

DECOMMISSIONING AGREEMENT

This DECOMMISSIONING AGREEMENT (this "Agreement") dated as of _____, 2023 (the "Effective Date") is made by and among the Town of Clifton Park (the "Town") and Wedge Solar, LLC ("Developer", together with the Town, the "Parties").

WHEREAS, Developer intends to build a solar energy generation project (hereafter "Project") at 80 Old Sullivanville Road, in the Town of Veteran; and

WHEREAS, Developer intends to permit, construct, operate and maintain solar energy facilities with an aggregate size of three thousand (3,000) kilowatts of alternating-current nameplate capacity that will generate electric power (the "Project") on a portion of property leased by the Developer, more particularly identified hereto, and commonly known as 80 Old Sullivanville Road, Veteran, NY 14845 (Tax Parcel ID Number 40.00-2-14, "the property"), the parcel being located within the Town of Clifton Park, Clinton County, New York; and

WHEREAS, the Project will have a useful life of twenty-five (25) years. The decommissioning plan assumes the Project will be dismantled and the project site restored to a state similar to its pre-construction condition at the project maturity date.

WHEREAS, the Parties wish to enter into this Agreement to set forth terms and conditions of having funds available to pay for the costs of any decommissioning of the Project; and

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Prior to the commencement of project construction, Developer shall obtain and deliver to the Town a performance bond in form and substance reasonably satisfactory to the Town in the amount of one hundred eighty seven thousand three hundred forty two (\$187,342) securing performance of Developer's obligation to remove the Project (the "Decommissioning Bond"). It is agreed by the

parties that final issuance of a building permit shall be conditioned upon receipt and approval by the Town of such bond. Any bond provided by Developer as security to remove the Project shall be from a financial institution or surety or affiliate with an AM Best's rating of not less than A and that is authorized to do business in New York

2. The Project anniversary date shall be one year after the Month and Day that energy generation operations begin at the Project Site (the "Anniversary Date"), and every year thereafter. Developer agrees to increase the bond amount by an additional 2% every year on the Anniversary Date in accordance with the Attached Exhibit A, incorporated and made a part hereof.

3. The Parties agree that the performance bond shall be used solely to guarantee any decommissioning costs of the Project, as defined herein. Provided Developer complies with its obligations to maintain said performance bond in accordance with this Agreement and Exhibit A, Developer shall have no further payment obligations in connection with funding the decommissioning of the project site during the operation of the Project; provided, however, in the event the actual decommissioning costs exceed the amount of the performance bond provided, Developer shall be responsible for any such excess costs.

4. Decommissioning Costs shall include, but not be limited to, the cost of all equipment removal, removal of connections to the electrical grid; site restoration including land scaping, reseeding, tree planting, and removal of any paved surface, appurtenance, or accessory structure constructed for the Project or within the Project site, as necessary to restore the site to its condition prior to commencement of project construction.

5. The Parties agree that the decommissioning process of the Project shall commence for any of the following reasons: (a) Developer provides written notice to the Town of its intent to retire or decommission the Project (the "Developer Decommissioning Notice"; (b) construction of the Project has not started within eighteen (18) months of site plan being approved by the Town; or (c) the Project ceases to be operational for more than twelve (12) consecutive months.

6. The Town shall provide Developer thirty (30) days written notice (the "Town Decommissioning Notice") prior to the commencement of any decommissioning of the Project by the Town subsequent to any event under paragraph 4 (b) or (c). In the event the Developer fails to decommission the Project within one-hundred eighty (180) days after providing Developer Decommissioning Notice or fails to respond with a reasonable explanation for the delay in the construction or cessation of operation of the Project within 30 days of the Town Decommissioning Notice made pursuant to paragraphs 4 (b) or (c) herein, the Town may commence the decommissioning of the Project. For the purposes of this Agreement, "ceases to be operational" shall mean no generation of electricity, other than due to repairs to the Project or causes beyond the reasonable control of Developer.

7. In the event Developer fails to increase the value of the Decommissioning Bond by the appropriate amount on any Anniversary Date following project completion, it will be deemed a material breach of this agreement, and Developer will have thirty (30) days to cure the breach and deliver the revised Decommissioning Bond pursuant to paragraphs 2 and 3 herein and the attached Exhibit A. If Developer fails to cure the breach, it is agreed the Town is entitled to actual damages, sum certain, in the amount of the difference between the Decommissioning Bond in force at the time of the breach and the Year 25 Anniversary Date bond value given in Exhibit A (\$379,591), except that if such a breach occurs after the 25th year of project operation, the Town may calculate damages based on the difference between the Decommissioning Bond in force at the time of the breach and market estimates for decommissioning costs until the end of the useful life of the Project as provided by a qualified public engineer, licensed in the State of New York.

