



DTE

**Powering Michigan's
Clean Energy Future**

Solar

Solar Power Easement Agreement

Summary ONLY *

Term years:

Development Phase: 3 yrs / Extend 2 additional 1 yr periods
Operation Phase: 30 yrs / Extend 1 additional 5 yr period

Compensation:

Signing Bonus: \$1,000.00 *
90 Day Preliminary Investigation Assessment
Credit off Initial Payment if proceed forward

Initial Payment: \$30 / acre within Easement or \$2,500 *
(whichever is greater) (for 3 year period)

Construction Payment: \$150 / acre within Easement *
(one time payment)

Annual Operating Pymnt: \$1,000 / acre within Easement *
(escalating annually at 2%)

***Please see attached Solar Power Easement Agreement for full specific details**



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Solar Single Axis Tracking Technology

(Example)

Single Axis Tracking Technology example (image from Google Earth, not DTE's)





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Solar Single Axis Tracking Technology Aerial Layout

(Example)

DTE's Demille Solar Array in Lapeer, MI



Example of single axis tracking aerial layout. Note north/south configuration (this is not an actual project; just a random piece of land)





DTE

**Powering Michigan's
Clean Energy Future**

DTE
Integrated Resource Plan
Summary



DTE

2019 INTEGRATED RESOURCE PLAN SUMMARY

Clean, Reliable Solutions to Power Michigan's Future



Introduction


Michigan is in the midst of an energy transformation. We are reimagining and restructuring how we power our homes, our businesses and our vehicles.

The drivers of that transformation – a desire for safe, clean, affordable and reliable power; an aging power infrastructure; and the need to minimize our impact on the environment – each require thoughtful consideration and balance.

At DTE Energy – a Michigan-based company serving 2.2 million electric customers and 1.3 million gas customers – we have been at the forefront of successfully striking that balance. In 2017, DTE announced plans to reduce our carbon emissions by more than 80 percent by 2050, making it one of the most aggressive plans in the country. And last year, we committed to producing 50 percent of our energy from clean sources by 2030. This clean energy commitment includes a minimum of 25 percent renewables and at least a 1.5 percent improvement in energy efficiency each year.

With this integrated resource plan, we're going even further – a lot further. **We're moving up our carbon-emissions goal by a full decade, pledging to reduce emissions by 80 percent by 2040. And in the near term, we have committed to a 50 percent carbon emissions reduction by 2030¹.** And we're doing so in a way that ensures our energy sources remain reliable and the power they produce affordable.

1. Compared to 2005 baseline; CO₂ emissions associated with energy generated for DTE Electric customers.



“Not only is our 80% carbon reduction goal achievable – it is achievable in a way that keeps Michigan’s power affordable and reliable. There doesn’t have to be a choice between the health of our environment or the health of our economy; we can achieve both.”

Gerry Anderson, chairman and CEO, DTE Energy

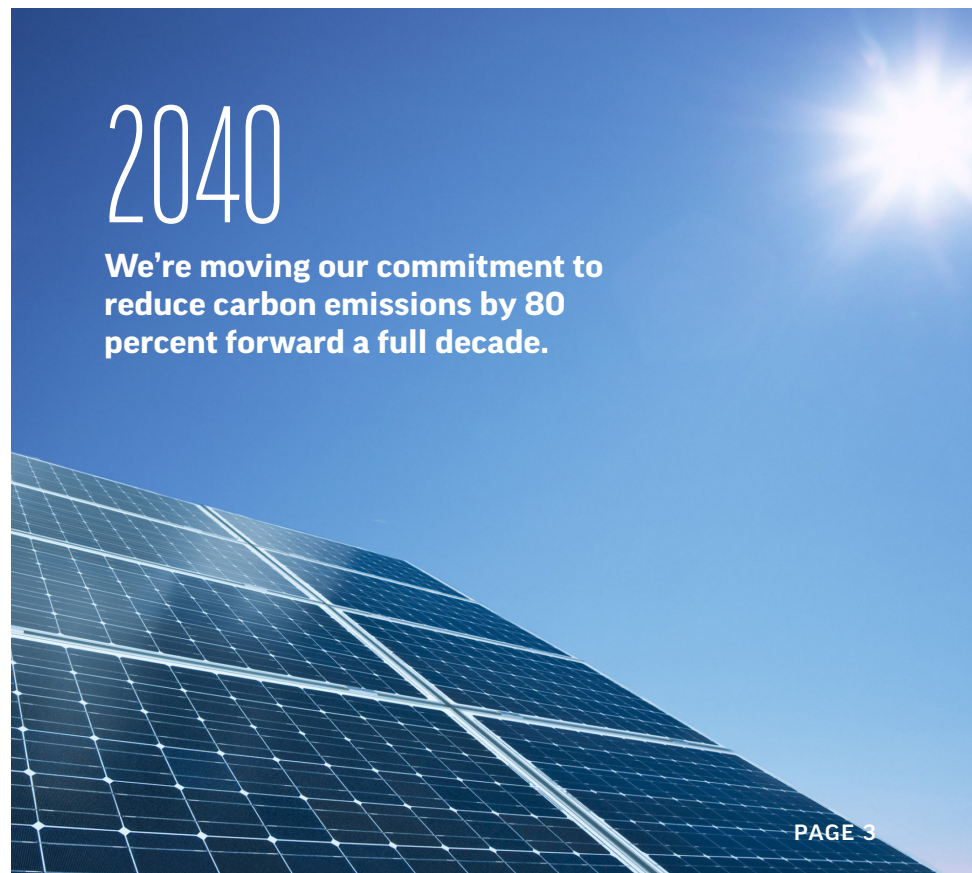


In order to achieve our bold new goal, we're expanding our energy-efficiency programs to reduce even more consumption and help our customers - especially our low-income customers - save energy and money. And we've expanded our voluntary renewables program, MIGreenPower, to our large business and industrial customers, which will accelerate our state's transition to renewable energy and empower companies to meet their sustainability goals through voluntary investments.

We're also moving our previously announced closures of the Trenton Channel Power Plant and the final generation unit at St. Clair Power Plant up one year, to 2022.

We're committed to our communities - to creating jobs for the people who live in them and to providing a balanced mix of safe, clean, reliable and affordable energy. In fact, reducing carbon is the greatest opportunity we have as an energy company. And we're already doing it - by building the clean energy sources that our customers are asking us to build.

This integrated resource plan (IRP), submitted to the Michigan Public Service Commission, lays out our vision for ensuring Michigan continues to lead in creating clean, reliable, affordable, home-grown energy that its residents and businesses can depend on. It provides both a high-level and detail-rich strategy for powering Michigan's homes and businesses over the next five years, as well as a flexible long-term plan that can evolve as our technological options and the needs of our state evolve.



2040

We're moving our commitment to reduce carbon emissions by 80 percent forward a full decade.

More Clean Energy, Less Coal

Climate change is one of the defining public policy issues of our time. At DTE, we are passionate about being central to the solution. That's why we have set ambitious new goals of reducing carbon emissions by 80 percent by 2040 and 50 percent by 2030. Those goals align with the target scientists have identified as necessary to help address climate change, and we will achieve them through aggressive investment in energy efficiency, renewables, the Blue Water Energy Center and our voluntary renewables programs, as well as through earlier coal retirements.

Coal Plant Retirements

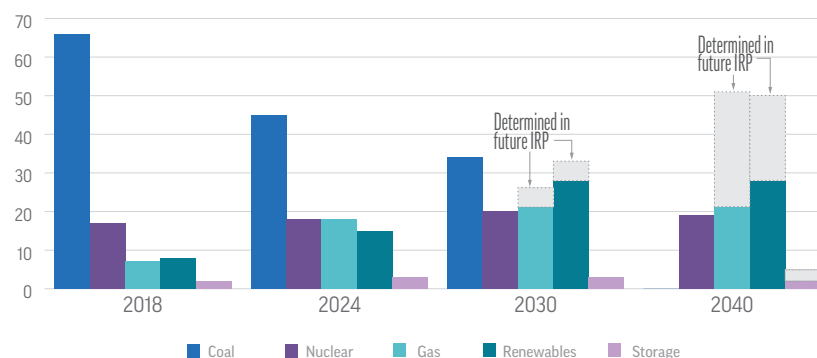
In 2016, DTE announced the retirements by 2023 of three aging power plants – River Rouge, St. Clair and Trenton Channel– that account for nearly 20 percent of our total generation. Those retirements follow the closure of two other plants – Marysville and Harbor Beach – between 2011 and 2013, and generation units at our St. Clair, Trenton Channel and River Rouge plants between 2011 and 2017.

We're now planning to close our Trenton Channel Power Plant and St. Clair Power Plant in 2022 – one year earlier than we originally intended.¹ We want to move forward as quickly as possible to achieve our carbon-reduction goal, and need to do it in a way that balances the reliability of the energy grid while also working closely with the impacted communities and employees during this transition.

¹ contingent on resolution of grid reliability concerns



2018-2040 Generation Mix Percentage



*Based on current projections. Final percentages to be determined in future IRPs.

Our coal plants have served our communities and employees well for nearly 75 years. We're proud of that legacy of service and will continue to build upon it for generations to come. We are working closely with municipal leaders in River Rouge, Trenton and St. Clair County to find meaningful ways to turn the coal plant properties into viable economic contributors after our facilities close. We are collaborating with union leadership on developing retraining programs and an employee transition strategy that is committed to no layoffs while maintaining affordable and reliable 24/7 power for our customers.



