BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company's Application for Approval of a Community Solar Program for Electric Customers in its Missouri Service Area

) Case No. ET-2020-0259

COMMUNITY SOLAR APPLICATION

COMES NOW The Empire District Electric Company, a Liberty Utilities company ("Liberty-Empire" or "Company"), and for its Application for approval of a community solar pilot program for electric customers in its Missouri service area, respectfully states as follows to the Missouri Public Service Commission (the "Commission"):

I. Background Information

1. Liberty-Empire is a Kansas corporation with its principal office and place of business at 602 Joplin Street, Joplin, Missouri. Empire is qualified to conduct business and is conducting business in Missouri, as well as in the states of Arkansas, Kansas, and Oklahoma. Empire is a "public utility" and, therefore, is subject to the general regulatory jurisdiction of the Commission as provided by law and is engaged, generally, in the business of generating, purchasing, transmitting, distributing, and selling electricity in portions of the referenced four states. Empire is also a "water corporation," and, through its subsidiary (The Empire District Gas Company), provides natural gas distribution service in Missouri.

2. Liberty-Empire's documents of incorporation from Kansas and certificate of authority from Missouri were previously filed with the Commission in Case No. EF-94-39. These documents are incorporated by reference and made a part of this Application for all purposes. Liberty-Empire has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against the Company from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application.

3. On August 30, 2019, Liberty-Empire filed its Notice of Intended Case Filing (Case No. ET-2020-0056), stating its intent to seek the Commission's approval of a "Community Solar Pilot Program" to provide electric customers the opportunity to voluntarily subscribe to the generation output of solar facilities connected to the Company's distribution system and owned and operated by the Company within its service or certificated territories. A renewed Notice of Intended Case Filing was submitted on February 25, 2020, initiating this proceeding.

II. The Community Solar Pilot Program

4. The offering of a Community Solar Pilot Program to Liberty-Empire's customers demonstrates the Company's commitment to sustainability by offering a renewable energy source for customers. Additionally, as part of the resolution of Case No. EM-2016-0213, Liberty-Empire agreed to review and consider the viability of offering a community solar or solar subscription program.

5. There is an apparent need for Liberty-Empire's Community Solar Pilot Program. Missouri electric customers, both commercial and residential, are installing rooftop solar to meet renewable energy goals and to reduce monthly energy bills. The Company also believes there is a base of customers who either cannot or do not wish to place solar panels on their homes or businesses, but still desire to support the development of renewable energy. Further, the Community Solar Pilot Program will allow the Company to satisfy the utility-owned solar investment required by RSMo. 393.1665 (Senate Bill 564).

6. Liberty-Empire has worked in cooperation with stakeholders, including a large retailer, to devise a pilot program that will be attractive to commercial and residential customers alike.

2

Unlike the rooftop solar rebate program, customers enrolling in the Community Solar Pilot Program will not add a financial burden to customers who choose not to participate in the Community Solar Pilot Program.

7. Liberty-Empire's Community Solar Pilot Program is designed to provide customers the opportunity to voluntarily subscribe to the generation output of Company-owned solar facilities connected to the Company's distribution system. The energy produced by the customer-participant's subscribed solar blocks will offset an equivalent amount of kWh energy used, metered, and billed under the customer-participant's applicable tariff.

8. Participating customers will enroll in an account via a participant agreement through which they will subscribe to and purchase solar blocks of five hundred watts each. Solar blocks will be provided through a designated solar resource located within the Company's Missouri service territory, and charges associated with the solar blocks will be set forth in a tariff schedule.

III. The Initial Community Solar Facility (Unit 1)

9. Pursuant to RSMo. 393.1665 (Senate Bill 564), Liberty-Empire (an electrical corporation with two hundred thousand or fewer Missouri electric customers) "shall invest in the aggregate no less than three million five hundred thousand dollars in utility-owned solar facilities located in Missouri or in an adjacent state during the period between August 28, 2018, and December 31, 2023."

10. The initial Community Solar facility will be designed and built to allow the Company to satisfy, in part, the utility-owned solar investment required by RSMo. 393.1665.2.

