

December 24, 2020



Mr. Timothy Carroll, Town Administrator
Town of Chilmark
401 Middle Road, Box 119
Chilmark, MA 02535

VIA EMAIL

RE: Letter of Intent to Participate in CVEC's PV/Storage Initiative Round 6

Dear Tim:

This Letter of Intent ("LOI") sets forth the basic terms upon which the Town of Chilmark ("Town") and Cape & Vineyard Electric Cooperative, Inc. ("CVEC") will enter into an agreement whereby the Town will participate in CVEC's Round 6 PV and Storage Initiative with the possibility of including all or some of the proposed photovoltaic (and battery storage) projects listed on Exhibit A, Schedule of Projects. The parties acknowledge that CVEC will not proceed without seven or more projects in Round 6.

1. Definitive Project Agreements (DPAs). The DPAs with CVEC are inter-governmental agreements under the authority of M.G.L. c. 40, §4A. Inter-governmental agreements are exempt from public procurement laws pursuant to G.L. c. 30B, §1(b)(3). G.L. c. 40, §4A provides authority to enter into inter-governmental agreements with terms up to twenty-five (25) years. G.L. c. 40, §4A also provides the CVEC Board with the authority to enter into inter-governmental agreements with terms up to twenty-five (25) years. The Town or Town counsel (as designated) shall ensure and confirm to CVEC that the Town may enter into such an inter-governmental agreement with a term up to twenty-five (25) years without need for a Town annual meeting vote.

A. Inter-Governmental Power Purchase Agreement (IGA PPA). The Town and CVEC shall enter into the CVEC IGA PPA. The CVEC IGA PPA will contain customary and reasonable provisions for similar power purchase agreements for PV/Storage projects. In addition, the CVEC IGA PPA will contain provisions similar to those included in a PPA between CVEC and the PV/battery developer regarding, amongst other things, minimum production levels with shortfall compensation.

B. Related Agreements. The Town shall also execute other agreements such as a Lease, for example, as reasonably requested by CVEC and/or the Developer to allow for the installation and operation of the PV/Storage projects.

2. **Contact Designation.** The Town designates _____, title of _____, as its authorized representative and day-to-day point of contact for preparation of the project description which will be mounted as part of CVEC's Round 6 PV/Storage Initiative RFP and site visits for scouting purposes. The authorized representative will also be the point of contact for issues arising under this LOI and the negotiation of Definitive Project Agreements. The Town acknowledges that CVEC counsel will not act as counsel to the Town.

3. **Project Development Upfront Cost-Sharing.** Preparation and management costs associated with the RFP and legal negotiations will be shared on a per project basis between all CVEC Round 6 participants.

Upfront Cost-Sharing (example): Round 3 consisted of seven (7) projects. The up-front shared costs were \$4,054 per project to cover seven (7) months of project development during which CVEC provided legal counseling for RFP development, advertising of the RFP, managing of developer interviews with multiple guided site visits, vendor interviews and selection, contract negotiations, interconnection and MassACA applications, monitoring of project installation progress, and terminations with any delinquent vendors.

4. **Entire Agreement.** This LOI constitutes the entire agreement between the parties and supersedes all prior oral or written agreements and understandings between the parties as to the subject matter thereof. This LOI may be amended or modified only by a writing executed by both parties.

CVEC is enthusiastic about moving forward on this opportunity for the PV/Storage projects listed on Exhibit A to benefit the Town of Chilmark. If the Town is in agreement with the foregoing, please sign this LOI in duplicate originals and return one original to CVEC.

Very truly yours,



William Lake, President
Cape & Vineyard Electric Cooperative, Inc.

cc. Steve Lewenberg, CVEC Representative

Attachments:
Agreement and Acceptance of LOI
Exhibit A, Schedule of Projects

AGREEMENT AND ACCEPTANCE

Letter of Intent to Participate in CVEC's PV/Storage Initiative Round 6

The Town of Chilmark hereby agrees and accepts the terms of the Letter of Intent dated December 4, 2020 from the Cape & Vineyard Electric Cooperative, Inc. regarding the installation of photovoltaic (and battery storage) for projects listed under Exhibit A, Schedule of Projects of said Letter of Intent.

AGREED AND ACCEPTED THIS ____ DAY OF _____, 2020 BY ITS DULY AUTHORIZED OFFICER:

The Town of Chilmark, MA

By: _____

Name: _____

Title: _____

EXHIBIT A
SCHEDULE OF PROJECTS

Letter of Intent to Participate in CVEC's PV/Storage Initiative Round 6

Schedule of Projects

Name:

Type of Project, proposed:

Chilmark Emergency/Public Safety

Behind the Meter Roof-Mount PV
(with possible battery storage)