Building Renewables

DTE is Michigan's largest renewable-energy provider. By 2024, we will more than double our renewable energy, generating enough clean energy to power 800,000 Michigan homes. By the time we remove all coal from our generation fleet in 2040, our renewable-energy portfolio will have quadrupled.

Since 2009, we've driven investments of \$2.8 billion in renewable energy – a figure that will increase to \$4.8 billion by 2024. The vast majority of that investment is supporting Michigan communities and creating Michigan jobs.



4,000

Michigan jobs created



2040

Our renewable energy will quadruple by 2040



11.5 M
11.5 million solar panels by 2040

DTE's Renewables Mix Today

 **Solar**

 **Wind**

DTE currently operates more than 30 solar parks in Michigan, with plans to increase solar capacity by 25 percent over the next five years. In 2017, DTE commissioned the O'Shea Solar Park in Detroit, repurposing 10 acres of previously vacant land, and the Lapeer Solar Park, the largest universal solar park in the state. The Lapeer site includes 200,000 solar panels, making it one of the largest solar parks east of the Mississippi, and its arrays produce enough clean energy to power 11,000 homes.

31
31 solar parks in Michigan

200K
200,000 solar panels in Lapeer

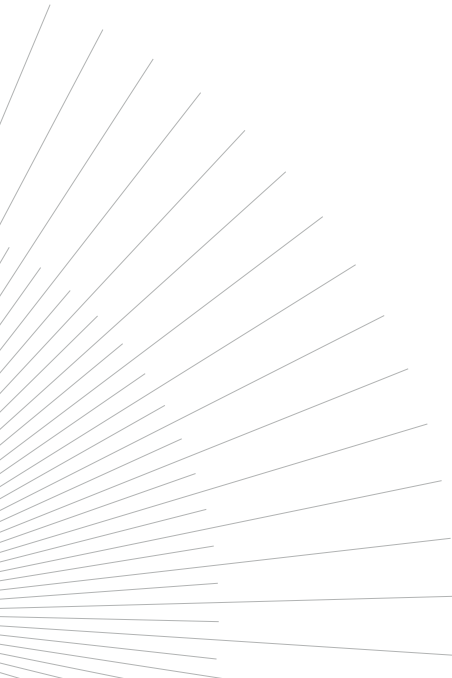
11K
11,000 homes can be powered by the Lapeer Solar Park

Wind is currently our lowest-cost and most abundant renewable resource, which is why we've already invested in the building of 14 wind parks. In early 2019, DTE commissioned Pine River, its largest operating wind park to date. Its 65 turbines generate enough energy to power more than 54,000 homes. Pine River will offset nearly 300,000 metric tons of CO2 annually - the greenhouse-gas equivalent of taking more than 63,000 cars off the road. In early 2020, we'll commission an additional wind park that will be even larger than Pine River.

14
We've invested in 14 wind parks

300K
Pine River will offset nearly 300,000 metric tons of CO2 annually

2020
In 2020 we'll commission an additional wind park





Partnering with Michigan Residents, Business and Industry

We're proud of our investment in renewables, of DTE's leadership in this critically important area and of the fact that we align with scientific consensus about the steps needed to protect our planet. And we're determined to go further.

Combating climate change must be a cross-industry effort, so we've expanded our MIGreenPower program to our large business and industrial customers. Introduced in 2017, MIGreenPower is a voluntary renewable energy program that provides DTE's residential and business customers with an easy and affordable way to reduce their carbon footprint by increasing the percentage of their energy use attributable to local wind and solar energy sources, up to 100 percent. Participating customers – who now number more than 5,000 – see a slight increase in their monthly bill while knowing they're helping to support Michigan's clean energy future.

We're expanding this voluntary initiative to meet the needs of our largest business and industrial customers who are working to meet their own sustainability goals, enabling them to invest in renewable energy, which will help drive our state toward an even cleaner future. The program is designed to grow and represents a progressive approach to fill market demand. In fact, we've already partnered with Ford and GM to provide renewable energy to support their sustainability goals.

Ford has committed to procuring 500,000 MW hours annually of wind energy to power several of its Michigan facilities, including the plant that makes its popular F-150 truck. GM has partnered with DTE to procure 300,000 MW hours annually of wind energy to power its technical center in Warren, Mich., and its headquarters in Detroit.

DTE also is exploring opportunities to expand its residential offerings to those interested in more local, community renewable energy.

Improving Energy Efficiency

Energy efficiency works hand-in-hand with renewable energy sources to ensure we meet our clean energy goals. In short, when homes and businesses reduce their energy use, we can generate less electricity, benefiting both customers' pocketbooks and the environment.

DTE previously committed to increasing energy efficiency at a level equivalent to 1.5 percent of sales annually. Our efforts already have resulted in nearly 700 MW annually of reduced energy demand since 2009, equivalent to the energy produced by one large power plant. Improving energy efficiency also results in lower bills for customers; for every dollar invested in energy efficiency, customers save \$5.

With this plan, we're building on the success of these efforts by committing to a 1.75 percent annual improvement in energy efficiency – 75 percent more than the level required by law. Improving energy efficiency will reduce our carbon emissions even further – meaning we need to generate even less energy. The expansion of those programs also will mean more jobs and business for the Michigan firms that support them.

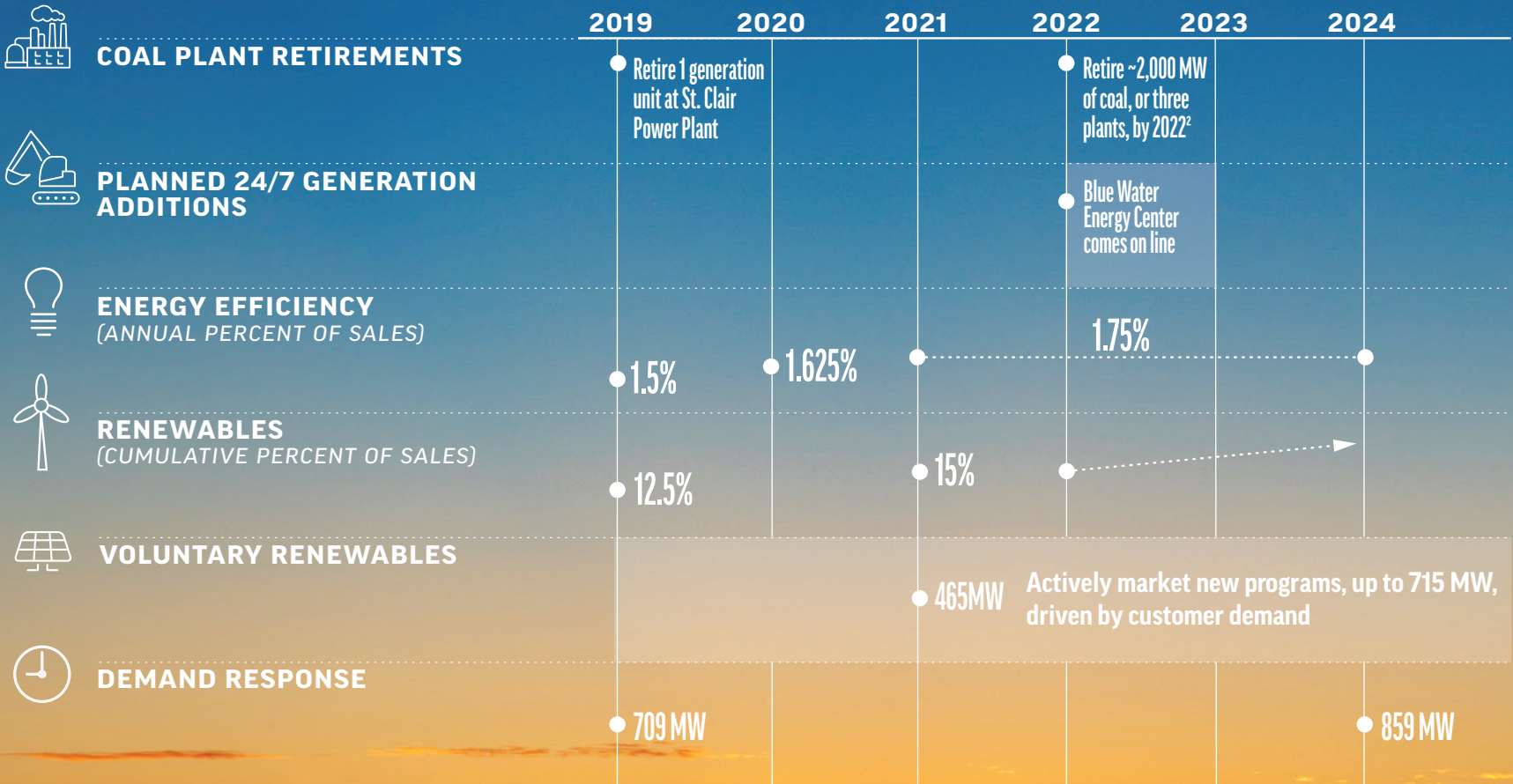
DTE also is a leader in demand response, rewarding residential and business customers who reduce or shift electricity usage during peak periods. We offer our customers the opportunity to reduce their energy use and lower their bills through multiple programs. Our demand-response program is in the top 25 percent nationwide and is the largest in Michigan, with more than 700 MW of program capacity.