11. Pursuant to subsection 3 of RSMo. 393.1665, Liberty-Empire's "decision to invest in utility-owned solar facilities consistent with subsection 2 of [RSMo. 393.1665] shall be deemed to be prudent." Further, Liberty-Empire is not required "to obtain the permission of the

3

commission to construct the facilities required by this section, notwithstanding the provisions of section 393.170."

12. As such, Liberty-Empire is not applying for a Certificate of Convenience and Necessity ("CCN") for its initial Community Solar facility. As discussed below, however, the Company seeks approval of Community Solar Pilot Program tariff sheets and will return to the Commission with CCN applications for additional Community Solar facilities.

13. The initial Community Solar facility will be for approximately 2.25 MWs, with 4,500 solar blocks available for subscription.

IV. Request for Tariff Approval

14. The proposed terms and conditions of the Company's Community Solar Pilot Program, including the proposed participant agreement, are contained within the tariff sheets attached hereto as Exhibit A and incorporated herein by reference.

15. There are two charges to be assessed to each Community Solar customer-participant: a connection charge and a grid charge. Each customer-subscriber will be assessed a connection charge, irrespective of the current service class. The charge set forth in the tariff sheets attached hereto is based on the estimated cost to construct and operate the solar facilities. The cost estimates include identified factors (rate of return) from Case No. ER-2019-0374, Liberty-Empire's pending general rate case, applied to the estimated rate base, and industry standards for construction costs and operating expense.

16. Each customer-subscriber will also be assessed a grid charge, with this charge based on the costs underlying the Class Cost of Service proposed in Case No. ER-2019-0374 and the customer's current service class. This charge is to ensure that each customer-participant bears the full cost of the service. 17. Both charges may need to be recomputed upon a final decision in Case No. ER-2019-0374, with revised tariff sheets being filed and approved. After the prices are updated based on the final decision in Case No. ER-2019-0374, if the Solar Facility Charge is higher than the estimated price contained within the tariff sheets attached hereto, customers that have enrolled based on the estimate will be given the opportunity to cancel their subscription without penalty or accept the higher Solar Facility Charge through an amendment to their participant agreement.

18. At this time, Liberty-Empire seeks approval of its Community Solar Pilot Program, Schedule CSPP – PSC Mo No. 5, Section 4, Original Sheet Nos. 25 and 25a-25n. As noted, these tariff sheets are attached hereto as Exhibit A. A separate EFIS tariff submission is also being made, with each Community Solar Pilot Program tariff sheet bearing an issue date of April 17, 2020, and a proposed effective date of June 1, 2020.

V. CCNs for Additional Solar Facilities (Units 2-7)

19. As part of the Community Solar Pilot Program, Liberty-Empire will construct new solar generation facilities.

20. As described above, the initial Community Solar facility (Unit 1) will be designed and built to allow the Company to satisfy, in part, the utility-owned solar investment required by RSMo. 393.1665.2.

21. Additionally, Liberty-Empire proposes to offer two approximately 5-MW solar facilities (Units 2 and 3) for subscription, with the potential to add four additional approximately 5-MW solar facilities (Units 4-7) based on customer commitments. Liberty-Empire intends to build approximately 30MW of solar capacity through the Community Solar Pilot Program in multiple facilities across the service territories, assuming a capacity of approximately 5MW at

each of the additional facilities (Units 2-7). The actual nameplate capacity of each unit will depend on a number of factors that are accounted for during detailed design.

22. CCNs will be sought for each of these additional facilities (Units 2-7). Liberty-Empire, however, has not yet identified the precise locations for these solar facilities, and, therefore, does not have the details necessary to make the CCN requests at this time. The available land, environmental permitting, site topography, distribution system capacity are examples of constraints that are currently unknown and contribute to the actual nameplate capacity of the facility. The actual capacity of each facility will be clearly defined within the CCN applications when filed.

23. For Community Solar Units 2-7, Customers will be required to enroll in the solar program in advance, and each approximately 5-MW solar facility will only be constructed when 90 percent of the proposed solar resource is committed.

24. The Company will seek each applicable CCN as the details of the additional solar facility become known. It is the Company's intent to file its CCN requests within this docket.

