh (*Karsten Affidavit, ¶ 11*), a policy which actually penalizes BREC members for installing renewable energy systems—directly contrary to the state and federal programs and goals recited above.

30. Under Penelec’s Net Metering Rider (consistent with Commonwealth law), meter aggregation is permitted only if the other metered locations are located in the same service territory and also located within two miles of the alternative energy system. Bedford County sized the Bedford Solar Project to enable virtual net metering for other County-owned buildings, all of which, while located within two miles of the Bedford Solar Project, are located in the adjacent Penelec service territory.

31. As described in the Affidavit of Kurt D. Karsten, included as Appendix B, BREC is refusing to interconnect the Bedford Solar Project under the configuration proposed by Bedford County (i.e., with third-party ownership through a PPA and sized to accommodate virtual net metering of other County-owned buildings).

32. The terms under which BREC would interconnect the Bedford Solar Project, under its Net Metering Rider, would result in BREC (and its electric supplier, Allegheny Electric Cooperative) buying only a small amount of the excess output of the Project each month at a rate of 2.5 cents per kWh (while getting as much as 80% of the amount of excess generation for free), far below BREC's retail rate (currently about 10.1 cents per kWh) and its avoided costs (about 7 cents per kWh). (*Karsten Affidavit*, ¶ 12) BREC would thus be making a substantial profit off the Bedford Solar Project, to the detriment of its member, Bedford County, and the citizens of Bedford County who are its taxpayers, who would be denied the substantial economic benefits of the Project described above.

33. The cancellation of the Bedford Solar Project would result in the loss of: (a) the Commonwealth of Pennsylvania CFA grant in the amount of \$900,698.00, (b) the leveraging of the 30% ITC for the benefit of citizens of Pennsylvania, (c) the substantial cost saving benefits to Bedford County and its taxpayers, and (d) 1.7 MW of additional renewable generation located within the Commonwealth, contrary to Pennsylvania's clear environmental and energy policies favoring the development of distributed energy resources and carbon-free generation.

F. The Proposed Solution

34. To enable the Bedford Solar Project to be interconnected and to effect virtual net metering from the Bedford Jail Project to other Bedford County-owned buildings, Bedford County proposes to install one-half mile of distribution line on an abandoned railroad right-of-way from the site of the Bedford Solar Project to the edge of the adjacent service territory of Penelec. No additional easements would be required on land owned by others.

35. Penelec has indicated that it is willing to interconnect the Bedford Solar Project, and to effect virtual net metering of other Bedford County-owned buildings in its service

territory. Penelec's net metering tariff sets a 2 MW cap on the size of distributed energy resources, and allows excess generation each month to be carried forward to successive months. Service by Penelec to the Bedford County Jail would also enable the County to actively manage multiple attributes of the Jail's electric consumption, by (a) allowing the Jail's electric generation to be managed by the County's energy consortium provider, PA Public Entity Energy Consortium (PPEEC), (b) enabling the County to take advantage of the programs offered by Penelec pursuant to Act 129, including Phase III utility rebates and future program offerings, (c) giving the County the option of enrolling the Jail's electric account into one, or more, of the Demand Response programs administered by the PJM Interconnection, Inc. ("PJM"), the regional wholesale electric market serving Pennsylvania, and (d) enabling the County to manage its Peak Load Contribution (PLC) and Network Service Peak Load (NSPL) in a manner that would produce long-term benefits in lowering the related miscellaneous charges on its monthly electric invoices.

36. Under the proposed solution, Bedford County and its taxpayers would capture the economic benefits of the Bedford Solar Project: savings of as much as \$5.3 million in energy costs over the 30-year estimated useful life of the Project. And the Commonwealth would benefit from 1.8 MW of renewable energy, thereby helping to achieve the GHG reduction goals in Governor Wolf's January 2019 Executive Order.

37. Although the point of delivery for service to the Bedford County Jail and interconnection of the Bedford Solar Project would be at the boundary line between BREC and Penelec, because the facility served is located within BREC's service territory, authorization from the Commission under the Territory Act is necessary.

III. Requested Relief

38. As noted above, § 7355(c) of the Territory Law provides:

Correction of inadequate service. If the commission, after hearing, determines that the retail electric service being furnished or proposed to be furnished by a retail electric supplier to an electric-consuming facility is inadequate and is not likely to be made adequate, the commission may authorize another retail electric supplier to furnish retail electric service to that facility.

15 Pa.C.S. § 7355(c)

39. The retail electric service being furnished by BREC to the Bedford County Jail is inadequate. As described in the affidavit of Kurt D. Karsten, BREC refuses to interconnect the Bedford Solar Project as proposed, and refuses to allow a change in electric service providers to Penelec for its member, the Bedford County Jail, even though Bedford County has requested the right to withdraw from its membership in BREC, as provided for in the BREC Bylaws. Even if the Project could be interconnected, the terms under BREC's Net Metering Rider would enrich BREC at the expense of Bedford County taxpayers, and deny its member, Bedford County and the taxpayers of the Commonwealth of Pennsylvania, the economic benefits of the Project.


40. The inadequate retail electric service being furnished by BREC to the Bedford County Jail is not likely to be made adequate. As indicated in Mr. Karsten's affidavit, there is no reason to expect BREC's position on interconnecting the Bedford Solar Project to change. Nor is there any reason to believe that BREC will change the terms of its Net Metering Rider to bring it in line with legally mandated tariffs of other electric distribution companies in Pennsylvania (i.e., interconnecting distributed energy resources up to 2 MW, allowing excess generation each month to be carried forward on an annual basis, and paying the interconnecting utility's actual avoided cost for any excess generation on the basis of an annual reconciliation).

41. Section 7355(c) of the Territory Law empowers the Commission to grant relief to Bedford County, by authorizing another electric supplier—Penelec—to furnish retail electric

service to the affected facility—the Bedford County Jail. Under Bedford County’s proposed solution, the Bedford County Jail and the Bedford Solar Project could be interconnected with Penelec at the boundary of Penelec’s service territory with BREC’s service territory, without the need of obtaining any easements from third party landowners. All interconnection equipment would be located on Bedford County’s property.

WHEREFORE, for all of the foregoing reasons, Bedford County respectfully requests that the Commission exercise its authority under § 7355(c) of the Territory Law to find that BREC’s retail electric service to the Bedford County Jail is inadequate, and authorize Penelec to furnish retail electric service to such facility, which would enable interconnection of the Bedford Solar Project.

Respectfully submitted,



James M. Van Nostrand
Counsel for Bedford County

Of Counsel
Keyes & Fox LLP
PA Attorney ID No. 327054

Date: September 25, 2020

APPENDICES

- A. Net Metering Rate Rider for Member-owned Alternative Energy Production Systems
- B. Affidavit of Kurt D. Karsten
- C. Affidavit of Andrew Biederman
- D. Affidavit of Barry Dallara

BEDFORD RURAL ELECTRIC COOPERATIVE, INC.
NET METERING RATE RIDER
FOR
MEMBER OWNED ALTERNATIVE ENERGY PRODUCTION SYSTEM

AVAILABILITY

Available in all territories served by the Cooperative. Subject to the established rules and regulations of the Cooperative, the aggregate capacity of members' alternative energy systems (AES) may be limited by the Cooperative's system, substation area and/or circuit.

APPLICABILITY

Applicable to all members of the Cooperative. The member's AES must: (1) be owned, operated, leased, or otherwise controlled by the member; (2) be operated in parallel with the Cooperative's distribution system; (3) have a nameplate capacity no greater than 25 kilowatts (kW) for residential service and up to 100 kilowatts (kW) for all other rate classes; and (4) be primarily intended to offset part or all of a member's electric generation requirements.

Member AESs that qualify under this Rate Rider are: solar photovoltaic or other solar energy, wind power, hydropower, biomass, and bio-digester gas and fuel cells as defined in Pa. Act 213 (Alternative Energy Portfolio Standards Act of 2004).

The member's AESs must meet or exceed the standards and requirements of the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and Pennsylvania Public Utility Commission, as well as the Cooperative's Policy on Alternative Energy Production; Safety and Interconnection Requirements for Alternative Energy Production; and local requirements.

The member must have executed an Interconnection and Power Purchase Agreement with Bedford Rural Electric Cooperative, Inc. and Allegheny Electric Cooperative (Allegheny) to sell excess energy produced by the member's AES to Allegheny.

TYPE OF SERVICE

60 cycles, at available secondary voltage.

Service under this rate schedule requires metering equipment that can measure the flow of electricity in both directions.

COOPERATIVE MONTHLY BILLING

The Cooperative bills the member on a monthly basis according to the applicable rate schedule. The AES shall receive a kilowatt hour-for-kilowatt hour credit for each kilowatt-hour produced by an AES installed on the member's side of the electric revenue meter, up to the total amount of kilowatt hours used by the member during the billing period.

Energy produced by the member's AES in excess of that used by the member in any given annual period will be purchased by Allegheny at its avoided cost of wholesale energy.

NET METERING RATE RIDER – Member Owned Alternative Energy Production System
Page - 2 -

METER AGGREGATION

A member operating an AES may aggregate, either by physical or virtual means, electric energy consumption at properties owned, or leased and operated, by that member and served by the Cooperative, provided the other properties are located within two (2) miles of the property having the AES.

For AESs involved in virtual meter aggregation, a kilowatt hour credit shall first be applied to the meter at the service location of the member's AES. Excess kilowatt hours produced by the AES will then be credited equally to the remaining meters for the AESs account(s), at each meter's designated rate.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of the Bedford County Board :
of Commissioners for Relief :
Under Section 7355(c) of the : Docket No. P-2020-_____
Unincorporated Area Certified :
Territory Law of 1990 :

State of Maryland)
) ss.
County of Anne Arundel)

AFFIDAVIT OF KURT D. KARSTEN, ESQ.

I, Kurt D. Karsten, hereby solemnly affirm under the penalties of perjury that I am over the age of 18, competent to testify, and not a party to this action, and state as follows:

1. I am legal counsel for RER Energy Group, LLC (“RER”).
2. RER is a regional leader in renewable energy development based in Reading, Pennsylvania. RER has been working with the Bedford County Board of Commissioners since early 2018 to develop a solar project to be sited at the Bedford County Jail (“Bedford Solar Project”).
3. The current overall budget for the Bedford Solar Project is \$3,327,070. On the basis of a proposal prepared and submitted by RER, Bedford County received a grant of \$900,698 from the Pennsylvania Commonwealth Financing Authority’s Solar Energy Program toward the cost of the Bedford Solar Project, representing about 27% of the overall project budget. The remaining funding will be provided by the third-party project owner, Bedford 58 Solar, LLC in cooperation with its financial partners.
4. Upon completion of the Bedford Solar Project, Bedford County and Bedford 58 Solar LLC will enter into a Power Purchase Agreement (“PPA”) pursuant to which Bedford 58

Solar, LLC will provide power from the Project that will supply 100% of the electricity currently consumed annually by the Jail (representing 40% of the output of the Bedford Solar Project). The remaining generation – representing 60% of the output of the Bedford Solar Project—is to be virtually net metered to several Bedford County locations, thereby providing significant savings to the citizens of Bedford County. The Power Purchase Agreement was signed after several public meetings of the Bedford County Commissioners and several articles in local publications publicly discussing the Bedford Solar Project.

5. As described in the accompanying affidavit of Andrew Biederman, on or about June 19, 2018, RER submitted an interconnection application to the Bedford Rural Electric Cooperative (“BREC”) for the Bedford Solar Project, which did a Feasibility Study that determined the Project was feasible and could be interconnected to BREC’s grid upon payment of certain identified costs. However, thereafter, despite BREC’s Feasibility Study, BREC’s General Manager subsequently stated BREC would not sign a “Service Territory Agreement” with the adjoining Utility, Penelec, under any circumstances, to allow the project to go forward.

6. On November 11, 2019, I sent an email to Brooks R. Shoemaker (General Manager/CEO of BREC) (“Mr. Shoemaker”) concerning the involvement of BREC in the project as well as discussing the obstacles that had arisen in getting final approval of the interconnection application submitted by RER, namely that BREC refused to enter a Service Territory Agreement that would allow Bedford County to obtain service for the Jail location from Penelec, so as to allow implementation of the Bedford Solar Project.

7. In the November 11, 2019 email, I mentioned two other opportunities for the Bedford Solar Project to remain viable and still allow BREC to provide adequate service to Bedford County at the Bedford Jail site. Specifically, the first option involved the Bedford County

Jail withdrawing from service for the Jail from BREC completely, and connecting directly to Penelec via an abandoned strip of land that directly connects the Bedford County Jail property to Penelec service territory. This option would require the Bedford County Jail to withdraw, subject to certification from the BREC Board that Bedford's electricity bill had been paid to date and it appeared to be allowed by the BREC Bylaws pertaining governing its relationship with its Members (such as Bedford County.)

8. The second opportunity mentioned in the November 11, 2019 email involved the Bedford County Jail remaining a customer of BREC with the County and, through its developer, building a smaller array at the Bedford County Jail consistent with the Interconnection Study already performed. That proposed smaller array would, with BREC's cooperation, on an annual basis, offset 100% of the electrical load of the Bedford County Jail and the County would then build a second array at a location the County had already identified as a solar site, in Penelec Territory. The combination of the two arrays would result in the same size project that was originally envisioned by the Bedford County Board of Commissioners and would achieve the savings as originally projected, if the second site were used to augment the Bedford County Jail site. Bedford County would continue to be technically a customer of BREC, though the Bedford County Jail array would, on an annual basis, provide all of the Jail's electricity needs.

9. In the November 11, 2019 email, I mentioned that the preferred path for Bedford County, based upon the evolution of the project over the course of the prior two years, would be the withdrawal of the Bedford County Jail from BREC and the direct connection to Penelec, however, if BREC would agree to the annual "true-up" of net-metering, as opposed to the monthly "true-up" dictated by the BREC tariff, then the second option would also work.