Powering Michigan's Future

The plan we are submitting focuses on the next five years and considers the most affordable and reliable mix of generation sources that are available today. However, these technologies are improving rapidly, so we also have created a flexible long-term plan that allows us to review technological advancements as they become feasible and affordable. We've developed four alternate long-term options, modeling different costs and technology assumptions for each. We will continue to revisit and refine our plan as technology develops, customer desires and trends become more clear, and costs decline.

The Defined Short Term: 2019-2024

CARBON REDUCTION TARGET = 32%¹



The Flexible Future: 2025-2030

CARBON REDUCTION TARGET = 50%¹



Retire Belle River Power Plant by 2030



Increase renewables to at least 25%



Continue 1.75% energy efficiency and review biannually



Maintain or increase demand response



Continue to market and add voluntary renewables based on customer demand

Possible pathways that could meet future generation needs:

A

Achieve 1,390 MW of voluntary renewables

Increase demand response

Maintain 1.75% energy efficiency

B

Achieve 1,390 MW of voluntary renewables

Construct new natural gas-fueled power plant

Maintain 1.75% energy efficiency

C

Achieve 465 MW of voluntary renewables

Increase demand response

Increase energy efficiency to 2.00% in 2026

D

Achieve 465 MW of voluntary renewables

Construct new natural gas-fueled power plant

Maintain 1.75% energy efficiency

The Flexible Future: 2031-2040

CARBON REDUCTION TARGET = 80%¹



Retire Monroe Power Plant by 2040



Increase renewables, energy efficiency and demand response consistent with carbon reduction goals

There are multiple pathways to meet carbon goals and generation needs in 2030 and beyond; we will remain flexible and present potential future options in our next IRP.

1. Compared to 2005 baseline; CO₂ emissions associated with energy generated for DTE Electric customers

2. Retirements of St. Clair, River Rouge and Trenton Channel plants are contingent on the successful start up of Blue Water Energy Center and resolution of grid reliability concerns

Balanced, Reliable, Customer-Focused

As we embrace renewable energy, our IRP provides a clear and balanced path for meeting our carbon-reduction goals while ensuring energy remains affordable and reliable.

Michigan's unique peninsular geography and the physical limitations of the transmission system mean that 95 percent of Michigan's power generation must be physically located in the Lower Peninsula to meet regional capacity reliability standards. So while some power can be imported from out of state, the vast majority must be locally produced in order to maintain a reliable energy grid.

Even as three coal plants are going away, the demand for around-the-clock electricity is not. And since the weather and the economy are both prone to change, we need a flexible, nimble mix of energy sources that can meet our customers' changing needs, 24 hours a day, seven days a week. Because renewable energy is variable, the need to carefully plan for and balance local supply for every hour of the year is absolutely critical. We cannot rely on purchasing energy on the market when demand is high – if every energy company in our region did that, reliability would be undermined. That's why we're pushing hard to both meet our ambitious clean-energy goals and to ensure our regional energy grid remains reliable.

Key to balancing these commitments are the Blue Water Energy Center and the Ludington Pumped Storage Power Plant.





Blue Water Energy Center

Natural gas will help us make the transition to renewables in a way that provides the reliability Michigan residents need, while significantly reducing our carbon footprint. Natural gas plants are a highly efficient, low-emission energy source that provide reliable, on-demand, 24/7 electricity.

The Blue Water Energy Center (BWEC), approved by the Michigan Public Service Commission in 2018, will be a state-of-the-art, natural gas combined-cycle plant and one of the most efficient plants in the United States. It will replace three retiring coal plants, allowing Michigan to have both a sharp reduction in carbon emissions and an always-available energy source, helping us create a cleaner energy future. It will be capable of ramping up quickly to accommodate changes in demand and fluctuations in renewables and other energy sources, ensuring our state's homes and businesses have a reliable power source and giving them peace of mind.

This plant will provide enough 24/7, affordable and reliable energy to power 850,000 homes beginning in 2022. BWEC will reduce CO₂ emissions by 70 percent compared with the three coal plants it is replacing. It also will reduce sulfur dioxide (SO₂), and nitrous oxide (NO_x) emissions by more than 95 percent compared with the coal plants slated for retirement, while supporting Michigan's manufacturing operations and residential customers. The plant represents a nearly \$1 billion investment in Michigan. Construction jobs will peak at about 520 full-time positions during construction and will provide about 35 full-time positions once the plant is in operation.

850K

In 2022 BWEC will
provide enough
energy to power
850,000 homes

Ludington Pumped Storage Power Plant

The Ludington Pumped Storage Power Plant, which DTE co-owns with Consumers Energy, is located on a 1,000-acre site on Lake Michigan in Mason County. The plant generates hydroelectric power and supports our renewables generation because it acts like a giant battery that can be tapped when renewable output drops.

The Ludington plant consists of a man-made reservoir located above six 300-ton turbines. The reversible turbines work as pumps when energy is plentiful and low-cost, such as when the sun is shining and the wind is blowing, and as power generators when demand is higher and renewable sources less abundant. The plant pumps water from Lake Michigan uphill to the 27 billion-gallon reservoir at low-demand times, and releases the stored water downhill through the turbines to generate electricity when energy demand is higher.

Ludington can ramp up to peak output in just 30 minutes. It provides a sustainable, clean, reliable energy source that quickly responds to the daily, weekly and seasonal highs and lows of Michigan's energy demand. It also helps keep energy bills lower because it allows DTE to avoid having to buy expensive out-of-state electricity when demand peaks.

An \$800 million upgrade project to replace each of the six turbines is on schedule to be completed in 2020. Ludington, the second-largest pumped storage facility in the United States, will then support power for 175,000 DTE households.



\$800M

**An \$800 million
upgrade project to
replace each of the six
turbines is on schedule
to be completed in
2020**



A Collaborative Vision: Stakeholder Input

We must work together collaboratively to secure Michigan's energy future. DTE spent months seeking input on this IRP from members of the public, consumer and environmental advocates, and other stakeholders at numerous forums and open houses across the state.

We believe everyone benefits from the exchange of information and open dialogue, and so we worked to implement a comprehensive, transparent and participatory stakeholder engagement process. Outreach was designed to create awareness of the IRP process, encourage honest communication, and obtain and incorporate feedback. We hosted four technical workshops and three public open houses, and created a DTE IRP email account for electronic comment submission and response.

Registration for the open houses was not required, and we publicized them through social media, the DTE newsroom, emails to stakeholders and through our blog, EmpoweringMichigan.com. We also included open house content on the site for easy access.





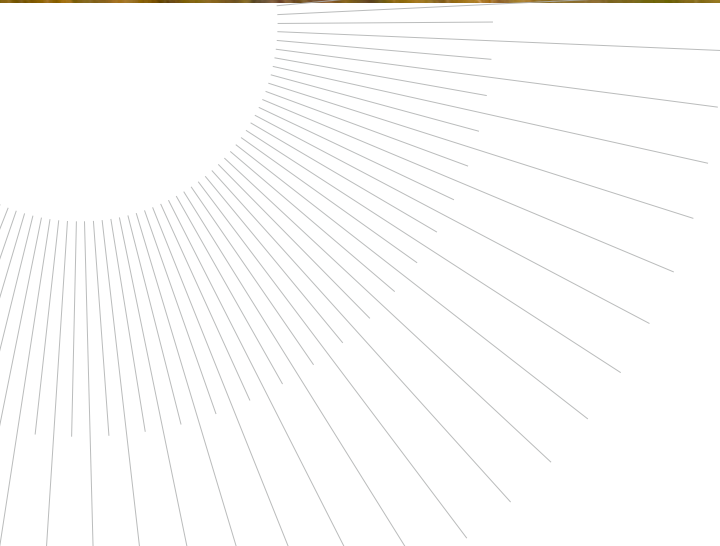
At each technical meeting and open house, we worked to understand and respond to stakeholder suggestions and concerns. Here's what we heard at those meetings:

- Michiganders want their power sources to be safe, affordable and reliable.
- They care about climate issues and want to make sure we're doing everything we can to transition to cleaner energy, including renewable energy, energy efficiency and demand response.
- They want more information on how to engage with DTE on everything from energy-efficiency audits to tree trimming.

DTE has listened carefully to that input. We are confident this IRP incorporates the needs and concerns of Michigan residents and businesses and provides a safe, affordable, reliable and effective course of action.

We appreciate the participation and feedback that was provided and engagement from our technical and public stakeholders. We will continue to communicate with our stakeholders as part of our commitment to engagement.





DTE

For more information visit: www.journeyto80.com

The DTE logo consists of the letters "DTE" in a bold, dark blue, sans-serif font. To the right of the text is a stylized sunburst graphic composed of numerous thin, light blue lines radiating from a central point, forming a partial circular shape.

**Powering Michigan's
Clean Energy Future**

Other Information

DTE's Solar Energy Portfolio

Producing the most solar energy in Michigan

DTE Energy is the largest producer of solar energy in Michigan, with 31 solar arrays generating enough clean energy to power 14,000 homes. DTE has invested more than \$170 million in solar energy to date. DTE commissioned its first solar project in November 2010, and our most recent solar array was commissioned in July 2017. Solar energy currently makes up 7 percent of DTE's renewable energy generation portfolio.