WHEREFORE, Liberty-Empire submits to the Commission this Application for approval of a community solar pilot program for electric customers in its Missouri service area, seeking an order of the Commission approving its proposed Community Solar Pilot Program tariff sheets. Liberty-Empire requests such additional relief as is just and proper under the circumstances.

Respectfully submitted,

<u>/s/ Diana C. Carter</u> Diana C. Carter MBE #50527 THE EMPIRE DISTRICT ELECTRIC COMPANY 428 E. Capitol Ave., Suite 303 Jefferson City, Missouri 65101 Joplin Office Phone: (417) 626-5976 Cell Phone: (573) 289-1961 E-Mail: Diana.Carter@LibertyUtilities.com

6

VERIFICATION

On behalf of the applicant, The Empire District Electric Company, and pursuant to Commission Rule 20 CSR 4240-2.060(1)(M), the undersigned, upon her oath and under penalty of perjury, hereby states that the above Community Solar Application is true and correct to the best of her information, knowledge, and belief.

<u>/s/ Sheri Richard</u> Sheri Richard Director of Rates and Regulatory Affairs Liberty Utilities Central Region

CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 17th day of April, 2020, and sent by electronic transmission to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter

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Schedule CSPP

PURPOSE

The purpose of the Community Solar Pilot Program (the "Solar Program") is to provide customers the opportunity to subscribe voluntarily to the generation output of solar facilities owned and operated by the Company within its service territory and connected to its distribution system. The solar generation output purchased under Schedule CSPP will offset energy used by participating customers.

PROGRAM DESCRIPTION

Participating customers enroll in the Solar Program via a Participant Agreement through which they subscribe to capacity Solar Blocks of five hundred (500) watts (AC) each in a designated Solar Resource located within the Company's service territory. The charges associated with the Solar Blocks are set forth in this Schedule CSPP.

The energy produced by the subscribed Solar Blocks will offset an equivalent amount of kWh energy used, metered and billed for under the participant's standard class of service from the Company. Approximately 4,500 Solar Blocks will be available in the initial offering which includes the initial Solar Resource, with the potential for an additional 60,000 Solar Blocks based on customer commitments. After the initial Solar Resource, customers will be required to enroll in the Solar Program in advance and each Solar Resource will be built when 90 percent of the proposed Solar Resource is committed through signed Participant Agreements. If the Company does not receive a sufficient number of subscriptions for the Solar Program, the Company may request Commission approval to terminate this Schedule CSPP.

AVAILABILITY

This Schedule CSPP is available to any customer currently receiving permanent, metered electric service under the Company's retail rate schedules. Customers must sign a Participant Agreement and have an account that is not delinquent or in default at the time of subscription.

DATE OF ISSUE April 17, 2020

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June 1, 2020

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Customers will be enrolled on a first-come, first-served basis subject to the permissible participation levels described below and upon execution of a Participant Agreement. Customers applying but not enrolled in the Solar Program due to the lack of available Solar Blocks will be placed on a waiting list. Customers on the waiting list will be offered the opportunity to subscribe to Solar Blocks in the order applications are received should Solar Blocks become available due to construction of additional Solar Resources or subscription cancellations. Subscriptions are provided through one meter to one end-use customer and may not be aggregated, redistributed, or resold.

A minimum of 1/2 of the Solar Blocks available from each Solar Resource shall be reserved for residential class customers ("Residential Solar Resource Minimum"); provided that, if after the first three months of the availability of a new Solar Resource such Residential Solar Resource Minimum is not fully subscribed, it shall become available to all eligible customers in eligible rate classes.

Schedule CSPP may not be combined with any other renewable energy program offered by the Company for the same customer account.

Service locations served under Schedule PL (Private Lighting Service), Schedule SPL (Municipal Street Lighting Service), Schedule LS (Specialty Lighting Service), Schedule MS (Miscellaneous Service) or Rider NM (Net Metering Rider) are ineligible for the Solar Program while participating in those service agreements. Schedule CSPP is not available for resale, standby, breakdown, auxiliary, parallel generation, or supplemental service.

DEFINITIONS

<u>Participant</u>: A customer of the Company that meets the eligibility criteria established in Schedule CSPP for participation in the Solar Program and who executes a Participant Agreement.