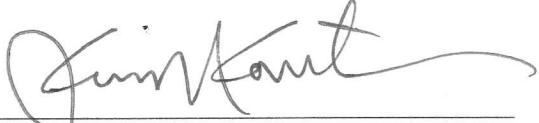
10. On November 21, 2019, I had a phone consultation with Mr. Shoemaker and Ryan T. Young (Engineering Manager, BREC) concerning the content of the November 11, 2019 email. During this consultation, Mr. Shoemaker stated that BREC would never consent to the Bedford County Jail getting power from anyone else, so BREC would not approve of the withdrawal if it meant that the Bedford County Jail would become a customer of Penelec, despite the bylaws provision. Although Mr. Shoemaker stated that the Jail could technically withdraw from BREC, the consequence, as far as BREC was concerned, would be that the Jail would not have any electric service at all (inasmuch as BREC would not consent to the Jail being served by Penelec).

11. During the same phone call, I also spoke with Mr. Shoemaker about the idea of building an array at the Jail that would be sized to cover just the Jail's needs. Mr. Shoemaker explained that BREC's tariff for net metering could only be "trued up" on a monthly basis—not an annual basis—which would preclude any excess generation produced by the Jail's solar array from being carried forward to offset subsequent retail sales from BREC. Consequently, any excess generation that would occur in a given month would be compensated by BREC at its "avoided cost" rate, which Mr. Shoemaker described as about \$0.025 per kWh.


12. When I pointed out that the avoided cost that BREC published as its cost of electricity in the annual budget on its website was closer to \$0.07 per kWh, he explained that the avoided cost that would apply for a net metered project in BREC territory would not be BREC's avoided cost. Rather, it would be the avoided cost of a different company (of which Bedford County is not a Member), specifically BREC's energy supplier, Allegheny Electric Cooperative, Inc. When I pointed out that this approach was not in the best interest of either BREC's Member (Bedford County) but rather would be allowing BREC to "make a profit off its Member" by paying

Bedford County much less than BREC's avoided costs for the excess energy generated, Mr. Shoemaker simply replied that this was how the BREC net metering tariff worked.

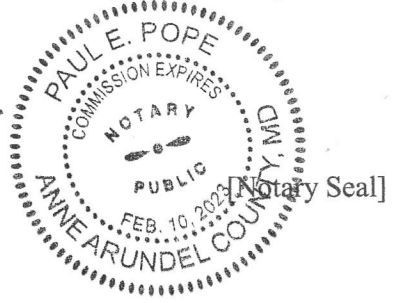
9/15/20
Date


Kurt D. Karsten

Subscribed and sworn to before me on the 15th day of September, 2020.



Notary Public



BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of the Bedford County Board :
of Commissioners for Relief :
Under Section 7355(c) of the : Docket No. P-2020-_____
Unincorporated Area Certified :
Territory Law of 1990 :

State of Iowa)
) ss.
County of Black Hawk)

AFFIDAVIT OF ANDREW BIEDERMAN

I, Andrew Biederman, hereby solemnly affirm under the penalties of perjury that I am over the age of 18, competent to testify, and not a party to this action, and state as follows:

1. I am the Manager of Design & Engineering for RER Energy Group, LLC (“RER”).
2. In March 2018, the Bedford County Commission received approval of a grant in the amount of \$900,698.00 by the Commonwealth of Pennsylvania Commonwealth Financing Authority for the installation of a solar project at the Bedford County Jail (“Bedford Solar Project”). The grant was approved based upon a proposal tendered by RER.
3. As the Manager of Design and Engineering for RER, I took the lead on communications with the Bedford Rural Electric Cooperative, Inc. (“BREC”) with respect to integration of the Bedford Solar Project with BREC’s system. On or about June 19, 2018, I submitted, on behalf of RER, an interconnection application via email to Ryan T. Young, Engineering Manager (“Mr. Young”) for BREC for a solar project of approximately 1.260 kW in size to be sited at the Bedford County Jail.

4. On June 25, 2018, I received a reply email from Mr. Young acknowledging the application and attached documents but advising that the cost of the "System Impact and Facilities Study" ("Feasibility Study") would need to be received prior to processing the application. That same day, the bookkeeper for RER drafted the check, payable to "Bedford Rural Electric Cooperative," in the amount of \$7,500.00. I scanned a copy of the check and sent it to Mr. Young in a show of good faith that RER wanted to proceed. The actual check was mailed that day.

5. On August 17, 2018, Mr. Young sent me the final Feasibility Study via email and encouraged me to contact him with any questions. A copy of the Feasibility Study is included as Exhibit 1 to this Affidavit.

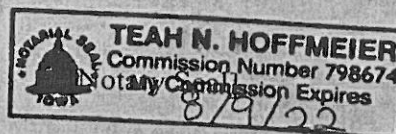
6. On August 22, 2018, Mr. Young replied to my August 20, 2018 email and suggested scheduling a conference call between RER, BREC, and Power System Engineering ("PSE"). He also advised that BREC "expects payment upfront" once the detailed costs have been finalized.

09/15/2020
Date

Andrew Biederman
Andrew Biederman

Subscribed and sworn to before me on the 15th day of September, 2020.

[Signature]
Notary Public



**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of the Bedford County Board :
of Commissioners for Relief :
Under Section 7355(c) of the : Docket No. P-2020-_____
Unincorporated Area Certified :
Territory Law of 1990 :

State of Pennsylvania)
County of Bedford) ss.
County of Bedford)

AFFIDAVIT OF BARRY DALLARA

I, Barry Dallara, hereby solemnly affirm under the penalties of perjury that I am over the age of 18, competent to testify, and state as follows:

1. I am the Vice-Chairman of the Bedford County Board of Commissioners, which is the Petitioner in the above captioned matter.

2. With the help of a \$900,698.00 Grant awarded to Bedford County by the Commonwealth of Pennsylvania Financing Authority for the purposes of furthering Governor Tom Wolf’s policies of supporting renewable energy projects for the benefit of the citizens of Pennsylvania, Bedford County is developing a 1.38 megawatt (“MW”) aggregated virtual net metering solar array (the “Bedford Solar Project”) which will be situated on approximately 6 acres of land on the site of the Bedford County Jail, and which is designed to virtually net meter to multiple locations also owned by Bedford County that currently receive retail electric service from Penelec. The Project will not hinder or compromise Jail operations in any way and, in fact, has the potential to provide several benefits to the Jail. Bedford County owns the parcel projected for the array and has signed a land lease authorizing development on the site.

3. Pursuant to a Power Purchase Agreement (“PPA”) for the Bedford Solar Project, Bedford 58 Solar, LLC will provide power from the Jail location that will supply 100% of the

electricity currently consumed annually by the Jail (representing 40% of the output of the Bedford Solar Project), and will also produce substantial excess generation (representing 60% of the output of the Bedford Solar Project) that will be virtually net metered to several Bedford County locations, thereby providing significant savings to the citizens of Bedford County.

4. Over its estimated 30-year useful life, the Bedford Solar Project will generate an anticipated 65,401,430kWh of clean energy. The use of a PPA for the Bedford Solar Project will (1) immediately lower Bedford County's cost of energy by reducing the cost per kWh, (2) stabilize escalation of energy rates, and (3) hedge against the increasing costs of electric service provided by both of the County's retail electric suppliers (Penelec and Bedford Rural Electric Cooperative a/k/a "BREC"). It has been estimated that the Bedford Solar Project will result in savings of as much as \$5,305,222 in energy costs for the citizens of Bedford County over its 30-year estimated useful life.

5. On or about June 4, 2018, I spoke with representatives from RER Energy, Larry Myers (1st Vice Chairman, Municipal Authority of the Borough of Bedford) ("Mr. Myers"), and Rodney Rose ("Rose") and Brooks R. Shoemaker (General Manager & CEO, BREC) ("Mr. Shoemaker") regarding the interconnection agreement proposed by RER Energy to provide a solar array to remote net meter excess from the Bedford Prison to the Bedford County Courthouse.

6. Shortly thereafter, Rodney Rose informed me of a telephone conversation with Mr. Shoemaker at which time BREC's relationship with Allegheny Electric Cooperative and, specifically, conversations between BREC and Ben Ricci (Manager, Alternative Energy and Competitive Markets, Allegheny Electric Cooperative) ("Mr. Ricci") were discussed.

7. It was my understanding, following these conversations, that Allegheny Electric Cooperative and BREC were going to cooperate in effecting a virtual net metering of Bedford County-owned buildings in order to realize the cost savings to the taxpayers of Bedford County.

8. To enable the Bedford Solar Project to be interconnected and to effect virtual net metering from the Bedford Jail Project to other Bedford County-owned buildings, RER Energy Group proposes to install one-half mile of distribution line on an abandoned railroad right-of-way from the site of the Bedford Solar Project to the edge of the adjacent service territory of Penelec. No additional easements would be required on land owned by others.

9. Penelec has indicated that it is willing to interconnect the Bedford Solar Project, and to effect virtual net metering of other Bedford County-owned buildings in its service territory. Penelec's net metering tariff sets a 2 MW cap on the size of distributed energy resources and allows excess generation each month to be carried forward to successive months.

10. Under the proposed solution, Bedford County and its taxpayers would capture the economic benefits of the Bedford Solar Project: savings in energy costs over the 30-year estimated useful life of the Project. And the Commonwealth would benefit from 1.8 MW of renewable energy, thereby helping to achieve the aggressive GHG reduction goals in Governor Wolf's January 2019 Executive Order.

11. Although the point of delivery for service to the Bedford County Jail and interconnection of the Bedford Solar Project would be at the boundary line between BREC and Penelec, because the facility served is located within BREC's service territory, authorization from the Commission under the Territory Act is necessary.

Aug 18, 2020
Date


Barry Dallara, Commissioner

Bedford
County of Bedford

Notary:

Debra K. Brown
Signature

Date: 8-18-2020

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Debra K. Brown, Notary Public
Bedford Boro, Bedford County
My Commission Expires Oct. 17, 2020
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of the Bedford County Board :
of Commissioners for Relief :
Under Section 7355(c) of the : Docket No. P-2020-_____
Unincorporate Area Certified :
Territory of 1990 :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

VIA FIRST CLASS MAIL, POSTAGE PREPAID

Brooks R. Shoemaker
General Manager/Chief Executive Officer
Bedford Rural Electric Cooperative
8846 Lincoln Highway
Bedford, PA 15522

Barry Dallara
Josh Lang
Deb Baughman
Board of Commissioners of Bedford County
200 S. Juliana St., Third Floor, Suite 301
Bedford, PA 15522

Richard A. Kanaskie
Director and Chief Prosecutor
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-1923

Tanya J. McCloskey
Acting Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

John R. Evans
Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Penelec, a FirstEnergy Company
2312-2334 Oakland Ave.
Indiana, PA 15701

Dated this 25th day of September, 2020.

/s/ Blake Elder
Keyes & Fox LLP
1155 Kildaire Farm Rd., Suite 203
Cary, NC 27511
Phone: 919-825-3339
Email: belder@keyesfox.com

Bedford Rural Electric Cooperative, Inc
Initial Application
Interconnection of Alternative Generation Facilities

Legal Name and Address of Member-Generator

Name: Bedford County Commissioner's Office

Mailing Address: 200 South Juliana Street

City: Bedford State: PA Zip Code: 15522

Service Address: 425 Imlertown Road, Bedford, PA 15522

Phone: (814) 623-4807 Email: bdallara@bedfordcountypa.org

Account No.: BREC 2267601 Meter No.: 18389028

Alternative Contact Information – If different from above.

Name: Andrew Biederman

Mailing Address: 4700 Pottsville Pike

City: Reading State: PA Zip Code: 19605

Phone: (319) 610-3449 Fax: (888) 712-0734 Email: abiederman@reenergygroup.com

System Information

Nameplate kW Capacity: Solar 1,260 Hydro Wind Other

System Address: 425 Imlertown Road

City: Bedford State: PA Zip Code: 15522

Existing Service Voltage: 277/480 Existing Service Capacity: 1200 Amps

Current Annual Consumption: 720,288 kWh Estimated Gross Annual Production: 2,104,700 kWh

Estimated Monthly Dollar Savings Based on Standard Rate: TBD

Inverter Manufacturer & Model: Chint Power Systems, CPS SCA60KTL-DO/US-480

Single Phase Three Phase Estimated Install Date: 03/2019

Do you plan to deliver power to the Cooperative's distribution system? Yes / No

If yes, Estimated Maximum: 1,260 kW Estimated Gross Annual Energy Production: 2,104,700 kWh

One-Line Diagram Attached (Required): Yes Site Plan Attached (Required): Yes

Energy Source: Solar Photovoltaic Gross Generator Rating: 1,684.8 kW

Utility Accessible Disconnect or Lock Box: Yes

Equipment Installation Contractor:

Business Name: RER Energy Group Contact Person Andrew Biederman
Mailing Address: 4700 Pottsville Pike
City: Reading State: PA Zip Code: 19605
Phone: (319) 610-3449 Email: abiederman@rerenergygroup.com
Fax: (888) 712-0734

Electrical Contractor:

Business Name: TBD Contact Person _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Phone: () _____ Email: _____
Fax: () _____

Consulting Engineer:

Business Name: BL Companies Contact Person Steven Collins
Mailing Address: 855 Main Street
City: Bridgeport State: CT Zip Code: 06604
Phone: (203) 683-6934 Email: scollins@blcompanies.com
Fax: () _____

Interconnection Customer Acknowledgement

I hereby certify that, to the best of my knowledge, the information provided in this Application is true and correct. With respect to the Qualifying Facility (QF), I agree that I will:

- Execute, along with Bedford Rural Electric Cooperative and Allegheny Electric Cooperative, The "Interconnection and Power Purchase Agreement,"
- Abide by Bedford Rural Electric's (BREC'S) "Safety and Interconnection Requirements for Alternate Energy Production,"
- Provide the necessary information for BREC to complete a *REAP Application* to the Pennsylvania Rural Electric Association for approval of funding and reimbursement for certain metering and interconnection costs,
- Certify that the equipment used in the QF is commercially available and UL Listed. If not, I understand that It must be certified by a professional engineer.
- Provide evidence of General Liability Property Insurance for a minimum of \$1 million. BREC and Allegheny must be named as additional insureds on the policy. Applicants must provide a copy of the evidence of property insurance,
- Provide to BREC, complete and detailed electrical drawings, signed by a Pennsylvania-licensed, professional engineer,
- Design and wire the system in accordance with BREC requirements, the National Electric Code, and all other applicable codes and ordinances,
- Ensure that QF's equipment is designed to be "fail safe," so that in the event of either an electrical supply or equipment failure, the QF and BREC's system will be physically separated automatically,

- NOT energize the system, except for a testing period not to exceed two (2) hours, until all inspections required by the Pennsylvania Uniform Construction Code Statutes have been completed, and BREC has conducted a final review (which includes operationally testing the unit) and installed appropriate metering,
- Be financially responsible for any incremental costs incurred by BREC, that are required by the interconnection, i.e., increased transformer capacity, increased conductor size, line extensions, subsequent, ongoing information requests or technical assistance etc.,
- Return the Certificate of Completion to BREC when the QF has been installed and BEFORE it is interconnected,
- Allow BREC personnel access to the QF to perform periodic inspections, both prior to interconnection, and at any future time while interconnected with BREC's system, and
- Allow BREC access to all metering and disconnecting equipment.