DTE's newest solar projects

Lapeer Solar Park (48 MW)

The Lapeer Solar Park is the largest utility-scale park in Michigan and one of the largest east of the Mississippi River. The park's 200,000 panels spread across 250 acres generate enough clean energy to power 11,000 homes.



O'Shea Solar Park (2 MW)

The O'Shea Solar Park, located in Detroit, is one of the largest urban solar arrays our region. It's 7,400 panels situated on 10 acres of previously vacant land produce enough clean energy to power 450 homes.

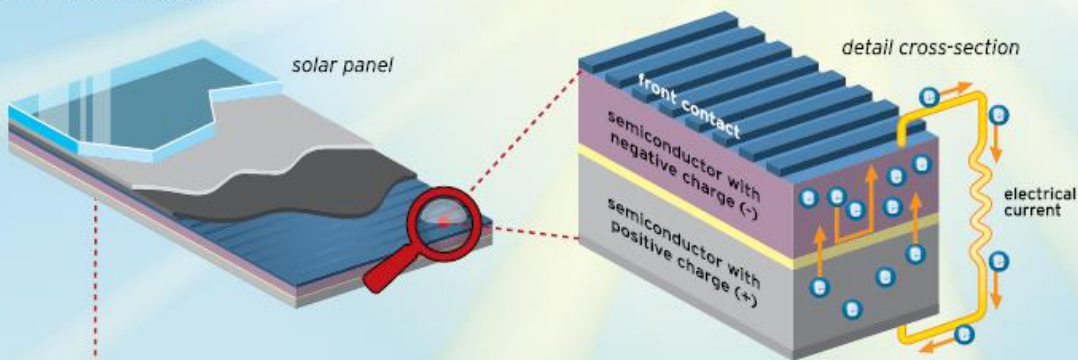
Part of the public-private partnership with the City of Detroit, the park will generate more than \$1 million in tax revenue for the city over the life of the project.



How solar energy works

FROM SUN TO SOCKET

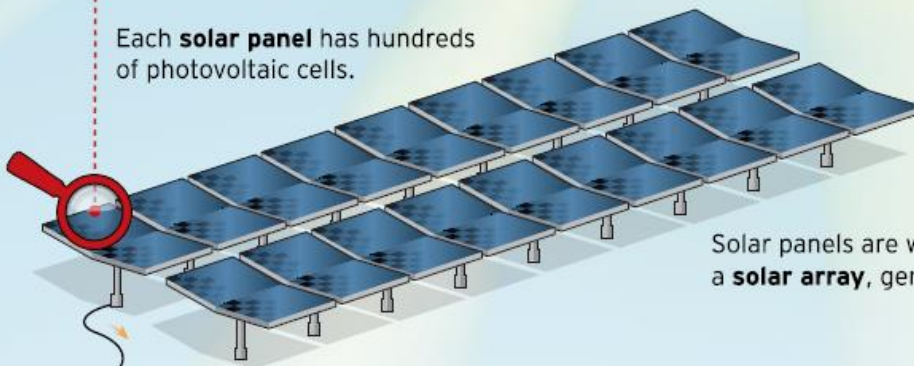
Each **photovoltaic cell** includes two layers of semiconductor material with opposite charges. In between is a layer that allows electrons to flow in only one direction.



The sun's energy frees up electrons in the top and bottom layers. They start crowding into the top (negative) layer.

The only way electrons can get back to the bottom (positive) layer is to move through a **circuit**, creating an **electrical current**.

Each **solar panel** has hundreds of photovoltaic cells.



Solar panels are wired together to create a **solar array**, generating direct current (DC).

An **INVERTER** turns direct current (DC) into alternating current (AC), which can be transmitted long distances.

A **STEP-UP TRANSFORMER** increases the voltage for transmission across the grid.

Electricity is transmitted across **HIGH-VOLTAGE POWER LINES**.

A **STEP-DOWN TRANSFORMER** reduces voltage so it can be used in homes and businesses.

The Lapeer Solar Array generates 48 megawatts of clean solar power—enough to power **11,000 HOMES**.

Michigan Department of Agriculture and Rural Development

Policy for Allowing Commercial Solar Panel Development on PA 116 Lands

MDARD's overall goal is to positively address competing good land use issues. To achieve this, below are conditions under which MDARD may allow for solar panel operations on lands enrolled in the Farmland Development Rights Program. There are two major goals in this approach:

- To allow solar energy facilities to be placed on lands enrolled in the Farmland Development Rights Program.
- To preserve agricultural land for future use as intended by the Farmland and Open Space Preservation Act, MCL 324.36101 *et seq.*

MDARD may permit solar energy development on lands enrolled in the Farmland Development Rights Program as provided below.

Definitions

Amended Farmland Development Rights Agreement (Amended Agreement) - A signed agreement between a Landowner and MDARD for the State of Michigan. Contains the conditions required to allow a commercial solar power array.

Commercial Solar Agreement - This is the agreement entered into by the Landowner and the Solar Energy Developer. It must contain all conditions specifically identified here as the responsibility of the Solar Project Company.

Farmland Development Rights Agreement - The agreement between the Landowner and the State of Michigan that define conditions for participating in the Farmland Development Rights Program as required by MCL 324.36101 *et seq.*

Landowner - The property owner who has a signed and recorded Farmland Development Rights Agreement with MDARD for the State of Michigan.

Local Governing Body - The local unit of government with zoning responsibility. This would be a township unless the township does not zone and then the zoning authority would lie with the county.

Solar Project Company - The owner and/or operator of the solar project entity.

This policy establishes the expectations for responsibilities in carrying out the development, maintenance and decommissioning of a solar energy array on property enrolled in the Farmland Development Rights Program. The document will refer to the Solar Project Company as well as the Landowner. However, under MCL 324.36101 *et seq.*, the Landowner is responsible for complying with a Farmland Development Rights Agreement. As a result, the Amended Agreement between the Landowner and the State of Michigan will ascribe all responsibilities to the Landowner. Therefore, those responsibilities herein identified as the responsibility of the Solar Project Company should be addressed in the agreement between the Solar Project Company and the Landowner.

Administrative Approach

- Pursuant to the Farmland and Open Space Preservation Act, MCL 324.36101 *et seq.* (the Act) and Paragraph 2 of the Farmland Development Rights Agreement with the Landowner, MDARD, subject to appropriate permitting by the local governing body, may permit structures to be built on property enrolled in the program if the structures are consistent with farm operations. MDARD will work with the local governing body to determine appropriate bonding requirements.
- MDARD has determined that the placement of structures for commercial solar energy generation on property enrolled in the Farmland Development Rights Program is consistent with farming operations and is consistent with the purposes of the statute (MCL 324.36101; 324.36104 and 324.36104(a)) if the following conditions are met:
 - An Amended Agreement is entered into by the Landowner for the land where the solar facility is to be located. The Amended Agreement shall extend the existing Farmland Development Rights Agreement for a period of time that is equivalent to the amount of time the land is used to generate solar power combined with the remaining term of the Farmland Development Rights Agreement. This will result in no net change in the length of the Farmland Development Rights Agreement.
 - Tax credits are not claimed during the deferment period. The deferment period begins at the time of solar facility's construction and extends until all commercial solar panels and appurtenant structures are removed. The past seven years of tax credits are calculated at the time the Amended Farmland Development Rights Agreement is recorded and held until the land is returned to agricultural production at the end of the Commercial Solar Agreement. If a landowner chooses to leave the Farmland Development Rights Program at any time during the Commercial Solar Agreement, the calculated seven years tax credits would be payable.

- The site should be designed and planted to achieve a score of at least 76 on the [Michigan Pollinator Habitat Planning Scorecard for Solar Sites](#). The pollinator habitat area must allow for replanting when the usable life of the pollinator habitat expires. The ground cover is to be established and maintained. MDARD expects this will be the Solar Project Company's responsibility under the Commercial Solar Agreement.
- Any portion of the site not included in pollinator plantings must maintain United States Department of Agriculture -Natural Resource Conservation Service Conservation Cover Standard 327. Planting standards can be found at: <https://efotg.sc.egov.usda.gov/references/public/mi/sow327.pdf> and https://www.nrcs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb1263169.pdf
- A bond or irrevocable letter of credit as a surety tool is obtained and maintained in an amount sufficient enough to decommission the solar array and return the property to agricultural purposes. The financial surety must be in place for the entire deferment period. The amount of the financial surety shall be calculated by a licensed engineer and approved by MDARD. The surety must be payable to the State of Michigan. MDARD expects this will be the Solar Project Company's responsibility under the Commercial Solar Agreement.
- Both the establishment and maintenance of the site assures the land can be returned to agricultural uses at the end of the deferment period. Consistent with NRCS policy, an NRCS Certified Prior Converted (PC) exemption for agricultural land will not change if, for some reason, the land under a long-term Commercial Solar Agreement begins to exhibit wetland characteristics. But for those fields that are currently exempt under Parts 303 and 301 of the Michigan Natural Resources and Environmental Protection Act, the drainage infrastructure must be maintained during the deferment period. MDARD expects drainage infrastructure maintenance will be the Solar Project Company's responsibility under the Commercial Solar Agreement.
- The land is returned to agricultural use at the end of the deferment period and continues to be subject to the requirements of the Farmland Development Rights Agreement. Decommissioning the site must be completed in time for normal agricultural operations for the following growing season.

In all cases, conditions for exiting Farmland and Open Space Preservation Act, MCL 324.36111(a) shall apply throughout the solar agreement and deferment period.