<u>Participant Agreement</u>: An agreement between the Company and the Participant further describing the terms and conditions governing the Participant's subscription to the Solar Program.

<u>Solar Block</u>: 500 watts of solar capacity. The amount of energy produced by a Solar Block will be based on production of the Solar Resource over the life of the Solar Resource.

DATE OF ISSUE April 17, 2020

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Solar Resources: Solar generation facilities owned and operated by the Company.

PRICING

Participating customers receive two charges associated with Schedule CSPP:

• Solar Facility Charge will be finalized based on the actual cost of each Solar Resource increment and will be included in this Schedule CSPP. For the pre-construction subscription period the Company will provide an engineering estimate of the Solar Facility Charge. Upon finalization of the Solar Facility Charge, if the final Solar Facility Charge is higher than the engineering estimate, customers that have enrolled based on the engineering estimate will be given the opportunity to cancel their subscription without penalty or accept the higher Solar Facility Charge is not greater than the engineering estimate, the agreement will be adjusted accordingly. As the development of each increment is initiated and finalized this tariff will be updated to reflect the Solar Facility Charge of each increment.

Solar Resource	Number of Solar	Pre-Construction Solar	Final Solar Facility
Increment	Blocks	Facility Charge Estimate	Charge
CSPP-I	Approx. 4,500	\$6.18 per Solar Block	TBD
CSPP-II	Approx. 10,000	\$6.18 per Solar Block	TBD
CSPP-III	Approx. 10,000	\$6.18 per Solar Block	TBD
CSPP-IV			TBD
CSPP-V			TBD
CSPP-VI			TBD
CSPP-VII			TBD

• Electric Grid Charge for solar energy delivered as follows:

0	Residential Service	\$0.04939 per kWh
0	Commercial Service	\$0.04775 per kWh
0	Small Heating Service	\$0.03815 per kWh
0	Total Electric Building	\$0.00463 per kWh
0	General Power	\$0.00000 per kWh
0	Large Power	\$0.00000 per kWh

ISSUED BY Sheri Richard, Director Rates and Regulatory Affairs, Joplin, MO

April 17, 2020

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The Solar Facility Charge is designed to recover the cost of the Solar Resource(s). When new Solar Resource increments are constructed and included in the Solar Program, the Solar Facility Charges will be adjusted for existing Solar Resource(s) to reflect the combined cost of existing and new Solar Resources. In no event shall the addition of a new Solar Resource cause the Solar Facility Charge for existing Solar Resources to increase, nor shall the Solar Facility Charge for a new Solar Resource be lower than the Solar Facility Charge for an existing Solar Resource.

The Electric Grid Charge is designed to recover the cost of distribution facilities necessary to deliver solar energy to customers. The Electric Grid Charge will be adjusted when the Company's base rates are reset in rate proceedings.

SUBSCRIPTION LEVEL

A Participant may subscribe to no more than a total of Solar Blocks that generate up to the Participant's expected peak demand, based on their past usage history. During initial sign-up, the Participant will designate its desired subscription amount (the "Subscription Level"). For demand billed customer accounts, the Participant's peak demand value will be determined based on highest billed demand in the most recent 12-month period. For non-demand billed customers, the Participant's peak demand value will be determined by the Company based on the customer's energy use in the most recent 12-month period. In no event shall the expected solar production of the Participant's subscription exceed the Participant's billed energy during the most recent 12-month period.

A Participant may change their Subscription Level only once in any 12-month period after the initial subscription term. A Participant cannot change their subscription level and leave the program within the same 12 month period. In the event there is a significant and regular reduction in Participant metered energy consumption, the Company, at its sole discretion, may adjust the Participant's subscription level to reflect the reduction in consumption after written notice to the Participant.

Participants may not combine loads with other Participants for achieving participation limits, determination of subscription levels, or aggregated billing.