Signed (Co-op Member/System Owner): Barry R. Collins Date: June 19, 2018

Bedford Rural Electric Approval

Interconnection of the above mentioned Qualifying Facility is approved contingent upon compliance with the "Safety and Interconnection Requirements for Alternate Energy Production," the return of the Certificate of Completion, appropriate state electrical inspections, a BREC inspection, and the installation of all metering.

Signed (BREC Representative): _____ Date: _____

DC Source Information:

Energy Source: CSUN 325-72P DC Source Rating: .325 kW DC

Nominal DC Voltage 37.6 V DC Ampere Rating: 8.66 Amps DC

Inverter Information:
Inverter Manufacturer: Chint Power Systems Inverter Type: Select Type Transformerless Grid Interactive

Model Number of Inverter: CPS SCA60KTL-DO/US-480

Number of Units: 21 Inverter Rating: 60 kW AC

Voltage Rating: 480 Volts AC Ampere Rating: 72 Amps AC

Power Factor: >99 % Number of Phases: 3

Frequency: 60 Hz,

IEEE1547/UL1741 (or the most current revision) Certification: Yes

Evidence of Certification attached: Yes

- Attach additional sheets as necessary in the event of multiple units of various types/sizes
- The applicant is encouraged to provide evidence of IEEE1547/UL1741 Test Certification with this application, and may be required to do so in the event such evidence is not readily accessible to BREC.

We anticipate that many projects proposing to utilize directly coupled rotating generation may not have the specific information necessary for BREC to adequately evaluate the impact of the proposed facility on the electrical distribution system at the time of the initial application. Often times the equipment for which this information is needed has not been specified. The type of information necessary may be conveyed during a scoping meeting or other correspondence early on during the project development. Depending on the nature of the project, this is often an iterative process. BREC's analytical systems may require that data be provided conforming to specific standard formats. While not all inclusive, examples of the information commonly required are as follows:

For Synchronous Machines: Copies of the Saturation Curve and the Vee Curve – Salient vs. Non-Salient – Torque: (lb-ft) – Rated RPM – Field Amperes at rated generator voltage and current and %PF over-excited – Maximum Leading and Lagging Reactive Output Power – Type of Exciter – Output Power of Exciter – Type of Voltage Regulator – Direct-axis Synchronous Reactance (X_d) ohms – Direct-axis Transient Reactance ($X'd$) ohms – Directaxis Sub-Transient Reactance ($X'd$) ohms – Rated Nominal Frequency

For Induction Machines: Rotor Resistance (R_r) ohms – Exciting Current (Amps) – Rotor Reactance (X_r) (ohms) – VARs (No Load) – Magnetizing Reactance (X_m) – Stator Resistance (R_s) – VARs (Full Load) – Stator Reactance (X_s) – Short Circuit Reactance ($X'd$) – Number of Phases – Frame Size – Design Letter – Temp. Rise °C

Protective Equipment: The customer generator shall design a protective scheme that will provide the protective functions specified in IEEE 1547 and submit it to BREC for review and acceptance. The submittal shall include a single line drawing showing the location of Instrument transformers (current and voltage) and the location of the relays, breakers, and fuses. Indicate the manufacturer and model number of each type of device. Breaker data shall include continuous and interrupting ampere ratings. If relays are used, indicate function, the tripping source, and its voltage.

Isolation Transformer: Manufacturer – Manufacturer reference number – Nominal Voltage Ratio – High / Low Voltage Taps – Number of Units – Rated kVA – Percentage Impedance @ kVA base – High / Low Voltage Winding Configuration

Bedford County Solar Analysis

8/21/19 M. Ed Brandau - Estimating 0 kW saved, \$1.60/Watt installation cost.

Note: Excluded NUG charges that expire 2020.

911 center estimated same as library for now. Jail estimated all in at \$0.15/kWh.

Site	kWh	Rider&Dist \$/kWh	Energy Estimate	Estimated \$/kWh	Maximum Annual Savings
Jail - generation site	713,899		\$ 0.150	\$ 0.15000	\$ 107,085
Courthouse	1,425,128	\$ 0.00229	\$ 0.060	\$ 0.06229	\$ 88,771
Ag Ext 1	8,600	\$ 0.00224	\$ 0.060	\$ 0.06224	\$ 535
Ag Ext 2	15,317	\$ 0.00229	\$ 0.060	\$ 0.06229	\$ 954
Library	70,659	\$ 0.00229	\$ 0.060	\$ 0.06229	\$ 4,401
<u>911 - estimated</u>	<u>70,659</u>	<u>\$ 0.00229</u>	<u>\$ 0.060</u>	<u>\$ 0.06229</u>	<u>\$ 4,401</u>
Total	2,304,262				\$ 206,148

Third Party Owner Analysis			
Total kWh Consumed	2,304,262		
PA Statute Limit	<u>110%</u> *		
Allowable kWh	2,534,688		
Hours per year	\ <u>8,760</u>		
Generator Size	289	at 100% output - is not possible due to shade, etc.	
Solar Capacity Factor	\ <u>25.8%</u>	** Up to	\ <u>15.0%</u> **
Max Allowable Size	1,120	kW up to	1,927 kW
Hours per year	\ <u>8,760</u>		\ <u>8,760</u>
Solar Capacity Factor	\ <u>15.0%</u> *		<u>15.0%</u> * Realistic value
Expected Generation	1,471,680	kWh up to	2,532,078 kWh

Application Size Analysis			
Generator Size	1,260	kW	Size is under 110%, within statute.
Capacity Factor	15%	* Realistic value	
Hours per year	<u>8,760</u>		
Expected Generation	1,655,640	kWh	
Which is	72%	Of needed	2,304,262 kWh consumed
This is more than kWh at jail, so all jail account is offset, balance is allocated to others.			
Expected Generation	1,655,640	kWh	
Jail - generation site	<u>713,899</u>	kWh	
Allocated Generation	941,741	kWh	
	57%	Excess of	1,655,640 expected generation

	kWh	Rate	Allocation	Savings
Jail - generation site	713,899	\$ 0.15000	100%	\$ 107,085
Courthouse	1,425,128	\$ 0.06229	57%	\$ 50,494
Ag Ext 1	8,600	\$ 0.06224	57%	\$ 304
Ag Ext 2	15,317	\$ 0.06229	57%	\$ 543
Library	70,659	\$ 0.06229	57%	\$ 2,504
<u>911</u>	70,659	\$ 0.06229	57%	\$ 2,504
				\$ 163,433
	\$ 163,433	Estimated Annual Savings		
	\$ 2,016,000	Estimated Installation Cost at \$1.60/Watt		
	12.34	Year Simple Payback		

* PA Public Utility Commission Order at Docket No. M-2011-2249441, Net Metering - Use of Third Party Operators. "As such we adopt, as Commission policy, a size limitation of 110% for net metered alternative energy systems owned and operated by third-parties that are interconnected and placed on property owned or leased and operated by an electric utility customer...The Commission notes that the 110% design limit will be based on historical or estimated annual system output and customer usage, both of which are affected by weather that is beyond the control of the customer generator."

** "Per EIA data, in 2015 the capacity factor for utility scale solar was 25.8%. In Pennsylvania, 15% is a more realistic capacity factor. Adding energy storage to these resources does not increase the capacity factor, but it does allow for more consistent and reliable dispatching of these resources."

Source: 2017 Annual Report, Alternative Energy Portfolio Standards Act of 2004, PA Public Utility Commission in cooperation with the PA Department of Environmental Protection.

http://www.puc.pa.gov/Electric/pdf/AEPS/AEPS_Ann_Rpt_2017.pdf

The 25.8% capacity factor reference is from U.S. Energy Information Administration Electric Power Monthly -

https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_6_07_b



DONALD P. SCHWARTZ
Director

BEDFORD COUNTY PLANNING COMMISSION

200 SOUTH JULIANA STREET
BEDFORD, PENNSYLVANIA 15522

TELEPHONE: 814-623-4827

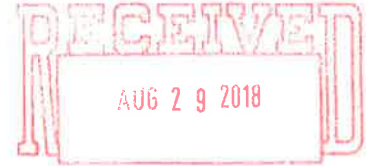
FAX: 814-623-5964 E-mail: dschwartz@bedfordcountypa.org
TTY-TDD: 1-800-654-5984

WAYNE KOONTZ
Chairman

JOSEPH BAREFOOT
ROBERT W. DETWILER
ERNEST FULLER
KIMBERLEY LEYDIG
SUSAN RAMIREZ
MARY STANLEY
CHARLES SWARTZWELDER
PANDORA M. WERTZ

August 28, 2018

Bedford Township Supervisors
ATTN: Janie McMillen, Secretary/Treasurer
P.O. Box 148
Bedford, PA 15522



Re: Bedford County Jail Solar Field Preliminary Land Development Plan Review

Dear Supervisors:

On August 10, 2018, the Bedford County Planning Commission received one copy of the above referenced land development plan containing Sheets No. 01 through 07 dated August 3, 2018 prepared by BL Companies, Inc. for developer RER Energy Group, the County Review application, and review fee. Since the Planning Commission does not charge review fees for municipal or municipal driven projects, on August 20, 2018 the review fee was returned in the mail to BL Companies, Inc. We completed our review in accordance with your subdivision and land development ordinance and under the auspices of Section 502(b) of the PA Municipalities Planning Code (MPC) Act No. 247.

This plan proposes the installation of 5,184 photovoltaic solar panels mounted at 25 degrees on an 8.37-acre portion of Tax Parcel E.09-0.00-012-A containing 31.812 acres (deed) owned by the County of Bedford at 425 Imlertown Road. The plans show the site for the new solar field, situated on the parcel just south of the County Jail, will contain +/- 5.84-acres enclosed with a 6-foot chain link fence with two 10-foot access swing gates. The plans also show a 15-foot wide vegetated drive for service truck use around the perimeter of the facility just inside the fence. Access to the solar field will be by a 12-foot wide gravel driveway that connects to the existing bituminous driveway/access road to the County Jail connecting to S.R. 1001 Imlertown Road. The plans show a typical centerline distance of 25.21 feet between rows of solar panels with a typical clear distance of 13.5 feet between rows. A 10-foot by 12-foot electrical gear concrete pad is located within the fenced solar field and plans show other electrical components situated to the southwest of the jail facility with an underground electrical conduit. The plans include vegetated drainage swales, check dams in an existing drainage swale, and other improvements within a designated NPDES boundary for stormwater discharges associated with construction activities. A small area of wetlands are mapped on the parcel outside of the proposed solar field. Lastly, plans show the parcel with three areas of existing spoil piles and depressions that need removed.

The following comments are for your consideration. They are based upon county and municipal plans and your municipal subdivision and land development ordinance. Our review comments are not intended to replace your own review or to offer either legal or engineering advice.

1. Section 503.1.A.3. – The plan shows in several places the name and address of the landowner as the Bedford County Jail, 425 Imlertown Road, Bedford. According to the property deed, the landowner is not the Bedford County Jail but the County of Bedford, now at 200 South Juliana Street, Bedford. Plan information should show the correct name and address of the record owner of the property.
2. Section 503.1.A.16 – A signed, notarized statement by the owner (County of Bedford) certifying ownership of the property, acknowledging their intention to develop the property as depicted on the plans and authorizing recording of the plans needs to be completed. Township approval should be contingent upon the Statement of Ownership being completed.

3. Section 503.1.A.19. – There is no Bedford Township Planning Commission. This review block should be removed from the Plan Cover Sheet. Additionally, we see no requirement in the ordinance for a municipal engineer's review block to be on the plan for signature and space to fill in a date of signature. The engineer's plan review is normally in the form of a letter addressed to the Supervisors.
4. Section 503.1.A.19. – The plan should include a review block for signatures of authorized persons of the County Planning Commission along with space to fill in date of signatures.
5. Section 503.1.B.1 – The plan does not show a scaled version of the exterior boundary of the tract, only the southern portion of the property developed as a solar field. However, Sheet No. 3 does show an overall, not to scale, depiction of the parcel. We have no issues should you decide to accept the plan as submitted.
6. Section 503.1.B.5. – Plan Sheet 3 of 7 shows overhead wires cutting across a portion of the parcel to be developed. Existing easements, locations, width and purpose are to be on the plan.
7. Section 503.1.C. – If preliminary plan is to proceed to a final plan with the posting of financial security, this ordinance section requires a note should be added to the plan stating that approval of the preliminary plan does not authorize construction of facilities, the sale of lots, or recording of the plan. Section 406.1 indicates that the developer should provide the Township with a cost estimate for the construction of such improvement or common amenities such as parking, stormwater basins and other related stormwater facilities, facilities, buffer or screen plantings that may be required, as well as soil erosion controls as required in Section 611(a)(3)(b).
8. Section 503.1.C.13. – If preliminary plan is to proceed with a final plan submitted after completion of required improvements, a statement should be added to the plan that approval of preliminary plan authorizes construction of facilities depicted on the plans, but does not authorize sales of lots, construction of buildings, use of facilities, or recording of the plan. Section 406 states that after preliminary plan approval, the developer has up to five years to submit a final plan for approval.
9. Section 504.1.7.(b) –The design of the stormwater management controls for the proposed improvements should be in accordance with the approval of the Township Engineer. Additionally, Section 609(e) on stormwater drainage states that the stormwater management plan needs be reviewed and approved by the Township Engineer, and include the developer/owner's operation and maintenance plan of the stormwater management system. Adherence to approved stormwater requirements should ensure that needed management is provided.
10. General – Plan Sheet 05 of 07 provides information on the Operations and Maintenance Program of the Permanent Stormwater Facilities. It states that the permit applicant shall be responsible for the maintenance of permanent stormwater facilities located on the subject properties. The Township should be provided with clarification on who is the permit applicant, is it the developer (RER Energy Group), or the County of Bedford.
11. Section 504.2 – As a reminder your ordinance states that if required, the following documentation shall be submitted to the Township by the developer prior to final plan approval:
 - o A Soil Erosion and Sedimentation control plan review letter from the County Conservation District or an earth disturbance permit issued by DEP;
 - o Since the existing driveway connection to S.R. 1001 will be utilized to serve this development, information should be provided to the Township showing that there is an approved HOP at this location;
 - o An NPDES permit or other permits that may be required for discharges of stormwater; and
 - o If applicable, any documents pertaining to any proposed restrictive covenants.
12. General – It would be helpful if the plans provided information on the rows of solar panels such as how they are to be affixed on or in the land, type of structure, framing, their height, and type of ground cover at base of panels. In addition, the plans should show how the flow of electricity would be conveyed from the rows of panels (wiring/cabling underground or overhead).