Contract Amendment

Amending the Farmland Development Rights Agreement will be a two-step process. The first step will result in a split of the original Farmland Development Rights Agreement, pursuant to MCL 324.36110(4). The split should divide the land into the portion that will be subject to development under a Commercial Solar Agreement and the portion that will continue to operate under the original Farmland Development Rights Agreement. The second step is that the Landowner shall enter into an Amended Farmland Development Rights Agreement for the portion of the land that will be in a Commercial Solar Agreement. The Amended Agreement will be filed with the register of deeds. The Amended Agreement will reflect all the conditions required to insure the placement of structures on the property 'is consistent with farming operations and is consistent with the purposes of the statute.' This Amended Agreement must be executed by the Landowner and MDARD 60 days prior to any construction.

In no event can the deferment period plus the remaining period in the original Farmland Development Rights Agreement exceed 90 years. Regardless of the length of any lease with a Solar Project Company, the deferment period is limited to 90 years minus the remaining term of the Farmland Development Rights Agreement. The Landowner may enter into a subsequent Amended Farmland Development Rights Agreement to provide for an additional deferment period.

The logo for DTE Energy, featuring the letters "DTE" in a bold, blue, sans-serif font. To the right of the text is a stylized sun icon composed of numerous thin, grey lines radiating from a central point, forming a semi-circle.

**Powering Michigan's
Clean Energy Future**

Solar Power Easement Agreement

(Sample Draft)

SOLAR POWER EASEMENT AGREEMENT

This Solar Power Easement Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 20____ (“Effective Date”) by and between _____, a _____ having an address of _____ (“Grantor”), and DTE ELECTRIC COMPANY (“Grantee”), a Michigan corporation having its principal office located at One Energy Plaza, Detroit, Michigan 48226. Grantor and Grantee may be referred to herein in the singular as a “Party” and collectively as the “Parties”.

WITNESSETH:

The following is a recital of the facts underlying the execution of this Agreement:

- A. Whereas, Grantor agrees to allow Grantee to develop a photovoltaic project including, but not limited to, the installation, maintenance and operation of a solar generating system, its electrical and mechanical components, support structure, mounting or tracking components, inverter(s), modules, meter(s), monitoring components, conduit, collection lines, cables, electric lines, ducts, transformers, fences, interconnection facilities, energy storage system, roadways and other elements installed in the nature of the work (collectively the “System”) within the area of land consisting of approximately __ acres described on the attached Exhibit A (the “Easement Area”). The area within the tax parcel of which the Easement Area is a part, if the Easement Area is less than the area of the tax parcel, is referred to herein as the “Premises”. [*If at time of grant, Easement Area is less than tax parcel, attach additional Exhibit of “Premises”*].
- B. Whereas, Grantee shall, at its sole cost and expense, engineer, procure and install any and all equipment in connection with the System.

NOW, THEREFORE, in consideration of the foregoing, and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

- 1. Grant: Grantor grants an exclusive easement to DTE, its officers, employees, agents, contractors, subcontractors, licensees, invitees and guests, on, over, under and across the Easement Area, including the airspace over the Easement Area, for the purpose of evaluating (including, but not limited to, conducting environmental, geotechnical, and meteorological studies), constructing, installing, operating, inspecting, repairing, maintaining, altering, replacing, improving, restoring and removing the System, as Grantee may determine is necessary or desirable, for the Term (as defined herein). Grantor further grants Grantee the following rights:
 - a. the right of Grantee to receive, unload, store, warehouse and protect all materials, tools and equipment on the Easement Area, and Premises as needed, and a lay down area on the Premises during construction of the System;
 - b. the exclusive and continuous right to direct sunlight for operation of the System and the generation of energy.

2. Term:

- a. Term: The term of this Agreement (“Term”) shall be divided into two (2) phases, consisting of: (i) the Development Phase, which shall commence on the Effective Date and continue for an initial period of three (3) years, provided, however, that (x) Grantee shall have the right to extend the Development Phase in accordance with Exhibit C attached hereto for two (2) additional periods of one (1) year each and (y) if Grantee notifies Owner prior to the expiration of the Development Phase, as it may have been extended by Grantee, that Grantee has commenced construction of the System, then the Development Phase shall not expire on its scheduled expiration date but shall be automatically extended until the commercial operation date and (ii) upon the commercial operation date, when the System has been placed in service, the Development Phase shall cease and the Operation Phase shall begin and continue for a period of thirty (30) years from said commercial operation date, which may be extended at the election of Grantee in accordance with Exhibit C attached hereto for up to one (1) additional period of five (5) years, except as such Term may be earlier terminated as provided herein.
- b. Expiration: At the expiration or earlier termination of the Term, Grantee shall be afforded a period of one calendar year in which to (1) remove the System (including foundations) and any other Grantee Property (as defined herein) from the Easement Area to a depth of no more than forty-eight (48) inches below the surface of the land, (2) reseed the disturbed Easement Area with grass and/or natural vegetation or, to the extent the Easement Area is subject to PA 116, as defined below, return the Easement Area to a reasonable condition for crop planting in time for normal agricultural operations for the following growing season., and (3) remove all roads constructed by Grantee unless Grantor permits Grantee to abandon said roads in place and in their then-existing condition (“Removal”).
- c. Termination of Agreement for Convenience: Notwithstanding anything to the contrary contained herein, Grantee shall have the right to terminate this Agreement as to all or any part of the Easement Area upon thirty (30) days written notice to Grantor at any time during the Term; provided, however, that, if such notice is sent within ninety (90) days after the Effective Date, termination shall be effective upon the date such notice is sent. Upon termination, Grantee shall have no further obligations to Grantor and Grantor shall have no further obligations to Grantee except the Removal within that portion of the Easement Area that has been terminated. In the event that Grantee elects to reduce the size of the Easement Area, the payments to be made during the Term by Grantee to Grantor under Exhibit C shall be reduced proportionately as a consequence of Grantee’s reduction of the size of the Easement Area. Grantor agrees to execute and deliver to Grantee such agreements and other documents as Grantee shall reasonably request to confirm and ratify Grantee’s reduction of the size of the Easement Area, however, Grantee may, without Grantor’s signature or consent, execute and record a memorandum of easement which contains the revised legal description of the Easement Area.

3. Compensation: Grantee shall pay Grantor as described in Exhibit C.
4. Access to Easement Area: Grantee shall have the right to restrict access to the Easement Area. Grantee shall further have the right, at its sole option and expense, to construct a fence around all or part of the Easement Area. Grantor shall at all times have the right to make such use of the Premises as shall not be inconsistent with the exercise by Grantee of the rights herein granted.
5. Operation, Maintenance and Repair of System: Grantee will operate, maintain and repair the System during the Term of this Agreement at the sole cost and expense of Grantee. All work performed by Grantee in connection with the installation, operation, maintenance and repair of the System shall be performed in accordance with all applicable federal, state and local laws, rules, regulations and ordinances. Notwithstanding the foregoing, Grantor shall be responsible for the cost of any damage Grantor causes to the System.
6. Vegetation Management: Grantor shall not plant any trees within the Easement Area. Grantee shall have the right from time to time hereafter to enter the Easement Area and Premises to trim, cut down, and otherwise remove and control any trees, brush, roots, and other vegetation that is (a) within the Easement Area or (b) located outside of the Easement Area and (i) casts a shadow on the Easement Area or (ii) is of such a height, or is of such a species whose mature height, that in falling directly to the ground could come into contact with or land directly within the Easement Area. Notwithstanding the foregoing, Grantor may plant crops within the Easement Area during the Development Phase until such time as Grantor received notice from Grantee of the commencement of construction as provided in Exhibit C.
7. Credits, Rebates and Incentives: All federal and state tax credits, renewable energy credits, including all renewable energy attributes and/or benefits, payments, grants, rebates, incentive payments, or other credits paid as a result of the design, installation, and/or operation of the System (hereinafter "Incentives") shall inure to the exclusive benefit of and become the exclusive property of Grantee. Grantor will cooperate in good faith as necessary to enable Grantee to obtain all available Incentives. Apart from Grantor's cooperation as set forth above, Grantee shall be solely responsible for securing and receiving any Incentives.
8. Ownership:
 - a. The System and all alterations, additions, improvements or installations made thereto by Grantee and all personal property of Grantee used in connection with the installation, operation and maintenance of the System, or other apparatus related to the System are, and shall be and remain, the personal property of Grantee ("Grantee Property"). In no event shall any Grantee Property be deemed a fixture, nor shall Grantor, nor anyone claiming by, through or under Grantor (including, but not limited to, any present or future mortgage of Grantor) have any rights in or to the Grantee Property at any time.

- b. All energy, including capacity and stored energy, generated by the System shall remain the sole and exclusive property of Grantee.