DATE OF ISSUE April 17, 2020

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SCHEDULE CSPP									

BILLED PURCHASE QUANTITY

The quantity of energy that will be purchased by a Participant for each monthly billing cycle will be computed as follows:

$$PQ = \frac{SL}{TSC} \cdot AME$$

Where,

PQ = Monthly Purchase Quantity in kWh SL = Subscription Level in kW AC TSC = Total Solar System Capacity in kW AC

AME = Actual Monthly Energy Produced by the Solar Resource in kWh.

MONTHLY BILLING

- 1. The energy production of the Solar Resource will be measured and apportioned monthly to each Participant based on its respective Subscription Level.
- 2. The Participant's share of the Solar Resource energy production will be subtracted from the metered energy consumed by the Participant for the billing month. Should the Solar Resource energy production amount for a given month be larger than the Participant's metered energy consumption, the net energy will be zero for that month.
- 3. Any remaining metered energy consumption will be billed under the rates associated with the Participant's standard rate schedule, including all applicable riders and charges.
- 4. Other, non-consumption based charges defined by the standard rate schedule are not impacted by the Solar Block subscription and will be billed to the Participant.

DATE OF ISSUE April 17, 2020

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SCHEDULE CSPP							

5. The entire bill amount, inclusive of all standard rate charges and Solar Program charges, must be paid according to the payment terms set forth in the Company's Rules and Regulations.

WAITING LIST

If at the time of enrollment a customer's desired subscription level is greater than the available Solar Blocks of the Solar Resource(s), then the customer may elect to be placed on a waiting list. Customers will be offered an opportunity to be placed on the waiting list only if the available capacity is less than the customer's desired subscription level. If the available capacity is less than the customer's desired subscription level, the customer will be offered the opportunity to subscribe to the remaining available capacity. If the customer does not wish to participate at this lower subscription level, then the next customer on the waiting list will be offered the available capacity. The Company will maintain records related to the waiting list.

SUBSCRIPTION TERM

Participants must remain in the Solar Program at their Subscription Level for a minimum of three years, as measured from the first bill received under this Schedule CSPP. Participants who subscribe to more than 1,000 Solar Blocks (500 kW AC) shall commit to a minimum term of ten (10) years.

If a Participant cancels their subscription before the end of the applicable subscription term, they are required to continue paying the Solar Facility Charge applicable to the original subscription level for the remainder of the original subscription term.

EXPANSION

The Company shall achieve 90% subscription of each Solar Resource before additional Solar Resources are offered. Solar Program expansion will be done to the extent practical, with consideration of the energy delivered to the jurisdictional system.

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DATE EFFECTIVE June 1, 2020

ISSUED BY Sheri Richard, Director Rates and Regulatory Affairs, Joplin, MO

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SCHEDULE CSPP									

PROGRAM PROVISIONS AND SPECIAL TERMS

- 1. Customers applying for service under this Solar Program must have and maintain an account that is not more than 60 days delinquent or in default at the time of application.
- 2. Renewable Energy Credits ("RECs") produced by Solar Resources will be tracked by the Company, consistent with Participant subscriptions. All rights to the RECs associated with the generation output of the Solar Resource will be transferred by the Company to the Participants with an active renewables registry account. If a participant has no such account, the Company will retire the credits on behalf of the participant.
- 3. Participants waive all rights to any retrospective billing reductions arising from a claim that the Participant's service would be or would have been at a lower cost had it not participated in the Solar Program for any period of time.
- 4. If a Participant moves to another location within the Company's Missouri service territory the subscription will transfer to the new customer account. If the subscription level exceeds the new location's allowed subscription amount the subscription will be adjusted accordingly.
- 5. Participants that have multiple eligible accounts in the Company's Missouri service territory and are subscribed to a minimum of 1,000 Solar Blocks may transfer subscribed Solar Blocks from one eligible account to another subject to the following conditions:
 - a. The account to which the subscribed Solar Blocks are transferred is otherwise eligible to participate in the CSPP program.
 - b. The total Solar Blocks subscribed by the receiving account do not exceed the allowed subscription amount after the Solar Blocks are transferred.
 - c. Any remaining subscription term associated with the transferred Solar Blocks will remain in effect following the transfer.