13. General – The plan shows a small area of the solar field within Zone AE of the Dunning Creek floodplain. We recommend the plan show the base flood elevation or elevations of the solar field. Our understanding is that land may be platted for development with the provision that the developer install structures to preclude flood damage in accordance with the subdivision and land development ordinance and with other laws and ordinances regulating development.
14. General – The Township should be provided with more information on the project. Will the portion of the parcel be leased by the County to RER Energy Group and if so, for how many years? The Township may want to inquire if the lease includes a decommissioning plan to remove the solar panel systems at the end of their lifecycle that includes restoring the land to its original state.

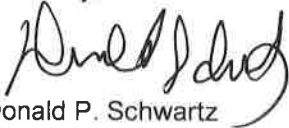
Since the municipality has a subdivision & land development ordinance, the role of the County Planning Commission is limited to review and report on how the application fits with regard to the township or borough ordinance. The County Planning Commission can neither grant waivers from the requirements of township and borough ordinances, nor evaluate which sections of ordinances, if any, take precedence over others. The final decision on all issues relative to the approval of subdivision and land development plans rests with the local governing body. This report (review letter) is for the purpose of assisting the township or borough in the rendering of any decision or determination and shall be deemed to be recommendatory and advisory only.

The above comments are designed to assist in implementing the comprehensive plan and your municipal subdivision and land development ordinance. The Planning Commission suggests all land development be performed in accordance with applicable Federal, State and Township regulations. Sole authority for approval or disapproval of this land development plan lies with your governing body.

We kept the plan and all other project information we received for our files. The plans should be revised to reflect any or all comments including those from the Township Engineer as well as any comments your Solicitor may have. We will sign the Bedford County Planning Commission Review block on the plan that ultimately meets with your approval.

If you have any questions, please do not hesitate to contact Rick Suder or me at 623-4827.

Sincerely,



Donald P. Schwartz
Director

Cc: Bedford County Commissioners
Andrew Biederman, RER Energy Group
Alaric J. Busher, P.E., BL Companies, Inc.
Kevin Hartman, P.E., GHD, Inc. (via email)
Bradley D. Allison, Esq.



First National Bank

124 South Juliana Street, Bedford, PA 15522
814-623-2101

1/18/2019

This letter shall serve as a commitment to extend \$18,898 to the County of Bedford in the form of a letter of credit. The letter of credit will be effective January 25, 2019 and shall remain in effect for a period of one (1) year, with an initial expiration date of January 25, 2020. This Standby Letter of Credit is automatically extended without written amendment annually for one (1) year from the expiration date or any automatically extended expiration date provided herein, unless at least sixty (60) days prior to such expiration date First National Bank notifies Bedford Township by overnight courier that First National Bank elects not to consider this Standby Letter of Credit extended for any such additional period. Upon receipt of such notice, Bedford Township may draw against this Standby Letter of Credit prior to expiration, in the manner described herein, if the requirement Improvements or repairs are incomplete.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael J. Macionsky", written over a horizontal line.

Michael J. Macionsky
Assistant Vice President



Empower Your World.

4700 Pottsville Pike, Reading, PA 19605
610.332.7232 • f: 888.712.0734
www.rerenergygroup.com

December 14th, 2017
Paul Crooks, Barry Dallara, Joshua Lang
Commissioners
Bedford County, Pennsylvania

Re: Letter of Intent

Dear Commissioners,

Following our discussions with you, the members of the Bedford County Commissioners, I would like to summarize the intent and understanding of the proposed transaction between Bedford County ("You" or "BEDFORD") and RER Energy Group ("RER") concerning the development, installation and operation of a solar array, totaling an estimated 1,830kW ground-mount solar photovoltaic facilities ("Facility(ies)" or "Premises",) Subject to engineering approval, to be located at The Bedford County Jail, following Negotiation and Feasibility Analysis.

This letter will allow the RER Energy Group and BEDFORD to complete an evaluation of the Premises for the installation and operation of the Facility, and to determine the financial and technical feasibility of the Facility.

Documentation:

(i) A PPA Agreement to be entered into between RER and BEDFORD to allow installation and operation of the Facility on Premises owned or leased by You.

Installation and Operation of the Facility

The Investor Group will be responsible for all costs to develop, engineer, construct, install, operate and finance the Facility. You will be responsible for your own legal, financial, transactional and internal project management expenses.

Term:

The Agreement will have an initial term of up to 25 years. BEDFORD will have the option to purchase the system outright from the Investor Group at any time following Year 6 of the agreement, should they so choose. At the end of the Initial Term, the Agreement can be renewed for two (2) additional periods of 5 years each at Your option (collectively the "Term").

Purchase of Electricity:

During the Term, You will purchase 100% of the electricity generated by the Facility, according to Commonwealth of Pennsylvania's PPA net metering regulations. The purchase price for each Facility during the first year is specified in the final PPA Agreement and reflective of the numbers presented to your Team.

Option to Purchase Facility:

During the Initial Term and at the end of the initial Term or the end of any subsequent extension terms, You will have an

option to purchase the Facility at a price equal to Fair Market Value of the system.

Energy and Environmental Attributes:

Investor Group will be entitled to any and all environmental attributes, incentives, credits, off-sets, rebates or similar benefits arising out of the development, installation, operation or ownership of the Facilities.

Insurance:

Investor Group will be responsible for obtaining and maintaining liability insurance relating to installation and maintenance of the Facilities from the beginning of the project construction, throughout the life of the PPA Agreement. Should Bedford County select the option of early buyout of the system, they will become responsible for keeping insurance as well as other operations and maintenance charges.

Conditions:

Customary conditions, including mutually acceptable documentation, necessary permits, execution of the Power Purchase Agreement and Investor Group's ability to obtain satisfactory financing for the development, installation and operation of the Facilities. Interconnection costs not to exceed \$75,000 at the facility location⁴

Pennsylvania CFA Grant as Prepayment:

Bedford County agrees to accumulate required documentation to allow RER Energy Group to solicit and apply to the Pennsylvania Department of Community Economic Development for a CFA Grant under the Solar Energy Program (SEP). The grant monies received will be applied to the project as a prepayment of energy on the project. Failure to obtain this Grant or other funds in their amount, will void this letter of intent between all parties as it is essential to the funding of the project without additional out of pocket cost to BEDFORD. Per the terms of requirement of the Pennsylvania CFA Loan Application, BEDFORD will be required to produce financial statements for a minimum of 24 Months, and a letter of support of the project and Grant application signed by the Chairperson of the Board of Directors and the Municipal Board Director. These documents must be received by RER Energy Group prior to January 15, 2018 so that they may be submitted, on time, in advance of the CFA Grant Program application deadline. RER Energy Group agrees to pay the required application and submission fees for the CFA Grant Program for this project.



Empower Your World.

This letter sets forth our current intent and expectations concerning the principal terms of the PPA, but does not create any binding obligations between the parties, except that for a period of nine months from the date of this Letter of Intent, You agree that neither You, nor any of Your employees, representatives or agents, will (i) solicit or engage in discussions or negotiations with any party other than RER relating to the installation or operation of a renewable energy facility; (ii) provide information or assistance to, or otherwise encourage or facilitate, any party other than RER relating to the generation of renewable energy or the financing, installation or operation of a renewable energy facility; or (iii) enter into any arrangement, agreement or commitment relating to the generation of renewable energy or the financing, installation or operation of a renewable energy facility, in each case with any party other than RER.

The existence and terms of this letter and the fact that discussions or negotiations may be ongoing between You, RER, and the INVESTOR GROUP are confidential and may be disclosed only to employees, attorneys and advisors who are participant in the proposed transaction.

This letter agreement shall be governed by the laws of the Commonwealth of Pennsylvania without regard to its principles of conflicts of laws

Please call me if you have any questions or comments. We look forward to working with you on this transaction.

Sincerely,

James D. Kurtz
President, RER Energy Group

Accepted and Agreed:

Signature: _____

Printed Name _____
Commissioner, Bedford County, PA

Date: Dec. 14, 2017



Empower Your World.

4700 Pottsville Pike, Reading, PA 19605
610.332.7232 • f: 888.712.0734
www.rerenergygroup.com

December 13th, 2017
Barry Dallara
Commissioner
Bedford County, Pennsylvania

Re: Letter of Intent

Dear Commissioner,

Following our discussions with you, and the members of the Bedford County Commissioners, I would like to summarize the intent and understanding of the proposed transaction between Peters Township Municipal Authority ("You" or "BEDFORD") and RER Energy Group ("RER") concerning the development, installation and operation of a solar array, totaling an estimated 1,830kW ground-mount solar photovoltaic facilities ("Facility(ies)" or "Premises",) Subject to engineering approval, to be located at The Bedford County Jail, following Negotiation and Feasibility Analysis.

This letter will allow the RER Energy Group and BEDFORD to complete an evaluation of the Premises for the installation and operation of the Facility, and to determine the financial and technical feasibility of the Facility.

Documentation:

(1) A PPA Agreement to be entered into between RER and BEDFORD to allow installation and operation of the Facility on Premises owned or leased by You.

Installation and Operation of the Facility

The Investor Group will be responsible for all costs to develop, engineer, construct, install, operate and finance the Facility. You will be responsible for your own legal, financial, transactional and internal project management expenses.

Term:

The Agreement will have an initial term of up to 25 years. BEDFORD will have the option to purchase the system outright from the Investor Group at any time following Year 6 of the agreement, should they so choose. At the end of the Initial Term, the Agreement can be renewed for two (2) additional periods of 5 years each at Your option (collectively the "Term").

Purchase of Electricity:

During the Term, You will purchase 100% of the electricity generated by the Facility, according to Commonwealth of Pennsylvania's PPA net metering regulations. The purchase price for each Facility during the first year is specified in the final PPA Agreement and reflective of the numbers presented to your Team, assuming the Pre-payment set forth herein amortized as a credit against energy pricing over the life of the PPA.

Option to Purchase Facility: During the Initial Term and at the end of the initial Term or the end of any subsequent extension terms, You will have an option to purchase the Facility at a price equal to Fair Market Value of the system.

Energy and Environmental Attributes: Investor Group will be entitled to any and all environmental attributes, incentives, credits, off-sets, rebates or similar benefits arising out of the development, installation, operation or ownership of the Facilities.

Insurance: Investor Group will be responsible for obtaining and maintaining liability insurance relating to installation and maintenance of the Facilities from the beginning of the project construction, throughout the life of the PPA Agreement. Should Bedford County select the option of early buyout of the system, they will become responsible for keeping insurance as well as other operations and maintenance charges.

Conditions: Customary conditions, including mutually acceptable documentation, necessary permits, execution of the Power Purchase Agreement and Investor Group's ability to obtain satisfactory financing for the development, installation and operation of the Facilities. Interconnection costs not to exceed \$75,000 at the facility location

Pennsylvania CFA Grant as Prepayment: Bedford County agrees to accumulate required documentation to allow RER Energy Group to solicit and apply to the Pennsylvania Department of Community Economic Development for a CFA Grant under the Solar Energy Program (SEP). The grant monies received will be applied to the project as a prepayment of energy on the project. Failure to obtain this Grant or other funds in their amount, will void this letter of intent between all parties as it is essential to the funding of the project without additional out of pocket cost to BEDFORD. Per the terms of requirement of the Pennsylvania CFA Loan Application, BEDFORD will be required to produce financial statements for a minimum of 24 Months, and a letter of support of the project and Grant application signed by the Chairperson of the Board of Directors and the Municipal Board Director. These documents must be received by RER Energy Group prior to January 15, 2018 so that they may be submitted, on time, in advance of the CFA Grant Program application deadline.

Additional Land Required

In order to achieve the desired amount of energy to offset the BEDFORD's annual estimated consumption, and, in addition to the proposed layout located at the Bedford County Jail, the completion of the proposed 1830kW Ground Mount will require additional land of +/-1 Acre. This land must be within the geographic parameters of Pennsylvania Remote Net Metering Rules (2 Sq. Mi.) and be economically feasible with the terms of the project. Land procured by BEDFORD may be an existing owned parcel, purchased, or leased for the term of the PPA agreement. RER Energy Group will evaluate and approve any parcel recommended to achieve the additional parcels and space required.

Failure to procure this additional space, within a reasonable time frame for submission of this project for the CFA Grant program, will void this and any other agreements related to this project and transaction.