9. Grantor's Obligations:

- a. No Interference: Grantor shall at all times during the Term of this Agreement use commercially reasonable efforts to maintain the Easement Area, and the Premises, in good condition and repair, provided that Grantee shall be responsible for the System and any vegetation management for the System as further set forth in Section 6 and/or otherwise in this Agreement. Grantor shall not interfere with or cause or permit any interference with the System and/or any Grantee Property and shall take all reasonable steps to ensure that no third party accesses the Easement Area. Grantor shall not grant any licenses, easements, leases or rights of way, whether recorded or unrecorded, that may interfere with Grantee's use of the Easement Area to operate the System. Grantor will not initiate or conduct activities that it knows or reasonably should know may damage, impair or otherwise adversely affect the System or its operation (including activities that may adversely affect the System's direct or indirect exposure to sunlight). Grantor will not conduct maintenance, repairs or other work to the Easement Area and Premises that is reasonably likely to damage, impair or otherwise adversely affect the System or its operations.
- b. Governmental Permits: Grantor shall cooperate with Grantee in obtaining any permits, approvals, consents and easements from any governmental agencies or other third parties having jurisdiction over and/or rights with respect to the Easement Area, the design, construction, location or operation of any equipment related to the System or any activities associated therewith. Grantor shall promptly execute permit documentation requested by Grantee.
- c. Grantor's Compliance with Applicable Laws: Grantor, at its sole cost and expense, shall comply with all applicable federal, state and local laws, rules, regulations and ordinances relating to the ownership and occupancy of the Easement Area and Premises.

10. Sale/Transfer/Lease of Easement Area and Premises: The burdens and covenants of Grantor shall run with and against the Easement Area, and, to the extent provided herein, the Premises, and shall be a charge and burden on the Easement Area and Premises and shall be binding upon and against Grantor, its successors, assigns, permittees, licensees, lessees, employees, and agents. It is the intent of the Parties that this Agreement shall be binding upon and inure to the benefit of the Parties' successors and assigns. Payments under this Agreement will be made to the fee owner of the Easement Area. Grantor shall notify Grantee of a transfer of the fee interest in the Easement Area and Premises to a new owner; Grantee shall not be responsible to make payments to such new owner until receipt of the foregoing notice and a W-9 from such new owner.

11. Right of First Refusal:

- a. Throughout the Term of this Agreement, Grantee shall have a continuing right of first refusal to purchase all or a portion of the Easement Area and all or a portion of the Premises. Grantor shall promptly notify Grantee in writing in the event that Grantor receives a proposal from, or makes a proposal to, any third party relating to the sale of all or any part of the Easement Area or all or any part of the Premises (such proposal an "Offer"; the property for which there is an Offer, the "Sale Parcel"). From and after such written notice to Grantee, Grantee shall have the first right to purchase the Sale Parcel, which right shall continue for thirty (30) days from the date Grantee receives such written notice from Grantor relaying the terms of the Offer. If, during said thirty (30) day period, Grantee fails to notify Grantor of its willingness to purchase the Sale Parcel, Grantee's right of first refusal shall be waived with respect to such Offer only. Grantee's election not to exercise its right of first refusal shall not limit, diminish or otherwise affect Grantee's rights hereunder as to any further or subsequent proposals during the Term.
- b. Upon Grantee's election to purchase the Sale Parcel pursuant to Section 11(a), Grantor shall provide an ALTA Owner's Title Insurance Commitment (the "Commitment"), committing to insure fee title to the Sale Parcel and easements thereto without standard exceptions (provided Grantee obtains a survey of the Sale Parcel at its expense), issued by a title company acceptable to Grantee. Grantee shall have fifteen (15) days after receipt of the Commitment to review the Commitment and notify Grantor of any unacceptable defects or encumbrances thereto (the "Defects"), and Grantor agrees within thirty (30) days to endeavor to cure the Defects to Grantee's satisfaction, which if not cured, Grantee shall have the right to waive the Defects or terminate the transaction. If the transaction is not terminated, then the sale of the Sale Parcel shall take place on the same terms as provided in the Offer, except that Grantor shall be responsible for transfer taxes and the cost of a title policy (but not the cost of endorsements thereto) and except as otherwise agreed by the Parties.

12. Taxes:

- a. Property Taxes. Grantee shall be responsible for any personal property taxes levied against any Grantee Property installed by Grantee on the Easement Area. In addition, to the extent the property taxes for the Easement Area increase due to a reclassification by the assessor, Grantee shall be responsible for such increase provided Grantor makes available to Grantee copies of such tax bills. Grantor shall pay the real property taxes for the Easement Area and Premises before such taxes become delinquent. If Grantor fails to pay the taxes or any other monetary obligations for which it is responsible hereunder, or otherwise defaults under this Agreement, then, in addition to its other rights and remedies, Grantee shall have the right to pay such taxes and other obligations, and/or cure any such default by any appropriate means; and the cost thereof shall be reimbursed to Grantee by Grantor within thirty (30) days of Grantee's demand. Grantee may offset such cost against any amounts owed by it to Grantor.

b. Public Act 116. In the event the Easement Area is subject to Farmland and Open Space Preservation Act, MCL 324.36101 *et seq.*, or similar program (referred to herein as “PA 116”), the System may be constructed within the Easement Area provided Michigan Department of Agriculture and Rural Development (“MDARD”) consents and the Parties comply with the following:

i. Grantor Obligations:

1. Prior to receipt of the Construction Notice as provided in Exhibit C, Grantor shall amend the agreement between Grantor and MDARD to address the construction of the System under this Agreement and the tax credit deferment period (“Deferment Period”).
2. Upon receipt of the Construction Notice from Grantee, Grantor represents and warrants that no further tax credits under PA 116 or other similar MDARD programs shall be claimed for the Easement Area until the Deferment Period expires.
3. Grantor represents and warrants that the Easement Area will be returned to agricultural use after the Deferment Period expires.

ii. Grantee Obligations:

1. Prior to completion of the System, Grantee shall design and plant the Easement Area to achieve a score of at least 76 on the Michigan Pollinator Habitat Planning Scorecard for Solar Sites and for portions of the site not included in pollinator plantings, Grantee shall maintain USDA – Natural Resource Conservation Service Conservation Cover Standard 327.
2. Throughout the Deferment Period, Grantee shall provide a bond or irrevocable letter of credit in the amount sufficient enough to decommission the System and return the Easement Area to agricultural purposes to the State of Michigan.
3. Within the Easement Area, Grantee shall maintain drainage infrastructure for fields that are exempt under Parts 303 and 301 of the Michigan Natural Resources and Environmental Protection Act.

13. Default:

- a. Default of Grantor. Each of the following events shall constitute an event of default by Grantor and shall permit Grantee to seek specific performance or all other appropriate remedies available at law or equity: (i) the failure to pay amounts required to be paid hereunder when due, and such failure has continued for thirty (30) days after written notice to Grantor from Grantee; or (ii) the failure by Grantor to perform any other material term set forth in this Agreement, and such failure has continued for thirty (30) days (or such longer period of time as may reasonably be

required to cure such failure, if such failure cannot reasonably be cured within a thirty (30) day period) after written notice to Grantor from Grantee.

- b. Default of Grantee. Each of the following events shall constitute an event of default by Grantee and shall permit Grantor to seek monetary damages or all other appropriate remedies available at law or equity, provided that Grantor shall not have the right to terminate this Agreement or Grantee's right of access to and use of the Easement Area: (i) the failure to pay amounts required to be paid hereunder when due, and such failure has continued for thirty (30) days after written notice to Grantee from Grantor; or (ii) the failure by Grantee to perform any other material term set forth in this Agreement, and such failure has continued for thirty (30) days (or such longer period of time as may reasonably be required to cure such failure, if such failure cannot reasonably be cured within a thirty (30) day period) after written notice to Grantee from Grantor.

14. Indemnity

- a. Indemnification by Grantee. Grantee shall defend, indemnify and hold harmless Grantor for any claims for injuries to persons or damages to property, or both, arising directly or indirectly out of any negligent act or omission or willful misconduct of Grantee, its officers, employees, agents, contractors, subcontractors, licensees, invitees and guests, on the Easement Area. Grantee shall not indemnify Grantor for claims arising out of Grantor's negligence or willful misconduct.
- b. Indemnification by Grantor. Grantor shall indemnify Grantee for any claims for injuries to persons or damages to property, or both, arising directly or indirectly out of any negligent act or omission or willful misconduct of Grantor, its officers, employees, agents, contractors, subcontractors, licensees, invitees and guests, on the Easement Area. Grantor shall not indemnify Grantee for claims arising out of Grantee's negligence or willful misconduct.

15. Environmental Matters: Grantor shall be responsible for and shall indemnify, defend and hold Grantee harmless from and against any and all costs, claims, losses, expenses, liabilities, damages, penalties and causes of action arising under any federal, state or local environmental laws, regulations, ordinances, rules and directives, common law or equity, or any other laws ("Environmental Laws") with respect to the condition of the Easement Area during the term of this Agreement, including the physical nature or condition of the Easement Area or the environmental condition thereof; provided, however, that Grantor shall have no obligation to indemnify, defend or hold Grantee harmless with respect to the violation of any Environmental Laws by Grantee.

16. Title to Property: Grantor represents and warrants to Grantee that: (i) Grantor is the sole owner of the Easement Area and holds marketable fee simple title to the Easement Area according to Michigan law; (ii) Grantor has not leased, transferred or otherwise encumbered in any way title to the Easement Area, (iii) Grantor has not received any notice (orally or in writing) from any third party of any claim with respect to the Easement Area; (iv) Grantor and each person signing this Agreement on behalf of Grantor has the full and

unrestricted power and authority to execute and deliver this Easement and grant this easement and the rights herein granted; and (v) Grantor is not the subject of any bankruptcy, insolvency or probate proceeding.