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SCHEDULE CSPP							

6. If a Participant's electric service is terminated during the initial subscription period, the Company will make the subscribed Solar Blocks available to customers on the waiting list. If the terminated subscription is not fully subscribed by another customer for the remaining subscription period, the terminating participant shall be responsible for a Termination Fee for the remaining portion of the subscription. The Termination Fee shall be calculated as the average monthly difference in the charges under Schedule CSPP and the charges under the Participant's otherwise applicable tariff over the most recent 12-month subscription period (or the entire period if less than 12 months) times the number of months remaining in the initial subscription term. In no event, shall the Termination Fee be less than zero.

- 7. Participants must notify the Company in writing, of their intent to transfer any subscription(s). Transfers will only be effective if the transferee satisfies the terms and conditions applicable to the subscription, signs and returns the Participant Agreement to the Company, and thereby assumes all responsibilities associated therewith.
- 8. Customers that subscribe will continue as Participants until they cancel their subscription or the Solar Program is terminated. New subscriptions and cancellations require 20 calendar day's written notice by the Participant to the Company prior to the end of the Participant's billing cycle and will take effect at the beginning of the next applicable billing cycle.
- 9. Any Participant who cancels its participation in the Solar Program must wait 12 months after the first billing cycle without a subscription to re-enroll in the Solar Program.
- 10. Unsubscribed Solar Blocks will be determined monthly and the energy production associated with any such amounts shall be included in the Company's generation portfolio.
- 11. The RECs associated with unsubscribed or unused portions of the solar production will be tracked and applied to the Company Renewable Portfolio Standards commitments.

DATE OF ISSUE April 17, 2020

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THE EMPIRE DISTRICT ELECTRIC COMPANY									
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Liberty Utilities – Empire District

Community Solar Participant Agreement

This Community Solar Participant Agreement (this "Participant Agreement") is made and entered into as of ______, 20__ by and between The Empire District Electric Company ("Liberty Utilities-Empire District"), whose mailing address is 602 S. Joplin Avenue, Joplin, MO 64802, and the participant identified as follows ("Participant").

Participant Name:	
Service Address:	
Account Number:	
City:	
State:	
Zip Code:	

1. Community Solar Participation

- 1.1 The Participant acknowledges and agrees that all the terms of Schedule CSPP apply to participation in Liberty Utilities-Empire District's Community Solar Program.
- 1.2 Subscription Level

of Solar Blocks _____ @ 500 watts = _____ watts

1.3 The Subscription Price shall be as set forth in Schedule CSPP for the Solar Resource Increment CSPP- ____. The price shall not be greater than the engineering estimate of \$_____ per Solar Block. Upon finalization of the Solar Facility Charge, if the final Solar Facility Charge is higher than the engineering estimate, the Participant may cancel this agreement without penalty or accept the higher Solar Facility Charge through an amendment to this agreement.

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DATE EFFECTIVE June 1, 2020

ISSUED BY Sheri Richard, Director Rates and Regulatory Affairs, Joplin, MO

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COMMUNITY SOLAR PILOT PROGRAM						
SCHEDULE CSPP						

- 1.4 A Participant may subscribe up to the number of Solar Blocks that may generate up to the Participant's expected peak demand, based on their past usage history. The Participant's peak demand value will be determined by the Company based on the customer's historical billing records.
- 1.5 A Participant may change its subscription level once in any 12-month period after the initial 12-month subscription. A Participant cannot change their subscription level and leave the program within the same 12 month period. In the event there is a significant and regular reduction in Participant metered energy consumption, the Company, at its sole discretion, may adjust the Participant's subscription level to reflect the reduction in consumption after written notice to the Participant.
- 1.6 Participants may not combine loads with other Participants for achieving participation limits, determination of subscription levels, or aggregated billing.

2. Ownership of Energy, Financial Benefits, and Renewable Energy Credits

- 2.1 Participant acknowledges and agrees that Liberty Utilities Empire District owns all electric energy generated by the Solar Resource and all Environmental Attributes associated with the Solar Resource. Liberty Utilities Empire District shall deliver and transfer ownership of the energy generated by the Solar Resource to the customer at the service address as set forth in this agreement.
- 2.2 Liberty Utilities Empire District shall maintain all rights, title and interest to (i) any local, state or federal cash grants, depreciation deductions or other tax credits providing a tax benefit to Company or any other person, firm, or entity based on ownership of, or energy production from, any portion of the Resource(s), including production tax credits or investment tax credits that may be available with respect to the Resource(s) or (ii) cash grants, depreciation deductions and other tax benefits arising from ownership or operation of the Solar Resource.