This letter sets forth our current intent and expectations concerning the principal terms of the PPA, but does not create any binding obligations between the parties, except that for a period of nine months from the date of this Letter of Intent, You agree that neither You, nor any of Your employees, representatives or agents, will (i) solicit or engage in discussions or negotiations with any party other than RER relating to the installation or operation of a renewable energy facility; (ii) provide information or assistance to, or otherwise encourage or facilitate, any party other than RER relating to the generation of renewable energy or the financing, installation or operation of a renewable energy facility; or (iii) enter into any arrangement, agreement or commitment relating to the generation of renewable energy or the financing, installation or operation of a renewable energy facility, in each case with any party other than RER.

The existence and terms of this letter and the fact that discussions or negotiations may be ongoing between You, RER, and the INVESTOR GROUP are confidential and may be disclosed only to employees, attorneys and advisors who are participant in the proposed transaction.

This letter agreement shall be governed by the laws of the Commonwealth of Pennsylvania without regard to its principles of conflicts of laws

Please call me if you have any questions or comments. We look forward to working with you on this transaction.

Sincerely,

James D. Kurtz
President, RER Energy Group

Accepted and Agreed:

Signature: _____

Barry Dallara
Commissioner, Bedford County, PA

Date: Dec. 13, 2017

Larry Myers

From: Larry Myers
Sent: Tuesday, December 12, 2017 2:39 PM
To: Rodney Rose Esq (rrose@rerenergygroup.com)
Cc: Weston Ernst
Subject: Bedford County Jail property

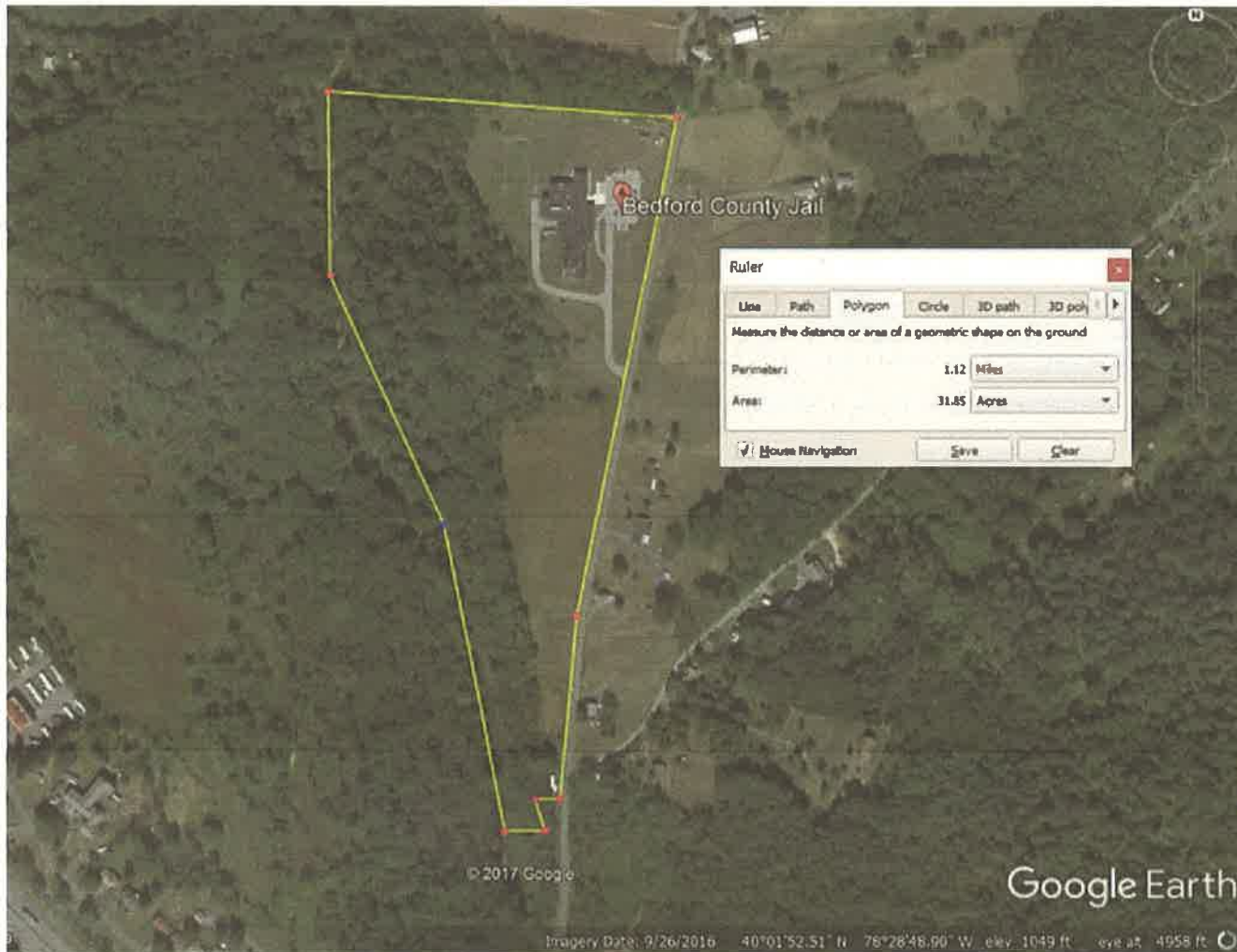
2017 letter No consent Restrictions by January 19th
Tr-Plains spending logs

Rodney:

Below see a graphic of the land that the County owns at the Bedford County Jail, Imlertown Road, Bedford, PA 15522 I am thinking that we may be able to install two separate systems at this site (1 connected to the Jail to offset the Bedford Rural Electric load and 1 that will be connected to Penelec lines to offset the usage at the Courthouse, Library, Ag Extension Building, etc that are located in town). The Penelec distribution lines are located 0.3 miles due West, or 0.2 miles to the Southwest of the Southernmost point of their property (see 2nd image below).

According to the Warden, Troy Nelson, the trees can be taken down (mostly scrub brush with some trees) and he is not concerned with how close to the building the panels are. If there are locations where people may be able to hide, he will install cameras.

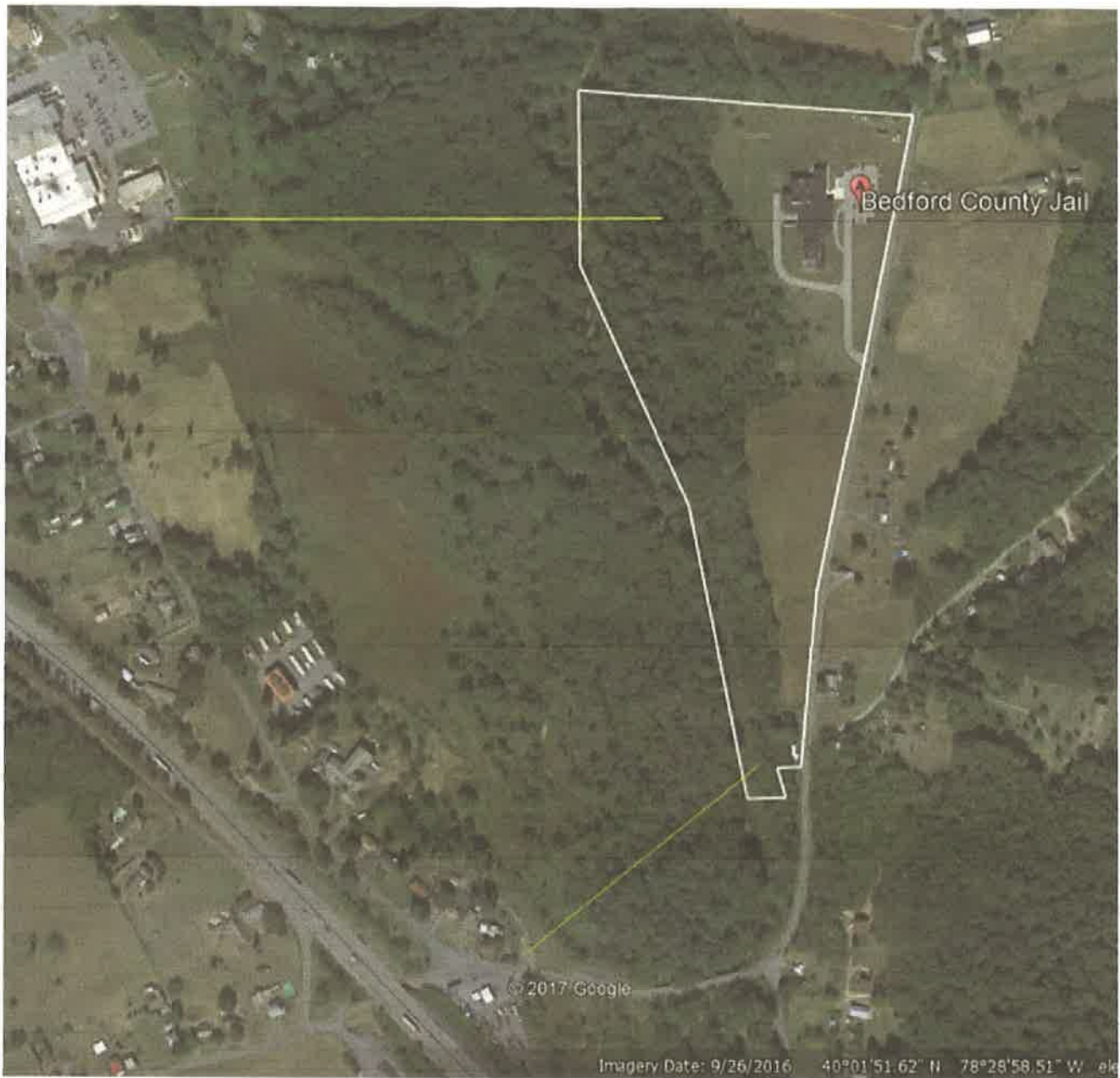
Larry



JTC 30% tax credit

Get back from accelerated depreciation

Invested back from tax credit 2.0 mil from investors a group from the state



Larry F. Myers, PE, CEM, GBE
Sales Team Leader, Northeast
Energy & Sustainability Services
larry.myers@schneider-electric.com

D +1 814.937.7602
Fx +1 717.232.8187 (Harrisburg)
Fx +1 814.569.1978 (Bedford)
W www.enable.schneider-electric.com/

4431 N. Front Street Suite 100
Harrisburg, PA 17110
United States



Please consider the environment before printing this email

Koontz & Crabtree law office

From: Debra Brown <DBrown@bedfordcountypa.org>
Sent: Monday, June 06, 2022 7:12 AM
To: 'David Wertz'
Cc: Commissioner Dallara; Commissioner Frederick; Dean Crabtree
Subject: RE: hard drive search

Thanks Dave, I appreciate it.

From: David Wertz <DWertz@pcworksplus.com>
Sent: Saturday, June 4, 2022 6:06 PM
To: Debra Brown <DBrown@bedfordcountypa.org>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Commissioner Frederick <CFrederick@bedfordcountypa.org>; Dean Crabtree <dcrabtree.kclaw@comcast.net>
Subject: Re: hard drive search

I'd say there is no chance of us finding anything related to county data on any of our systems.

- Sent from my mobile device

From: Debra Brown <DBrown@bedfordcountypa.org>
Sent: Saturday, June 4, 2022 5:58:52 PM
To: David Wertz <DWertz@pcworksplus.com>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Commissioner Frederick <CFrederick@bedfordcountypa.org>; Dean Crabtree <dcrabtree.kclaw@comcast.net>
Subject: RE: hard drive search

Thanks Dave, not if everything has been wiped clean; what would you be able to find?

Debra

From: David Wertz <DWertz@pcworksplus.com>
Sent: Wednesday, June 1, 2022 6:29 PM
To: Debra Brown <DBrown@bedfordcountypa.org>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Commissioner Frederick <CFrederick@bedfordcountypa.org>; Dean Crabtree <dcrabtree.kclaw@comcast.net>
Subject: Re: hard drive search

Hi Deb,

We wouldn't have stored any of the county data on our systems except the backup which was wiped a few weeks after RBA took over.

Do you still want us to look for any data?

DW

- Sent from my mobil

[Debra Brown] hing has been wiped clean.

From: Debra Brown <DBrown@bedfordcountypa.org>
Sent: Wednesday, June 1, 2022 8:58:48 AM
To: David Wertz <DWertz@pcworksplus.com>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Commissioner Frederick <CFrederick@bedfordcountypa.org>; Dean Crabtree <dcrabtree.kclaw@comcast.net>
Subject: RE: hard drive search

Yes, we need a search of your hard drive from when you worked with the county this would date back to 2017 to April of 2022. Is this something you can help us with, thanks.

Deb

From: David Wertz <DWertz@pcworksplus.com>
Sent: Wednesday, June 1, 2022 9:57 AM
To: Debra Brown <DBrown@bedfordcountypa.org>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Dean Crabtree <dcrabtree.kclaw@comcast.net>; Commissioner Frederick <CFrederick@bedfordcountypa.org>
Subject: Re: hard drive search

Good Morning Deb,

Did you intend to include me on this?

- Sent from my mobile device

From: Debra Brown <DBrown@bedfordcountypa.org>
Sent: Wednesday, June 1, 2022 8:53:12 AM
To: David Wertz <DWertz@pcworksplus.com>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Dean Crabtree <dcrabtree.kclaw@comcast.net>; Commissioner Frederick <CFrederick@bedfordcountypa.org>
Subject: hard drive search

Good morning:

Bedford County is requesting a hard drive search for a right to know request for the following:

Solar
Solar energy
Commissioner Josh Lang – relating to solar energy
Commissioner Paul Crooks – relating to solar energy
Commissioner Barry Dallara – relating to solar energy
Rodney Rose
Kurt Karsten
BREC
Jim Kurtz
Karsten Law
Dean Crabtree
Brooke Shoemaker
RER Energy

This is all related to solar energy. Please let me know if this is possible, thanks.

Deb

Debra Brown, Chief Clerk/Director of Elections
200 South Juliana Street ~ Suite 301
Bedford, PA 15522
Email: dbrown@bedfordcountypa.org
Phone: 814-623-4807
Fax: 814-623-0991

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager. This message contains confidential information and is intended only for the individual named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

Commissioner Baughman

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Friday, May 29, 2020 4:05 PM
To: Commissioner Lang
Cc: Commissioner Baughman; Commissioner Dallara; Jim Kurtz; Mike Barnes; Rodney Rose
Subject: Re: Project update

Josh,

The Commission has been closed for business since mid-March and has not yet begun accepting filings or even phone calls. We have tried to contact them every day this week so far with no answer. We will keep trying and I'll update as soon as we are able to get through to them.