17. Liens, Encumbrances, and Tenant: Grantor represents and warrants that there are no liens, encumbrances, leases, fractional interests, mineral or oil and gas rights or other exceptions to Grantor's fee simple title or otherwise burdening the estate of Grantor in the Easement Area. Grantor warrants and agrees to defend the title to the Easement Area and agrees that Grantee may, if Grantor is in default, pay all or part of any land contract, mortgage, taxes, or other liens or charges with respect to the Easement Area and Premises, either before or after maturity and be subrogated to the rights of the holder thereof, and that Grantee shall be entitled to reimbursement out of any payments to Grantor under this Agreement. Grantor may grant a mortgage on the Easement Area. Grantee will subordinate to any such mortgage lien now or hereafter placed on the Easement Area, if required, pursuant to a Subordination, Non-Disturbance and Attornment Agreement substantially in the form attached as Exhibit D within ten (10) business days of receipt of such request.
18. Recording: Grantor agrees that Grantee shall have the right, without the further consent, approval or signature of Grantor, to execute and record a short form of memorandum of this Agreement in the office of the Register of Deeds for the county in which the Premises are located in the form set forth at Exhibit E.
19. No Consequential Damages: Neither Party hereto shall be responsible to the other for incidental, indirect, or consequential damages, including, but not limited to, loss of profits or revenue.
20. Governing Law: This Agreement shall be governed and shall be interpreted in accordance with the laws of the State of Michigan.
21. Severability: Should any provision of this Agreement be or become invalid, ineffective or unenforceable in whole or in part, the validity, effectiveness and enforceability of the remaining provisions shall not be affected thereby.
22. Notices: Any notice, demand, request, or other instrument which may be or is required to be given under this Agreement will be given only by (a) personal delivery; (b) deposit in any depository regularly maintained by the United States Postal Service, postage pre-paid, certified mail, return receipt requested, addressed in accordance with this Section, in which event it will be deemed received on the 3rd business day after deposit; or (c) nationally recognized courier service that provides written evidence of the date of delivery, in which event it will be deemed received on the day of delivery or, if such date is not a business day, the next succeeding day. All such notices will be sent to the addresses set forth below or to such other address as either party hereto may hereinafter designate in writing.

If to Grantee:

With a copy to:

DTE Electric Company
One Energy Plaza
1635 WCB
Detroit, Michigan 48226
Attention: Office of the General Counsel

If to Grantor:

Attention:
Phone:

With a copy to:

Attention:

23. Counterparts: This Agreement may be executed in one (1) or more counterparts, and all the counterparts shall constitute but one (1) and the same Agreement, notwithstanding that all parties hereto are not signatory to the same or original counterpart.
24. Non-Waiver: Unless otherwise expressly provided in this Agreement, no waiver by Grantor or Grantee of any provision hereof shall be deemed to have been made unless expressed in writing and signed by Grantor or Grantee, as the case may be. No delay or omission in the exercise of any right or remedy accruing to Grantor or Grantee, as the case may be, upon any breach under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by Grantor or Grantee of any breach of any term, covenant or condition herein stated shall not be deemed to be a waiver of any other term, covenant or condition.
25. Captions: Section titles or captions contained in this Agreement are inserted as a matter of convenience and for reference only, and in no way define, limit, extend or describe the scope of this Agreement.
26. Exhibits: All Exhibits attached hereto shall be incorporated herein by reference as if set out herein in full.
27. Entire Agreement: This Agreement, together with all schedules and exhibits attached hereto or mentioned herein, shall constitute the entire Agreement between the parties and

may not be amended, modified or terminated except by a writing signed by the Parties hereto. This Agreement and the Exhibits hereto wholly supersede any and all oral statements, representations or agreements made by the Parties to this Agreement. This Agreement shall become binding when executed by Grantor and Grantee.

28. Construction of Agreement: This Agreement is the product of negotiations between the Parties and shall not be construed as being drafted by one Party as opposed to the other.

This instrument is exempt from transfer taxes pursuant to MCL 207.505(f), MCL 207.526(f), and MCL 211.8(g).

[Signature pages follow]

SAMPLE

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this instrument on the date first written above.

a

Authorized Signature of Grantor

Print Name

Print Title

STATE OF MICHIGAN)
) SS
COUNTY OF)

The foregoing instrument was acknowledged before me this day of , , by ,
the of , a on behalf of the .

Notary Public
____ County, State of Michigan
My Commission Expires:
Acting in County, Michigan

DTE ELECTRIC COMPANY
a Michigan corporation

Authorized Signature of Grantee

Print Name

Print Title

STATE OF MICHIGAN)
) SS
COUNTY OF)

The foregoing instrument was acknowledged before me this day of , , by
 , the of , a , on behalf of the
_____.

Notary Public
_____ County, State of Michigan
My Commission Expires:
Acting in County, Michigan

Exhibit A

Easement Area

SAMPLE

Exhibit B

[Premises/Intentionally deleted]

SAMPLE

Exhibit C

Compensation

1. Payments During the Development Phase:

- a. Signing Bonus: Within ten (10) business days after the Effective Date, Grantee shall pay Grantor One Thousand Dollars (\$1,000.00) (the "Signing Bonus"). Grantee intends to conduct preliminary investigations including environmental, meteorological, or geotechnical studies, extracting soil or groundwater samples, and assessing the solar energy generation on the Easement Area within ninety (90) days after the Effective Date upon which Grantee will determine if Grantee will continue or terminate this Agreement as to all or a portion of the Easement Area pursuant to Section 2(c) of the Agreement. If Grantee sends notice of the termination of this Agreement within ninety (90) days after the Effective Date, then Grantor shall be entitled to keep the Signing Bonus. If Grantee does not send notice to terminate the Agreement within ninety (90) days after the Effective Date, the Signing Bonus shall be credited against the Initial Payment.
- b. Initial Payment: Within ninety (90) days after the Effective Date, Grantee shall pay Grantor the greater of (a) Thirty Dollars (\$30.00) per acre within the Easement Area or (b) \$2,500 (the greater of (a) or (b), the "Initial Payment") for the three-year period commencing with the Effective Date and ending upon the day before the third anniversary of the Effective Date ("Initial Payment Period"). The Initial Payment shall be reduced by the \$1,000 Signing Bonus. Acreage that is released from the Easement Area within ninety (90) days after the Effective Date shall not be utilized to calculate the Initial Payment nor shall any Initial Payment be due in the event the Easement Agreement is terminated within said ninety (90) days.
- c. Payments for Extension of Development Phase: Grantee may extend the Development Phase for two (2) additional periods of one (1) year each by making an annual payment to Grantor at the rate of Ten Dollars (\$10.00) per acre within the Easement Area which payment shall be made by Grantee on or before the date upon which this Agreement would otherwise expire.

2. Payments During Construction: Grantee shall provide Grantor written notice of the date Grantee intends to start construction within the Easement Area ("Construction Notice"). Within ninety (90) days after such notice, Grantee shall pay to Grantor a one-time payment of One Hundred Fifty (\$150.00) per acre within the Easement Area. Grantee anticipates construction to be completed within fifteen (15) months of the date of the Construction Notice. If construction exceeds such fifteen (15) month period, Grantee will make an additional one-time payment of One Hundred Fifty dollars (\$150.00) per acre to Grantor.

3. Crop Damage: Any damage caused by Grantee during the Development Phase will be compensated for the specific planted crop per the attached Exhibit F.

4. Tile Repairs: Any impact or damage to Grantor tile system caused by DTE and/or its subcontractor(s) during construction of the System that is outside of the Easement Area will be repaired at Grantee expense.

5. Payments During the Operation Phase:

a. Annual Payment: DTE shall make an annual payment to Grantor within forty-five (45) days after the commercial operation date and each anniversary thereof as follows:

i. \$1,000 per acre of the Easement Area upon which solar panels or above-ground infrastructure are located or which is within an area fenced in by Grantee, such payment escalating annually at a rate of 2% after the first full calendar year after the commercial operation date.

ii. \$150 per acre of the Easement Area not described in item (i) above

b. Payments for Extension of Operation Phase: Grantee may extend the Operation Phase for up to one (1) additional period of five (5) years (for a total Operation Phase not to exceed thirty-five (35) years) by providing written notice to Grantor exercising such option prior to the date upon which this Agreement would otherwise expire.

Exhibit D

Form Subordination, Non-Disturbance and Attornment Agreement

NON-DISTURBANCE, ATTORNMENT AND SUBORDINATION AGREEMENT

THIS NON-DISTURBANCE, ATTORNMENT AND SUBORDINATION AGREEMENT (this "AGREEMENT"), is made as of this ____ day of _____, 20__, by and between _____, [a federally chartered corporation][INSERT TYPE OF ENTITY IF OTHER] having an address at ("Mortgagee"), and **DTE Electric Company**, a Michigan corporation, having an address at One Energy Plaza, Detroit, Michigan 48226 ("Grantee").

Recitals:

A. Grantee is the owner of a certain Solar Power Easement Agreement by and between Grantee and _____, dated _____, 20__, as amended ("**Easement Agreement**") covering certain real property comprising approximately ____ acres, and located within _____ Township, _____ County, Michigan, more particularly described in Exhibit "A" hereto (which property, together with all buildings and structures thereon, and all easements, rights and appurtenances appertaining thereto and in connection therewith, is herein collectively referred to as the "**Property**"), as evidence by a Memorandum of Solar Power Easement Agreement dated _____ and recorded in Liber _____, Page _____ of the _____ County Records.