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SCHEDULE CSPP

- 2.3 Renewable Energy Credits ("RECs") produced by the Solar Resource will be tracked by the Company, consistent with Participant subscriptions. All RECs associated with the generation output of the Solar Resource will be transferred by the Company to the Participant with an active REC tracking account (e.g. the North American Renewables Registry.) If no such account is available, the Company will retire the credits on behalf of the participant. Participant may report under any such program that RECs transferred herein belong to the Participant.
- 2.4 The Environmental Attributes Participant shall receive through its ownership of the RECs include any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water. Such Environmental Attributes include but are not limited to the following to the extent attributable to the power to which Customer subscribes hereunder: (a) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides, nitrogen oxides, carbon monoxide, and other pollutants; and (b) any avoided emissions of carbon dioxide, methane, and other greenhouse gases as defined by U.S. laws or regulations as of the Effective Date or as they may be modified during the Term.

3. Term

3.1 This Agreement shall be effective on the first full month following the date of this Agreement and shall continue for a minimum of three years, as measured from the first bill received under Schedule CSPP. Participants who subscribe to more than 1,000 Solar Blocks shall commit to a minimum term of ten (10) years. If a Participant cancels their subscription before the minimum term, they are required to continue paying the Solar Facility Charge for the length of the term.

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Cancelling P.S.C. Mo. No.		Sec.		Original	Sheet No	
For <u>ALL TERRITORY</u>						
COMMUNITY SOLAR PILOT PROGRAM						
SCHEDULE CSPP						

- 3.2 Customers that subscribe to the Solar Program will continue as Participants until they cancel their subscription or the Solar Program is terminated. New subscriptions and cancellations require 20 calendar day's written notice by the Participant prior to the end of the Participant's billing cycle and will take effect at the beginning of the next applicable billing cycle.
- 3.3 Participant understands and agrees that if Participant cancels its participation in the Solar Program, Participant must wait 12 months after the first billing cycle without a subscription to re-enroll in the Solar Program.

DATE EFFECTIVE

THE EMPIRE DISTRICT ELECTRIC COMPANY						
P.S.C. Mo. No.	5	Sec.	4	Original	Sheet No. 25I	
Cancelling P.S.C. Mo. No.		Sec.		Original	Sheet No	
For <u>ALL TERRITORY</u>						
COMMUNITY SOLAR PILOT PROGRAM						
SCHEDULE CSPP						

4. Monthly Billing

- 4.1 The energy production of the Solar Resource will be measured and apportioned monthly to each Participant based on its respective Subscription Level.
- 4.2 The Participant's share of the Solar Resource energy production will be subtracted from the metered energy consumed by the Participant for the billing month. Should the Solar Resource energy production amount for a given month be greater than the Participant's metered energy consumption, the net energy will be zero for that month. Any remaining metered energy consumption will be billed under the rates associated with the Participant's standard rate schedule, including all applicable minimum bill amounts, riders, and charges.
- 4.3 Other, non-consumption based charges defined by the standard rate schedule are not impacted by the Solar Block subscription and will be billed to the Participant.
- 4.4 The entire bill amount, inclusive of all standard rate charges and Solar Program charges, must be paid according to the payment terms set forth in the Company's Rules and Regulations.
- 4.5 Participants waive all rights to any billing adjustments arising from a claim that the Participant's service would be or would have been at a lower cost had it not participated in the Solar Program for any period of time.

5. Additional Agreements/Provisions

The Participant further acknowledges and agrees that:

5.1 Participant will not have access to the Liberty Utilities – Empire District Solar Resources for any purpose. Participant will have no ownership, possession right or control of the Liberty Utilities – Empire District Solar Resources, and will have no rights or obligations with respect to the maintenance or operation of the Liberty Utilities – Empire District Solar Resources. This Agreement does not convey to Participant any right, title or interest in or to any portion of any property (tangible or intangible, real or personal) underlying or comprising any portion of the Liberty Utilities – Empire District Solar Resources.