Thanks,

Kurt

On Thu, May 28, 2020 at 2:51 PM Commissioner Lang <jlang@bedfordcountypa.org> wrote:

Good afternoon,

Are there any updates?

Josh

Josh Lang, Chairman

Bedford County Commissioner

[200 S. Juliana Street](#)

[Bedford, PA 15522](#)

(814) 623-4807

www.bedfordcountypa.org



From: Rodney Rose <rrose@rerenergygroup.com>
Sent: Monday, November 11, 2019 11:10 AM
To: Commissioner Lang <jlang@bedfordcountypa.org>

Cc: Commissioner Crooks <pcrooks@bedfordcountypa.org>; Commissioner Dallara <cdallara@bedfordcountypa.org>; Jim Kurtz <jkurtz@rerenergygroup.com>; Mike Barnes <mbarnes@rerenergygroup.com>; Kurt Karsten <karstenlaw@gmail.com>

Subject: Re: Project update

Commissioners,

Per Commissioner Lang's request, please see the attached update and email correspondence with BREC Chair, Brooks Shoemaker.

Over the past few weeks, Kurt Karsten, RER Energy Group's Counsel has been in contact with James Cascio, Solicitor for BREC and through his conversations, drafted and sent the Email below. We are awaiting a response from BREC on the matter and will keep you abreast of any reply.

Please let me know of any questions. Happy Veterans Day to all of you.

RODNEY

From: Kurt Karsten <karstenlaw@gmail.com>

Subject: Bedford County Commissioners' Bedford Jail Solar Project

Date: November 11, 2019 at 10:46:10 AM EST

To: bshoemaker@bedfordrec.com

Mr. Shoemaker,

I am writing you at the suggestion of BREC's counsel, James Cascio, with whom I spoke recently. I am writing on behalf of the Bedford County Commission in relation to their Solar Project at the Bedford County Jail. As you will recall, the Commission, through their Solar Project Developer, RER Energy Group, LLC, submitted an interconnection application to BREC for a solar project of approximately 2 MW in size to be sited at the jail. In March 2018, the project had been awarded a \$760K grant by the Commonwealth of Pennsylvania Commonwealth Financing Authority. The project, when installed, will save the citizens of Bedford County hundreds of thousands of dollars or more over the life of the project, and the Commissioners of Bedford County are extremely focused on achieving those savings for the County.

There have been a few phone calls, as you know, trying to explore different ways to attain those goals. So far, the Commissioners have not found a path forward with BREC to achieve those cost savings. In exploring other options, the County has found two possible ways to move the project forward, and I am writing to you, as both involve some cooperation from BREC.

The first path would involve the Bedford County Jail withdrawing from service from BREC completely, and connecting directly to Pennelec Service directly. As you may know, although the Jail is currently serviced by BREC, the County owns a strip of land, which is an abandoned railroad bed, that directly connects the Jail property to Pennelec service territory. This strip of land parallels Imlertown Road. It is wide enough for a new pole set that would connect the jail to Pennelec Service. According to the BREC Bylaws, a BREC member may voluntarily withdraw upon certification from the BREC Board that its electricity bill have been paid to date. According to Pennelec, once BREC provides that certification, Bedford County could interconnect to Pennelec service directly, since the Bedford County property does directly abut Pennelec service territory.

The second path involves the Bedford County Jail remaining a customer of BREC, with the County, through its developer, building a smaller array at the Jail consistent with the Interconnection Study already performed. That array would, with BREC's cooperation, offset 100% of the electrical load of the Jail, and the County would then build a second array at a location the County has already identified and has begun permitting as a Solar site. The combination of the two arrays would result in the same size project that was originally envisioned by the Bedford County Commission and would achieve the savings as originally projected, if the second site were used to augment the Jail site. Obviously, in this second scenario, Bedford County would continue to be technically a customer of BREC, though the Jail array would, on an annual basis, provide all of the Jail's electricity needs.

The preferred path, for the County, is the withdrawal from BREC and the direct connection to Pennelec, in the context of the way the project has evolved over the past two years. The reason I am contacting you, as discussed with Mr. Cascio, is to better understand the process by which Bedford County would achieve withdrawal from BREC and the certification and release by the BREC Board of Directors that Pennelec needs in order to provide a new service to a land owner that straddles the service territories.

I am wondering if you would have a few minutes to discuss these issues and I would like to schedule either a telephone call, or a meeting in your offices, to talk through the details so that I can help the Bedford Commission evaluate more fully the pros and cons of these two paths. If you could please let me know your availability for such a conversation, I would greatly appreciate it.

Thanks,

Kurt Kurt D. Karsten, Esq.

[621 Ridgely Avenue](#)
[Suite 402](#)
[Annapolis, MD 21401](#)
410-991-3184

On Fri, Nov 8, 2019 at 12:53 PM Commissioner Lang <jiang@bedfordcountypa.org> wrote:

Good afternoon,

Are there any updates on this matter?

Sent from my iPhone

On Sep 23, 2019, at 11:36 PM, Rodney Rose <rose@reenergygroup.com> wrote:

Commissioners,

Here is a brief update on the progress of the parallel paths of the project.

As you will recall we are pursuing 2 paths to bring this project to life.

A) The original plan of withdraw from REC, Connect to Penelec and build the full array at the Jail.

B) Divide the array into two, with a smaller array at the Jail to service the Jail, and another array at Milburn reservoir to service the other locations.

Progress on Path A - Our counsel, Kurt Karsten has been in contact with the Legal department at BREC and is negotiating with them regarding if and how we could withdraw and apply for Penelec Service. After the initial conference, the counsels will talk again early next week with follow up issues. I will provide an Update when Kurt reports on the progress of this path.

Progress on Path B - The Bedford Borough Municipal Auth. voted last week to authorize the Borough to lease the Milburn reservoir property to the County for \$1 per acre per year for 30 years with 2 - 5 yr extension options. Furthermore, Penelec, agreed that the meter at Milburn could be reactivated, if the County had a service installed at the location (Some discussion of a construction trailer and or a Emergency Vehicle storage lot has been discussed briefly). While this path would require 2 x the engineering and 2x the interconnection costs, this may be the quickest path to realize the project at this time.

i will provide further updates as information comes in from Kurt and the BREC attorney's discussion.

Please email or call me with any questions on the above.

Looking forward to moving this project toward the finish.

Sincerely,

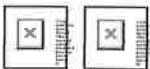
--
Rodney G. Rose, Esq.

Director of Business Development

4700 Pottsville Pike, Reading, PA 19605

o: 610-332-7232 **c:** 301-992-3007 **f:** 888-712-0734

rrose@rerenergygroup.com | www.rerenergygroup.com



[Learn More About RER in this Short Video](#)



Named one of the nation's fastest growing private companies for the fourth consecutive year.



ExchangeDefender Message Security: [Check Authenticity](#)

--
Rodney G. Rose, Esq.

Director of Business Development

4700 Pottsville Pike, Reading, PA 19605

o: 610-332-7232 **c:** 301-992-3007 **f:** 888-712-0734

rrose@rerenergygroup.com | www.rerenergygroup.com



Learn More About RER in this Short Video



Named one of the nation's fastest growing private companies for the fourth consecutive year.



ExchangeDefender Message Security: Check Authenticity

--
Kurt D. Karsten, Esq.
621 Ridgely Avenue
Suite 402
Annapolis, MD 21401
410-991-3184

Commissioner Baughman

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Monday, December 6, 2021 2:34 PM
To: Debra Brown
Cc: Commissioner Baughman; Commissioner Dallara; Commissioner Frederick
Subject: Re: Teleconference Call

Commissioners,

I wanted to provide a brief update on the status of the Bedford County solar project, with what I believe is good news. RER has been able to secure a relocation and extension of the Commonwealth Financing Authority Grant from the CFA which will allow the project to be built on both the Jail site and a portion of leased land that we believe will be made available by the Borough of Bedford Water Authority at their Milburn reservoir. That parcel of land is in Penelec territory, and from that location RER will be able to directly net meter the load for the courthouse and other Bedford County meters that are within two miles and which are in Penelec territory served by Penelec meters. That system will likely be between 1.1 - 1.3 MW in size. RER has also reached an agreement with BREC to proceed with a smaller project at the Jail location for the maximum allowed by their electricity supplier, Allegheny Electric Coop. Which will be a 100 KW system. The revised interconnection application for that project is being prepared. The proposed lease for the Milburn Reservoir site is being reviewed for a second time next Monday afternoon by the Borough of Bedford Water Authority.

As a result of the above, RER is dismissing the Petition pending at the Public Service Commission. Once the Lease with the Borough of Bedford is executed, RER will be moving forward with permitting the reservoir location at the same time that they will be moving forward with permitting the project at the Jail. Construction is anticipated to be completed in the fall of 2022, assuming the supply chain issues for solar equipment continues to ease as it has been the last month or so.

Please let me know of any follow up questions.

Thanks,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Ave.
Suite 402
Annapolis, MD 21401
410-991-3184
KarstenLaw@gmail.com

On Aug 30, 2021, at 6:17 PM, Kurt Karsten <karstenlaw@gmail.com> wrote:

Yes

On Mon, Aug 30, 2021 at 4:33 PM Debra Brown <DBrown@bedfordcountypa.org> wrote:

Good afternoon:

Could you do 10:30 a.m. on the 2nd?

Deb

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Monday, August 30, 2021 2:06 PM
To: Debra Brown <DBrown@bedfordcountypa.org>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Commissioner Baughman <dbaughman@bedfordcountypa.org>; Commissioner Frederick <CFrederick@bedfordcountypa.org>
Subject: Re: Teleconference Call
Importance: High

Debra,

If the following times are still available, I could do a call at 1:30 pm on Wednesday, September 1st or at 11 am on Thursday, September 2nd.

Thanks,

Kurt

Kurt D. Karsten, Esq.

[621 Ridgely Ave.](#)

[Suite 402](#)

[Annapolis, MD 21401](#)

410-991-3184

On Aug 26, 2021, at 2:14 PM, Debra Brown <DBrown@bedfordcountypa.org> wrote:

Good Afternoon:

As a follow up to my phone call, here are a few dates and times in which the commissioners are available for a teleconference call:

August 31 – 11 a.m. or 2:00 p.m.

Sept. 1 – 10:30 a.m., 1:30 p.m. or 2:30 p.m.

Sept. 2 – 10:30 a.m. or 1: 30 p.m.

Please let me know what date and time works best for your schedule. I appreciate it, enjoy the rest of your day!

Debra

Debra Brown, Chief Clerk/Director of Elections

200 South Juliana Street ~ Suite 301

Bedford, PA 15522

Email: dbrown@bedfordcountypa.org

Phone: 814-623-4807

Fax: 814-623-0991

--
Kurt D. Karsten, Esq.
621 Ridgely Avenue
Suite 402
Annapolis, MD 21401
410-991-3184

Commissioner Baughman

From: Commissioner Dallara
Sent: Monday, January 25, 2021 7:52 PM
To: KarstenLaw@gmail.com
Cc: Commissioner Baughman; Commissioner Lang
Subject: BCCF Solar Project Status

Kurt, please provide the board of commissioners with an update of RER Energy's plan for the BCCF Solar project. We understand that RER s petitioned the PUC to allow Bedford County to withdraw from BREC's service area and be approved to be included in Penelec's Service Area. We also know that BREC has filed a brief with the PUC to deny our request. Please advise the county what the next actions RER Energy will take to insure the successful completion of our solar project and when we might expect a decision by the PUC.

Sent from my iPhone

Commissioner Baughman

From: Commissioner Lang
Sent: Monday, August 24, 2020 8:37 AM
To: Commissioner Dallara; Commissioner Baughman
Subject: FW: Bedford county jail solar project

Josh Lang, Chairman
Bedford County Commissioner
200 S. Juliana Street
Bedford, PA 15522
(814) 623-4807
www.bedfordcountypa.org



From: richard groundhogsolar.com
Sent: Saturday, August 22, 2020 5:49 PM
To: Commissioner Lang
Subject: Bedford county jail solar project

Mr. Lang,

I had heard a little over a year ago that there were some problems with the county jail solar project. I was near the jail today and decided to drive by and see if the project was ever completed and I was shocked to see all those modules wasting away in the field....which I guess means that the project had terminal problems.

I'd like to talk with someone about what issues you had and to see if there is a way that that project or some other project for the county could be resurrected to at least make use of all those modules.

I was also planning on contacting someone with the Bedford VFD to see about putting solar on the new fire department. My company has done this for other non-profits via PPAs (Power Purchase Agreements) with shorter and more favorable terms that you would get elsewhere.

Can you please put me into contact with whoever is the most knowledgeable person to talk with about this? It seems such a shame for Bedford's efforts to lock in long-term rates with solar to fall apart.

Richard Flarend

Groundhog Solar LLC

Altoona, PA

NABCEP Certified PV Installation Professional

814-204-3900

PA072452

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Bedford County Board of Commissioners	:	
Complainant	:	
	:	
v.	:	Docket No. C-2020-_____
	:	
Bedford Rural Electric Cooperative,	:	
Respondent	:	

AFFIDAVIT OF BARRY DALLARA

I, Barry Dallara, hereby solemnly affirm under the penalties of perjury that I am over the age of 18, competent to testify, and not a party to this action, and state as follows:

1. I am the Vice-Chairman of the Bedford County Board of Commissioners, who is the Complainant in the above captioned matter.