B. Mortgagee is the holder of a Mortgage, dated _____, recorded in Liber ____, Page ____ [and Assignment recorded in Liber ____, Page ____], of the _____ County Records, against the Property, or a part thereof (the "**Mortgage**").

C. Grantee desires to be assured of its possession and quiet enjoyment of the Property notwithstanding any foreclosure of the Mortgage or the sale of the Property (or part thereof containing the Property) at foreclosure or by deed in lieu of foreclosure. Mortgagee desires that Grantor and Grantee enter into the Easement Agreement, including any amendments thereto, and desires to acknowledge its consent to the Easement Agreement, a copy of which has been presented to Mortgagee.

NOW, THEREFORE, in consideration of the Easement Agreement, the contingencies thereunder, and the mutual promises and benefits under this Agreement, the parties hereby covenant and agree as follows:

1. Provided that the Easement Agreement is in full force and effect and there are no defaults by Grantee in the payments of amounts due thereunder beyond any applicable cure period, then:

(a) The right of possession of Grantee to the Property and Grantee's rights arising out of the Easement Agreement shall not be affected or disturbed by Mortgagee in the exercise of any of its rights under the Mortgage or the Note secured thereby.

(b) Mortgagee shall not name or join Grantee as a defendant in any exercise of Mortgagee's rights or remedies arising upon a default under the Mortgage unless applicable law requires Grantee to be made a party thereto as a condition to proceeding against Grantor or pursuing such rights or remedies. In the latter case, Mortgagee may join Grantee as a defendant in such action only for such purpose and not to terminate the Easement Agreement or otherwise adversely affect Grantee's rights under the Easement Agreement or this Agreement.

(c) In the event that Mortgagee or any other person acquires title to the Property pursuant to the exercise of any remedy provided for in the Mortgage or under applicable Law, the Easement Agreement shall not be terminated or affected by the foreclosure or sale resulting from any such proceeding; and Mortgagee hereby covenants that any sale by it of the Property pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, shall be made subject to the Easement Agreement and the rights of Grantee thereunder; and Grantee covenants and agrees to attorn to Mortgagee or such other person as its new Grantor; and the Easement Agreement shall continue in full force and effect as a direct Easement Agreement between Grantee and Mortgagee or such other person, as Grantor, upon all the terms, covenants, conditions and agreements set forth in the Easement Agreement between Grantee and Grantor.

(d) Notwithstanding the foregoing, the rights and obligations of Grantee and Mortgagee, respectively, upon such attornment shall, to the extent of the then-remaining term of the Easement Agreement, including any renewals or extensions thereof, be the same as now set forth in the Easement Agreement and by this reference the Easement Agreement is incorporated herein as part of this Agreement.

2. The Easement Agreement shall be subject and subordinate to the lien of the Mortgage and to all the terms, conditions and provisions thereof, to all advances made or to be made thereunder, and to any renewals, extensions, modifications or replacements thereof, not inconsistent with Section 1 of this Agreement.

3. Mortgagee may exercise its right to an assignment of the proceeds of the Easement Agreement due Grantor, as provided in the Mortgage, by notifying Grantee in writing. Upon receipt of written notification that Mortgagee is exercising its right to an assignment of proceeds, Grantee shall thereafter make all payments otherwise due Grantor under the Easement Agreement payable directly to Mortgagee. Mortgagee shall indemnify and hold Grantee harmless for payments made to Mortgagee pursuant to the exercise of its right to such assignment.

4. Any notices or other communication required or desired to be given by one party to the other party hereto shall be given in writing by mailing the same by certified United States Mail, return receipt requested, postage prepaid, addressed as follows:

To Grantee: Office of General Counsel
DTE Electric Company
One Energy Plaza, 688 WCB
Detroit, Michigan 48226

To Mortgagee: _____

or to such other addresses as the respective parties may from time to time designate by notice given as provided in this Agreement.

5. This Agreement may not be modified other than by an agreement in writing signed by the parties hereto or by their respective successors in interest.

6. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

7. The foregoing provisions shall be self-operative and effective without the execution of any further instruments on the part of either party hereto.

8. Should Mortgagee cease to have a beneficial interest under the Mortgage, Mortgagee shall give prompt written notice to Grantee of the reconveyance, assignment or other form of termination of said beneficial interest.

9. This Agreement may be executed with counterpart signature pages and in duplicate originals, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as the day and year first above written.

MORTGAGEE

By:

Name: _____

Its: _____

GRANTEE

DTE Electric Company, a Michigan corporation

By:

Name: _____

Its: _____

Acknowledged before me in _____ County, State of Michigan, on _____, 20__ by _____, the _____ of _____, a _____, for the corporation.

Notary's Stamp _____	Notary's Signature _____
	Notary Public _____ County, State of Michigan My Commission Expires: _____ Acting in _____ County, Michigan

Acknowledged before me in _____ County, State of Michigan, on
_____, 20__ by _____, the
_____ of _____, a _____
_____, for the corporation.

Notary's
Stamp _____

Notary's
Signature _____

Notary Public
_____ County, State of Michigan
My Commission Expires: _____
Acting in _____ County, Michigan

Prepared by and after recording return to:

Heather A. Betts
DTE Electric Company
One Energy Plaza, 1635 WCB
Detroit, Michigan 48226

Exhibit E

Form of Memorandum of Solar Power Easement Agreement MEMORANDUM OF SOLAR POWER EASEMENT AGREEMENT

THIS MEMORANDUM OF SOLAR POWER EASEMENT AGREEMENT (this “Memorandum”) is made and entered into as of _____, 20__, by and between _____ a _____, whose address is _____ (“Grantor”), and DTE ELECTRIC COMPANY, a Michigan corporation, whose principal address is One Energy Plaza, Detroit, Michigan 48226 (“Grantee”). (Grantor and Grantee are referred to collectively herein as the “Parties”).

WITNESSETH:

A. On the date hereof, the Parties have entered into a Solar Power Easement Agreement (the “Agreement”) pursuant to which Grantor grants to Grantee an exclusive easement for ingress and egress over, and the installation, maintenance, operation, inspection, repair and replacement of certain photovoltaic systems and related cables, electrical lines, ducts, transformers and other equipment and roadways on, the land described in Exhibit A attached hereto and incorporated herein by reference (the “Easement Area”), [together with the right of ingress and egress to and from the Easement Area over the land described in Exhibit B attached hereto and incorporated herein by reference (the Premises’)] as described in the Agreement.

B. The term of the Agreement commences on the Effective Date and will continue in full force and effect until its termination or expiration as provided in the Agreement.

C. The Parties desire to execute this Memorandum, which is to be recorded in order that third parties may have notice of the interests of Grantee in the Easement Area and of the existence of the Agreement and of certain easement rights granted to Grantee in the Easement Area as part of the Agreement.

NOW, THEREFORE, in consideration of the payments and covenants provided in the Agreement to be paid and performed by Grantee, Grantor hereby grants to Grantee the easements as described in the Agreement, on, over, under and across the Easement Area [and Premises], all on the terms and conditions set forth in the Agreement. All of the terms, conditions, provisions and covenants of the Agreement are hereby incorporated into this Memorandum by reference as though fully set forth herein, and the Agreement and this Memorandum shall be deemed to constitute a single instrument or document.

Grantor also grants to Grantee a right of first refusal for the purchase of all or a portion of the Easement Area [and Premises] on the terms contained in the Agreement.

Should there be any inconsistency between the terms of this Memorandum and the Agreement, the terms of the Agreement shall prevail. The Agreement contains the entire agreement of the Parties with respect to the subject matter thereof, and any prior or contemporaneous agreements, discussions or understandings, written or oral (including, without limitation, any options or agreements for easements previously entered into by the Parties with respect to the Easement Area [and Premises]), are superseded by the Agreement and shall be and hereby are released, revoked and terminated.

This instrument is exempt from transfer taxes pursuant to MCL 207.505(f), MCL 207.526(f), and MCL 211.8(g).

[signature page follows]

IN WITNESS WHEREOF, Grantor and Grantee have executed this Memorandum as of the day and year first above written

GRANTOR

BY: _____

NAME:

ITS: _____

GRANTEE

DTE ELECTRIC COMPANY
a Michigan Corporation

BY: _____

NAME:

ITS: _____

Acknowledged before me in _____ County, State of Michigan, on _____, 20__ by _____, the _____ of _____, a _____, for the corporation.	
Notary's Stamp _____	Notary's Signature _____
	Notary Public _____ County, State of Michigan My Commission Expires: _____ Acting in _____ County, Michigan

Acknowledged before me in _____ County, State of Michigan, on
_____, 20__ by _____, the
_____ of _____, a _____
_____, for the corporation.

Notary's
Stamp _____

Notary's
Signature _____

Notary Public
_____ County, State of Michigan
My Commission Expires: _____
Acting in _____ County, Michigan

Prepared by and when recorded return to:
Heather A. Betts,
One Energy Plaza, 1635 WCB,
Detroit, Michigan 48226

Exhibit F
Crop Damages

CROP	PAYMENT
Alfalfa	\$600/acre
Beans	\$900/acre
Corn	\$1,000/acre
Soybeans	\$700/acre
Sugarbeets	\$1,500/acre
Wheat	\$700/acre

*In the event such crop is not listed above, the average local elevator price for the calendar year shall be used to determine any damages.