THE EMPIRE DISTRICT ELECTRIC COMPANY						
P.S.C. Mo. No.	5	Sec.	4	Original	Sheet No. 25m	
Cancelling P.S.C. Mo. No.		Sec.		Original	Sheet No	
For <u>ALL TERRITORY</u>						
COMMUNITY SOLAR PILOT PROGRAM						

SCHEDULE CSPP

- 5.2 ALL WARRANTIES RELATING TO THE LIBERTY UTILITIES EMPIRE DISTRICT SOLAR RESOURCES, ITS EQUIPMENT, PERFORMANCE, AND OUTPUT OF CAPACITY OF ANY KIND WHATSOEVER, EXPRESS, IMPLIED AND STATUTORY, ARE HEREBY DISCLAIMED. ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED.
- 5.3 Nothing in this Agreement shall be deemed to alter or modify any rate, charge, term or condition of the electric service provided by Liberty Utilities - Empire District to the Participant or to modify in any way the Participant's rights and obligations as a customer of Liberty Utilities - Empire District. All of Liberty Utilities - Empire District's rates, charges, terms and conditions of electric service shall remain subject to change in accordance with applicable law, as well as Liberty Utilities - Empire District's tariff at any time.
- 5.4 Force Majeure. Because the Participant is purchasing solar energy production from a Liberty Utilities – Empire District Solar Resource, interruptions due to a Force Majeure that affect the actual solar energy production of the Liberty Utilities - Empire District Solar Resource is not a breach of Liberty Utilities – Empire District's duty under this Agreement of performance. "Force Majeure" shall mean any act, event, or circumstance that is not reasonably within the control of Liberty Utilities - Empire District that prevents or delays in whole or in part Liberty Utilities – Empire District's performance of any one or more of its obligations under this Agreement, including, but not limited to any fire, flood, storm, hurricane, tornado, earthquake or other natural disaster or weather event; acts of war (declared or undeclared), sabotage, terrorism or threat thereof, civil disturbances, or strike. In the event of Force Majeure, Liberty Utilities - Empire District is under no obligation to secure an alternative source of solar electric generation to offset the lost solar energy production from the Liberty Utilities - Empire District Solar Resource, until such time as the detrimental effects upon the Liberty Utilities – Empire District Solar Resource caused by the Force Majeure event can be repaired or remedied by Liberty Utilities – Empire District.

THE EMPIRE DISTRICT ELECTRIC COMPANY						
P.S.C. Mo. No.	5	Sec.	4	Original	Sheet No. 25n	
Cancelling P.S.C. Mo. No.		Sec.		Original	Sheet No	
For <u>ALL TERRITORY</u>						
COMMUNITY SOLAR PILOT PROGRAM						
SCHEDULE CSPP						

- 5.5 Participants applying for service under this Solar Program must have and maintain an account that is not more than 60 days delinquent or in default at the time of application.
- 5.6 Participants must notify the Company in writing of their intent to transfer any subscription(s). Transfers will only be effective if the transferee satisfies the terms and conditions applicable to the subscription and signs the Participant Agreement and assumes all responsibilities associated therewith. Such notice shall be provided to either of the addresses below and shall include the following information:
- 5.6.1 Customer's name and mailing address;
- 5.6.2 The current Service Address;
- 5.6.3 The new Service Address (if applicable), and
- 5.6.4 The name of the individual or entity to whom Customer is requesting to assign this Agreement.
- 5.7 Such notice shall be sent to:

Customer Service Representative 602 South Joplin Avenue, Joplin, MO 64802 Or: <u>Customer.service@libertyutilities.com</u>

5.8 Unsubscribed amounts will be determined monthly and any such amounts shall be included in the Company's generation portfolio.

The parties have executed this Agreement as of the date first written above.

Liberty Utilities – Empire District		Participant	Participant			
Ву:		Ву:				
Name:		Name:				
Title:		Mailing Address:				
DATE OF ISSUE	April 17, 2020	DATE EFFECTIVE	June 1, 2020			
	hard Director Rates and Reg					