2. With the help of a \$900,698.00 Grant awarded to Bedford County by the Commonwealth of Pennsylvania Commonwealth Financing Authority for the purposes of furthering Governor Tom Wolf’s policies of supporting renewable energy projects for the benefit of the citizens of Pennsylvania, Bedford County is developing a 1.38 megawatt (“MW”) aggregated virtual net metering solar array (the “Bedford Solar Project”) which will be situated on approximately 6 acres of land on the site of the Bedford County Jail, and which is designed to virtually net meter to multiple locations also owned by Bedford County that currently receive retail electric service from Penelec. The Project will not hinder or compromise Jail operations in any way and, in fact, has the potential to provide several benefits to the Jail. Bedford County owns the parcel projected for the array and has signed a land lease authorizing the development on site.

3. Pursuant to a Power Purchase Agreement (“PPA”) for the Bedford Solar Project, Bedford 58 Solar, LLC will provide power from the Jail location that will supply 100% of the

electricity currently consumed annually by the Jail (representing 40% of the output of the Bedford Solar Project), and will also produce substantial excess generation (representing 60% of the output of the Bedford Solar Project) that will be virtually net metered to several Bedford County locations, thereby providing significant savings to the citizens of Bedford County.

4. Over its estimated 30-year useful life, the Bedford Solar Project will generate an anticipated 65,401,430kWh of clean energy. The use of a PPA for the Bedford Solar Project will (1) immediately lower Bedford County's cost of energy by reducing the cost per kWh, (2) stabilize escalation of energy rates, and (3) hedge against the increasing costs of electric service provided by both of the County's retail electric suppliers (Penelec and Bedford Rural Electric Cooperative a/k/a "BREC"). It has been estimated that the Bedford Solar Project will result in savings of as much as \$5,305,222 in energy costs for the citizens of Bedford County over its 30-year estimated useful life.

5. On or about June 4, 2018, I spoke with representatives from RER Energy, Larry Myers (1st Vice Chairman, Municipal Authority of the Borough of Bedford) ("Mr. Myers"), and Rodney Rose ("Rose") and Brooks R. Shoemaker (General Manager & CEO, BREC) ("Mr. Shoemaker") regarding the interconnection agreement proposed by RER Energy to provide a solar array to remote net meter excess from the Bedford Prison to the Bedford County Courthouse.

6. Shortly thereafter, Rodney Rose informed me of a telephone conversation with Mr. Shoemaker at which time BREC's relationship with Allegheny Electric Cooperative and, specifically, conversations between BREC and Ben Ricci (Manager, Alternative Energy and Competitive Markets, Allegheny Electric Cooperative) ("Mr. Ricci") were discussed.

7. It was my understanding, following these conversations, that Allegheny Electric Cooperative and BREC were going to cooperate in effecting a virtual net metering of Bedford County-owned buildings in order to realize the cost savings to the taxpayers of Bedford County.

8. To enable the Bedford Solar Project to be interconnected and to effect virtual net metering from the Bedford Jail Project to other Bedford County-owned buildings, RER Energy Group proposes to install one-half mile of distribution line on an abandoned railroad right-of-way from the site of the Bedford Solar Project to the edge of the adjacent service territory of Penelec. No additional easements would be required on land owned by others.

9. Penelec has indicated that it is willing to interconnect the Bedford Solar Project, and to effect virtual net metering of other Bedford County-owned buildings in its service territory. Penelec's net metering tariff sets a 2 MW cap on the size of distributed energy resources and allows excess generation each month to be carried forward to successive months.

10. Under the proposed solution, Bedford County and its taxpayers would capture the economic benefits of the Bedford Solar Project: savings in energy costs over the 30-year estimated useful life of the Project. And the Commonwealth would benefit from 1.8 MW of renewable energy, thereby helping to achieve the aggressive GHG reduction goals in Governor Wolf's January 2019 Executive Order.

11. Although the point of delivery for service to the Bedford County Jail and interconnection of the Bedford Solar Project would be at the boundary line between BREC and Penelec, because the facility served is located within BREC's service territory, authorization from the Commission under the Territory Act is necessary.

Date

Barry Dallara, Commissioner

Commissioner Baughman

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Friday, August 14, 2020 9:23 AM
To: Commissioner Dallara
Cc: Commissioner Lang; Commissioner Baughman; Troy Nelson; Jim Kurtz
Subject: Re: Solar Project
Attachments: Affidavit of Commissioner Barry Dallara 8-14-20.docx; ATT00001.txt

Commissioner Dallara,

Thank you for your call yesterday, and I appreciate your patient understanding of the fix that Mr. Shoemaker and the Pandemic have put this project in. RER is committed to working through this situation and committed to delivering a solar project that can deliver the benefits solar provides, and I have attached the affidavit that we discussed yesterday for review by the Commissioners in support of the Petition that was drafted by the lawyers that RER has hired and are paying to represent Bedford County in this matter.

One question for you - knowing Mr. Shoemaker to the extent that you do, do you believe I should provide him, personally, and discreetly, with an advance copy of the Petition and tell him that it will be filed within 5 days, and ask him to reconsider his unwillingness to allow the Jail to switch service territories, before this becomes a public battle?

I would appreciate your considered guidance on that question.

Thanks,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Ave.
Suite 402
Annapolis, MD 21401
410-991-3184
KarstenLaw@gmail.com

Commissioner Baughman

From: Commissioner Dallara
Sent: Thursday, August 13, 2020 10:33 AM
To: Commissioner Lang; Commissioner Baughman; Troy Nelson
Cc: Kurt Karsten
Subject: Solar Project

All, I just finished a call with Kurt Karsten chief legal council for RER Energy. He advised that the PUC is now accepting new petitions for filing to hear our petition. He will be sending in the next few days an affidavit for signature that will be part of our petition. I am comfortable signing it on behalf of the county since I was the primary contact in the past. This is good news. Kurt assured me that RER Energy will use all recourse available to insure our solar project is completed.

Sent from my iPhone

Commissioner Baughman

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Wednesday, August 12, 2020 3:50 PM
To: Commissioner Dallara
Cc: Commissioner Baughman; Commissioner Lang
Subject: Re: BCCF Solar Project

Yes, that will work.

Kurt D. Karsten, Esq.
621 Ridgely Ave.
Suite 402
Annapolis, MD 21401
410-991-3184
KarstenLaw@gmail.com

On Aug 12, 2020, at 3:33 PM, Commissioner Dallara <cdallara@bedfordcountypa.org> wrote:

Kurt, thank you for your response. I would like to call you at 10 am tomorrow, to further discuss the project. Will you be available at that time?

Sent from my iPhone

On Aug 12, 2020, at 2:34 PM, Kurt Karsten <karstenlaw@gmail.com> wrote:

Commissioner Dallara,

I apologize for not being available for your call - I was away with my family and have now returned. I have attached what I anticipate is the final draft of the PUC Petition Filing to change Service territories for the Jail. I will send you under separate cover a draft of an affidavit for your review that I hope you would be able to sign to support the Petition. This was prepared by the attorneys RER hired in January to try and get this Service Territory change implemented. Their work was delayed when the PUC stopped accepting new filings due to COVID, of course.

As it stands now, BREC is not willing to provide any interconnection for a meaningful solar array at the Jail location, which is of course why this Petition is being filed. That is despite their original interconnection analysis that approved the array as proposed.

Please let me know if you wish to discuss any aspect of any of the attached. I anticipate it will be filed once the affidavits are finalized and executed.

Thanks,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Ave.
Suite 402
Annapolis, MD 21401
410-991-3184

On Aug 10, 2020, at 1:38 PM, Commissioner Dallara
<cdallara@bedfordcountypa.org> wrote:

Kurt, I tried to leave you a voice mail message today but your mail box was full. Kurt the county needs a realistic update on where we stand with our project. We also need written assurance from RER Energy that our project will be completed as proposed and funded by the PA CFA. I believe RER Energy has not been responsive to the board of commissioners regarding the status of our project. We should be receiving updates of what RER Energy is doing to insure this project is brought to completion.

Kurt, why isn't RER Energy moving forward to construct the solar field on the BCCF Campus in parallel with the Hearings and possible litigation with BREC? We know it will be a fight but the ultimate outcome is to provide very low cost solar energy to the BCCF and other county facilities.

At this point in time I would not recommend RER Energy to anyone. Hopefully someone at RER Energy will insure that does not remain the case.

Sent from my iPhone

ExchangeDefender Message Security: Click below to verify authenticity
<https://verify.exchangedefender.com/verify.php?id=07AHcDmY017789&from=cdallara@bedfordcountypa.org>

ExchangeDefender Message Security: Click below to verify authenticity
<https://verify.exchangedefender.com/verify.php?id=07CJXKOW031610&from=cdallara@bedfordcountypa.org>

Commissioner Baughman

From: Commissioner Dallara
Sent: Wednesday, August 12, 2020 3:33 PM
To: Kurt Karsten
Cc: Commissioner Baughman; Commissioner Lang
Subject: Re: BCCF Solar Project

Kurt, thank you for your response. I would like to call you at 10 am tomorrow, to further discuss the project. Will you be available at that time?

Sent from my iPhone

> On Aug 12, 2020, at 2:34 PM, Kurt Karsten <karstenlaw@gmail.com> wrote:

>

> Commissioner Dallara,

>

> I apologize for not being available for your call - I was away with my family and have now returned. I have attached what I anticipate is the final draft of the PUC Petition Filing to change Service territories for the Jail. I will send you under separate cover a draft of an affidavit for your review that I hope you would be able to sign to support the Petition. This was prepared by the attorneys RER hired in January to try and get this Service Territory change implemented. Their work was delayed when the PUC stopped accepting new filings due to COVID, of course.

>

> As it stands now, BREC is not willing to provide any interconnection for a meaningful solar array at the Jail location, which is of course why this Petition is being filed. That is despite their original interconnection analysis that approved the array as proposed.

>

> Please let me know if you wish to discuss any aspect of any of the attached. I anticipate it will be filed once the affidavits are finalized and executed.

>

> Thanks,

>

> Kurt

>

> Kurt D. Karsten, Esq.

> 621 Ridgely Ave.

> Suite 402

> Annapolis, MD 21401

> 410-991-3184

> KarstenLaw@gmail.com

>

>

>

> <PUC Complaint 08.12.20 Draft-7.docx>

>

>

>

>

>> On Aug 10, 2020, at 1:38 PM, Commissioner Dallara <cdallara@bedfordcountypa.org> wrote:

>>

>> Kurt, I tried to leave you a voice mail message today but your mail box was full. Kurt the county needs a realistic update on where we stand with our project. We also need written assurance from RER Energy that our project will be completed as proposed and funded by the PA CFA. I believe RER Energy has not been responsive to the board of commissioners regarding the status of our project. We should be receiving updates of what RER Energy is doing to insure this project is brought to completion.

>> Kurt, why isn't RER Energy moving forward to construct the solar field on the BCCF Campus in parallel with the Hearings and possible litigation with BREC? We know it will be a fight but the ultimate outcome is to provide very low cost solar energy to the BCCF and other county facilities.

>> At this point in time I would not recommend RER Energy to anyone. Hopefully someone at RER Energy will insure that does not remain the case.

>>

>> Sent from my iPhone

>> --

>> ExchangeDefender Message Security: Click below to verify authenticity

>> <https://verify.exchangedefender.com/verify.php?id=07AHcDmY017789&from>

>> =cdallara@bedfordcountypa.org

>>

>>

>

Commissioner Baughman

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Wednesday, August 12, 2020 2:35 PM
To: Commissioner Dallara
Cc: Commissioner Baughman; Commissioner Lang
Subject: Re: BCCF Solar Project
Attachments: PUC Complaint 08.12.20 Draft-7.docx; ATT00001.txt

Commissioner Dallara,

I apologize for not being available for your call - I was away with my family and have now returned. I have attached what I anticipate is the final draft of the PUC Petition Filing to change Service territories for the Jail. I will send you under separate cover a draft of an affidavit for your review that I hope you would be able to sign to support the Petition. This was prepared by the attorneys RER hired in January to try and get this Service Territory change implemented. Their work was delayed when the PUC stopped accepting new filings due to COVID, of course.

As it stands now, BREC is not willing to provide any interconnection for a meaningful solar array at the Jail location, which is of course why this Petition is being filed. That is despite their original interconnection analysis that approved the array as proposed.

Please let me know if you wish to discuss any aspect of any of the attached. I anticipate it will be filed once the affidavits are finalized and executed.

Thanks,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Ave.
Suite 402
Annapolis, MD 21401
410-991-3184
KarstenLaw@gmail.com

Commissioner Baughman

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Tuesday, January 14, 2020 2:28 PM
To: Commissioner Baughman
Subject: Re: PUC Petition for change of service at the Bedford County Jail

Thanks Deb!

I will keep the Commissioners informed as we move forward!

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Avenue
Suite 402
Annapolis, MD 21401
410-991-3184

On Jan 14, 2020, at 12:48 PM, Commissioner Baughman <dbaughman@bedfordcountypa.org> wrote:

Thank you for bringing me into the loop. I go by Deb Baughman in my official capacity- for your records. My given name is spelled Deborah.

Thanks for moving this issue forward. -Deb

From: Kurt Karsten <karstenlaw@gmail.com>
Sent: Tuesday, January 14, 2020 8:57 AM
To: Commissioner Baughman <dbaughman@bedfordcountypa.org>
Cc: Commissioner Dallara <cdallara@bedfordcountypa.org>; Commissioner Lang <jlange@bedfordcountypa.org>; Jim Kurtz <jkurtz@rerenergygroup.com>; Mike Barnes <mbarnes@rerenergygroup.com>; Rodney Rose <rrose@rerenergygroup.com>; Stephanie Brun de Pontet <sbrundepontet@sunvestmentgroup.com>

Subject: Fwd: PUC Petition for change of service at the Bedford County Jail
Commissioner Baughman,

Commissioner Dallara kindly provided me with your contact information. Attached please find the email I sent yesterday evening with the Draft Petition to change electric service providers for the Bedford County Jail, for review and comment, as per the email.

I am looking forward to meeting you and working on a successful resolution of this project!