8. Upon written request of the Town, the Parties shall review the decommissioning bond estimate on a recurring basis every five (5) years from the Effective Date of this Agreement for the life of the project. Written notice must be provided by the Town to the Developer at least thirty (30) days before the

anniversary of the Effective date. The purpose of the review is to ensure that the decommissioning bond remains adequate to cover the costs associated with the decommissioning of the solar facility.

- a. **Engineer Selection and Fee:** The Developer shall hire a qualified and independent engineer to prepare and update the decommissioning bond estimate during each review. The engineer shall possess expertise in solar facility decommissioning and relevant industry standards. The Parties shall equally share in the costs and all fees and expenses incurred in connection with the services provided by the engineer, and the Developer will pay the engineer, providing a copy of any such invoice to the Town who shall promptly pay its portion.
- b. **Adjustments to Decommissioning Bond:** In the event that the engineer's updated estimate indicates a need for adjusting the decommissioning bond, the Developer shall promptly provide the revised bond amount to the Town. Subject to circumstances outside of Developer's control, the Developer agrees to increase the decommissioning bond to the new amount within thirty (30) business days of receiving the updated estimate from the engineer, and submit evidence of the increased bond to the Town.
- c. **Default and Remedies:** (1) In the event that the Developer fails to provide an updated decommissioning bond or increase the bond amount within the specified timeframes, it shall constitute a material breach of this Agreement; however, Developer may continue to operate the facility. (2) Upon a material breach, the Town may take appropriate legal actions to enforce the terms of this Agreement and protect the Town's interests. (3) Failure by the Town to timely notify the Developer of its request to review the decommissioning bond, the Town relinquishes its right to call for such a review until the next five year anniversary of the effective

date of this Agreement.

9. Upon removal of the infrastructure and disposal of all components of the Project from the site on which the Project is built, and upon restoration of the site to its previous appearance, this agreement and Developer's obligation to provide a Decommissioning Bond pursuant to preceding paragraphs 1, 2, and 3 shall terminate.

10. This Agreement may not be amended or modified except by written instrument signed and delivered by the Parties. This Agreement is binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns. Developer may assign this Agreement to any subsidiary, or purchaser or transferee of the Project. The Parties agree to execute and deliver any additional document or take any further action as reasonably requested by the other party to effectuate the purpose of this Agreement.

11. The waiver of compliance at any time with respect to any of the provisions, terms, or conditions of this Agreement shall not be considered a waiver of such provision, term, or condition itself or of any of the other provisions, terms, or conditions hereof or bar its enforcement at any time thereafter.

12. In the event that any action is instituted by the Town under this Agreement to enforce or interpret any of the terms hereof, Developer shall pay all court costs and expenses, including reasonable attorneys' fees, incurred by Town with respect to such action.

13. The Parties agree that this Agreement shall be construed and enforced in accordance with and governed by the laws of New York.

14. The Parties agree that any action arising under this agreement, or to enforce this agreement, shall be brought in a court of competent jurisdiction in the County of Saratoga, State of New York.

15. This Agreement may be executed through separate signature pages or in any number of counterparts, and each of such counterparts shall, for all purposes, constitute one agreement binding on all parties.

(Signature page follows)

IN WITNESS WHEREOF, the Parties have caused their names to be signed hereto by their respective representatives thereunto duly authorized as of the date first above written.

TOWN OF VETERAN

By: _____

Name: _____

Title: _____

WEDGE SOLAR, LLC

By: _____

Name: _____

Title: _____

Exhibit A
Bond Value

Decommission Construction Year	Decommissioning cost (1)
Year 1	\$187,342
Year 2	\$191,089
Year 3	\$194,911
Year 4	\$198,809
Year 5	\$202,785
Year 6	\$206,841
Year 7	\$210,978
Year 8	\$215,198
Year 9	\$219,501
Year 10	\$223,891
Year 11	\$228,369
Year 12	\$232,937
Year 13	\$237,595
Year 14	\$242,347
Year 15	\$247,194
Year 16	\$252,138
Year 17	\$257,181
Year 18	\$262,325
Year 19	\$267,571
Year 20	\$272,922
Year 21	\$278,381
Year 22	\$283,949
Year 23	\$289,628
Year 24	\$295,420
Year 25	\$301,328
Year 26	\$307,355
Year 27	\$313,502
Year 28	\$319,772
Year 29	\$326,168
Year 30	\$332,691

(1) assumes an annual 2.0% inflation rate for Year 2 and beyond