Thanks,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Avenue
Suite 402
Annapolis, MD 21401
410-991-3184

Begin forwarded message:

From: Kurt Karsten <karstenlaw@gmail.com>
Subject: PUC Petition for change of service at the Bedford County Jail
Date: January 13, 2020 at 7:50:17 PM EST
To: Jim Kurtz <jkurtz@rerenergygroup.com>, Mike Barnes <mbarnes@rerenergygroup.com>
Cc: Rodney Rose <rrose@rerenergygroup.com>, Commissioner Dallara <cdallara@bedfordcountypa.org>, Commissioner Lang <jlange@bedfordcountypa.org>, Stephanie Brun de Pontet <sbrundepontet@sunvestmentgroup.com>

Jim, Mike and Commissioners Dallara and Lang,
Please see the first "redlined" draft of a Petition to the PUC to change service at the Jail property to Penelec, as we have discussed. I have not copied Commissioner Crooks as I understand he is no longer serving in that role, and I do not have the contact information for the new Commissioner, who I hope you will forward this to for her consideration and comment.

Rodney, you may want to further emphasize some attributes of the CFA grant - if so, let me know. Once Jamie and I get a solid draft, we will work on the affidavit referenced in the body of the Petition. Please provide any comments, or raise any concerns or questions that occur to you. We want to properly represent the citizens of Bedford County, so any thoughts or concerns are important to us.

Thanks for your time,

Kurt

Kurt D. Karsten, Esq.
621 Ridgely Avenue
Suite 402
Annapolis, MD 21401
410-991-3184

ExchangeDefender Message Security: [Check Authenticity](#)

BEDFORD COUNTY BOARD OF COMMISSIONERS MEETING

August 27, 2019

The Bedford County Board of Commissioners held their regular meeting in Room 101 of the Bedford County Government Building, 200 South Juliana Street, Bedford, PA on Tuesday, August 27, 2019. Commissioner Lang called the meeting to order at 10:00 a.m. and Commissioner Crooks gave the prayer of invocation and led the pledge to the flag.

ROLL CALL OF MEMBERS:

Present: Commissioner Josh Lang, Commissioner Barry L. Dallara, Commissioner S. Paul Crooks. Others present: Debra Brown, Chief Clerk/Director of Elections; Melissa Cottle, Treasurer; Terry Stacey, CDBG Administrator; Don Schwartz, Director, Planning Commission; county residents, and the press.

APPROVAL OF MINUTES:

The minutes of August 13, 2019 meeting were approved.

EXPENDITURES:

A motion was made by Commissioner Dallara and seconded by Commissioner Crooks to approve the following expenditures. The motion was approved as presented.

Payroll	\$261,065.52	CK#:183509-183515
General	\$924,005.26	
General	\$130,542.50	
General	\$254,956.84	
Commissary	\$5,699.90	
CDBG	\$2,235.71	
LEPC	\$677.97	
Liquid Fuels	\$1,220.31	

Commissioner Dallara reported on the following large expenditures from the General Account: Penelec at \$13,023.16; UPMC at \$151,448.27; Bond at \$653,050.02; and Bond Series B at \$91,756.26.

OLD BUSINESS:

There was nothing to report.

NEW BUSINESS:

A motion was made by Commissioner Crooks and seconded by Commissioner Dallara to adopt the “Bedford County Three-Year Community Development Plan” of August 2, 2019, as drafted. This is based upon the recommendation of Terry Stacey, CDBG Director. Mr. Stacey gave an overview of the process. The motion was approved as presented.

A motion was made by Commissioner Dallara and seconded by Commissioner Crooks to re-appoint Terry H Stacey, CDBG Administrator with the Bedford County Planning Commission, as the Section 504 Officer. Mr. Stacey commented this is part of the application process under Section 504. The motion was approved as presented.

A motion was made by Commissioner Crooks and seconded by Commissioner Dallara to approve the following member to the Bedford-Fulton Joint Recreation Authority. This is based upon the recommendation of the Bedford County Board of Commissioners. The motion was approved as presented.

1. Jim Edwards: 1 year

A motion was made by Commissioner Dallara and seconded by Commissioner Crooks to approve the hire of the following as a Full-time Correctional Officers, effective August 28, 2019. This is based upon the recommendation of Troy Nelson, Warden. The motion was approved as presented.

1. Nicholas Mussleman, Newville, PA
2. Aric Breckenridge, Everett, PA
3. Seth Mearkle, Bedford, PA
4. Caitlin Spohn, Bedford, PA

A motion was made by Commissioner Crooks and seconded by Commissioner Dallara to approve the hire of the following as a Full-time Correctional Officers, effective September 9, 2019. This is based upon the recommendation of Troy Nelson, Warden. The motion was approved as presented.

1. Craig Diehl, Everett, PA
2. William Simpson, Hesston, PA

COMMENTS/APPOINTMENTS:

Commissioner Crooks will open the sealed bids for the Library Paving Project, Contract #082719. Commissioner Lang recommended the decision be tabled until reviewed by the Maintenance Department. Commissioner Crooks made the motion and Commissioner Dallara seconded.

The question was asked why are a lot of officers being hired? Commissioner Lang noted due to turnover, pay concerns, and the environment all contributing factors. All things are on the table with union negotiations.

Also, asked was the issue about mug shots and that when requested from Huntington and Blair Counties, it is not an issue. Commissioner Lang responded it is still under review with the solicitor and the Chairman of the Prison Board.

The question was also asked if there is an update on the solar panel installation? Commissioner Lang stated they are still the logistics to make this happen.

ADJOURNMENT:

Commissioner Crooks made a motion to adjourn the meeting. Commissioner Dallara seconded by motion. The meeting was adjourned at 10:10 a.m.

The next meeting will be held September 10, 2019 in Room 101 unless called sooner by the Board of Commissioners.

ATTEST:

Debra Brown, Chief Clerk/Director of Elections

S. Paul Crooks, Secretary

Subject:

Re: BCCF Solar Project

That's an interesting approach Barry, considering that I'm a constituent and the Co-op has been an excellent partner to the county on many fronts, for many years. It further disappoints me that I have not had a conversation about this project with ANY of the three current commissioners. We can certainly proceed in that respect. I'll waste my member's money on attorneys and you can waste the taxpayer's.

Brooks R. Shoemaker, General Manager and CEO
Bedford Rural Electric Cooperative, Inc.
814.624.3800
bshoemaker@bedfordrec.com
www.bedfordrec.com

"If it's worth doing, it's worth doing right. Not just right, but smarter, stronger and faster every time... Always try to find a better way." - Cal Ripken, Jr.

From: Commissioner Dallara <cdallara@bedfordcountypa.org>
Sent: Thursday, September 24, 2020 4:07:22 PM
To: Brooks Shoemaker <bshoemaker@bedfordrec.com>
Cc: Commissioner Lang <jlang@bedfordcountypa.org>; Commissioner Baughman <dbaughman@bedfordcountypa.org>; Kurt Karsten <karstenlaw@gmail.com>
Subject: BCCF Solar Project

I understand you attempted to contact Me on Wednesday September 23,2020. When you were informed that I was not available to take your call, you left me a voice mail message. After reviewing with Atty Kurt Karsten of RER Energy that you had attempted to contact the county regarding the BCCF solar project he advised the following:

The county point of contact with BREC for all communications related to our solar project should be directed to him.
His contact information is provided below:

Atty Kurt Karsten
PH: 410-991-3184
Email: KarstenLaw@gmail.com

Sent from my iPhone



Projected Savings Calculator with \$900,000 Pennsylvania CFA Grant



25 Year PPA Scenario												
Year	Annual kWh	Utility Rate	PPA Rate	System Costs (1)	Avoided Utility Bills	PPA Payments	O&M Costs	Annual Savings	Cumulative Savings	Cumul. \$ / kWh		
0				\$0		\$0	\$0	\$0	\$0			
1	2,342,195	\$0.100	\$0.064	\$0	\$234,220	(\$148,729)	\$0	\$85,490	\$85,490	\$0.064		
2	2,330,484	\$0.103	\$0.065	\$0	\$240,040	(\$150,945)	\$0	\$89,094	\$174,585	\$0.064		
3	2,318,832	\$0.106	\$0.066	\$0	\$246,005	(\$153,195)	\$0	\$92,810	\$267,395	\$0.065		
4	2,307,237	\$0.109	\$0.067	\$0	\$252,118	(\$155,477)	\$0	\$96,641	\$364,036	\$0.065		
5	2,295,701	\$0.113	\$0.069	\$0	\$258,383	(\$157,794)	\$0	\$100,589	\$464,625	\$0.066		
6	2,284,223	\$0.116	\$0.070	\$0	\$264,804	(\$160,145)	\$0	\$104,659	\$569,284	\$0.067		
7	2,272,802	\$0.119	\$0.072	\$0	\$271,384	(\$162,531)	\$0	\$108,853	\$678,138	\$0.067		
8	2,261,438	\$0.123	\$0.073	\$0	\$278,128	(\$164,953)	\$0	\$113,176	\$791,313	\$0.068		
9	2,250,130	\$0.127	\$0.074	\$0	\$285,040	(\$167,411)	\$0	\$117,629	\$908,943	\$0.069		
10	2,238,880	\$0.130	\$0.076	\$0	\$292,123	(\$169,905)	\$0	\$122,218	\$1,031,161	\$0.069		
11	2,227,685	\$0.134	\$0.077	\$0	\$299,382	(\$172,437)	\$0	\$126,946	\$1,158,106	\$0.070		
12	2,216,547	\$0.138	\$0.079	\$0	\$306,822	(\$175,006)	\$0	\$131,816	\$1,289,922	\$0.071		
13	2,205,464	\$0.143	\$0.081	\$0	\$314,446	(\$177,613)	\$0	\$136,833	\$1,426,755	\$0.072		
14	2,194,437	\$0.147	\$0.082	\$0	\$322,260	(\$180,260)	\$0	\$142,001	\$1,568,756	\$0.072		
15	2,183,465	\$0.151	\$0.084	\$0	\$330,269	(\$182,946)	\$0	\$147,323	\$1,716,079	\$0.073		
16	2,172,547	\$0.156	\$0.085	\$0	\$338,476	(\$185,672)	\$0	\$152,804	\$1,868,883	\$0.074		
17	2,161,685	\$0.160	\$0.087	\$0	\$346,887	(\$188,438)	\$0	\$158,449	\$2,027,332	\$0.075		
18	2,150,876	\$0.165	\$0.089	\$0	\$355,507	(\$191,246)	\$0	\$164,261	\$2,191,593	\$0.075		
19	2,140,122	\$0.170	\$0.091	\$0	\$364,341	(\$194,095)	\$0	\$170,246	\$2,361,839	\$0.076		
20	2,129,421	\$0.175	\$0.093	\$0	\$373,395	(\$196,987)	\$0	\$176,408	\$2,538,247	\$0.077		
21	2,118,774	\$0.181	\$0.094	\$0	\$382,674	(\$199,923)	\$0	\$182,752	\$2,720,999	\$0.078		
22	2,108,180	\$0.186	\$0.096	\$0	\$392,184	(\$202,901)	\$0	\$189,282	\$2,910,281	\$0.078		
23	2,097,639	\$0.192	\$0.098	\$0	\$401,929	(\$205,925)	\$0	\$196,005	\$3,106,286	\$0.079		
24	2,087,151	\$0.197	\$0.100	\$0	\$411,917	(\$208,993)	\$0	\$202,924	\$3,309,210	\$0.080		
25	2,076,715	\$0.203	\$0.102	\$0	\$422,153	(\$212,107)	\$0	\$210,047	\$3,519,257	\$0.081		
26	2,066,332	\$0.209	\$0.000	(\$323,910)	\$432,644	\$0	(\$30,023)	\$78,711	\$3,597,967	\$0.084		
27	2,056,000	\$0.216	\$0.000	\$0	\$443,395	\$0	(\$30,624)	\$412,772	\$4,010,739	\$0.082		
28	2,045,720	\$0.222	\$0.000	\$0	\$454,414	\$0	(\$31,236)	\$423,178	\$4,433,917	\$0.080		
29	2,035,492	\$0.229	\$0.000	\$0	\$465,706	\$0	(\$31,861)	\$433,845	\$4,867,762	\$0.078		
30	2,025,314	\$0.236	\$0.000	\$0	\$477,279	\$0	(\$32,498)	\$444,781	\$5,312,542	\$0.076		
Total	65,401,490	\$0.157	\$0.076	(\$323,910)	\$10,258,326	(\$4,465,633)	(\$156,241)	\$5,312,542	\$5,312,542	\$0.076		

(1) Year 26 cost represents an option to buy the array at Fair Market Value. This is not an obligation. Scenario assumes a 2% annual PPA rate escalator.

Make a Positive Impact on the Environment

By installing a solar electricity system, Bedford County will be doing its part to reduce global warming, air pollution, natural disasters and ultimately preserve our planet.

The proposed 1,830.0 kW photovoltaic system is estimated to generate 2,342,195 kWh of clean energy each year. This clean energy would avoid 1,654 metric tons of Carbon Dioxide (CO₂) from entering into the environment.

2,342,195 kWh of clean energy is equivalent to any of the following:

- Annual green house gas emissions from 344 cars.
- CO₂ emissions from 185,263 gallons of gasoline consumed.
- CO₂ emissions 3,844 barrels of oil consumed.
- CO₂ emissions from 22 tanker trucks' worth of gasoline.
- CO₂ emissions from the electricity use of 248 homes in one year.
- CO₂ emissions from all the energy use of 85 homes for one year.
- CO₂ emissions from 42,373 tree seedlings grown for 10 years.
- Carbon sequestered annually by 1,354 acres of U.S. forests.
- Carbon sequestered annually by 13 acres of U.S. forest preserved from conversion to cropland.
- CO₂ emissions from 68,856 propane cylinders used for home barbecues.
- CO₂ emissions from burning 7 railcars' worth of coal.
- Greenhouse gas emission avoided by recycling 618 tons of waste.



Source: <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

All RER Systems Provide the Following Minimum Levels

Warranties

- Solar Modules: 25 Years
- DC to AC Inverters: 5-10 Years plus extension options
- Racking: 10 Years
- System Installation: 5 Years

24/7/365 Monitoring

- Your solar electric system will include a data acquisition system that will enable 24/7/365, web-based monitoring, allowing real-time access to the system's energy production levels from any computer and even hand-held communication devices
- RER will also provide an annual summary production report on the anniversary date of your system commissioning