

Luly E. Massaro
Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

May 9, 2013

Re: Dockets 4277 & 4288 – NGrid Requested Amendment to Wind Class

42 Weybosset Street

Providence

Rhode Island 02903

401 626.4839

401 753.6306 FAX

Dear Ms. Massaro:

I have enclosed a copy of the Power Purchase Agreement between Wind Energy Development and Coventry that was referenced in their Memorandum of Law for the PUC's reference in deciding this case.

Thank you for your assistance with this filing.

Sincerely,

Seth H. Handy

cc. Service List

POWER PURCHASE AGREEMENT

Dated as of

July 25, 2012

between

WED COVENTRY, LLC

and

THE TOWN OF COVENTRY

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GLOSSARY OF TERMS

EXHIBIT A – ENERGY PURCHASE RATES

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POWER PURCHASE AGREEMENT

This Power Purchase Agreement ("Agreement") is entered into as of July 25, 2012, by and between WED Coventry, LLC, a Rhode Island limited liability company ("Seller"), and the Town of Coventry, a municipality of the State of Rhode Island ("Buyer").

WHEREAS, Buyer is the owner of property located in the Town of Coventry and leases such property to Seller for the construction, operation and maintenance of a wind powered electric generating project with the desire of purchasing from Seller the electric energy produced by the project.

WHEREAS, Seller desires to develop, design, construct, own and operate the project located on Buyer's property, and sell to Buyer electric energy produced by the project.

NOW, THEREFORE, in consideration of the premises, the covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

1. DEFINITIONS. Certain capitalized terms used in this Agreement have the meanings set forth in the attached GLOSSARY OF TERMS.

2. TERM.

(a) Term. This Agreement shall consist of an Initial Period and an Operations Period. As used herein, "Term" shall mean all of the Initial Period and the Operations Period, unless the Seller or Buyer terminates the Agreement prior to the end of the Initial Period pursuant to the terms of this Agreement.

(b) Initial Period. The Initial Period will begin on the date set forth above and will terminate on the earlier of (i) the Commercial Operation Date or (ii) the date the Agreement is terminated pursuant to the provisions of Section 3(b).

(c) Operations Period. The Operations Period will commence on the Commercial Operation Date and will terminate at 11:59 p.m. on the twentieth anniversary of the Commercial Operation Date.

(d) Extensions. Twenty-four months prior to the end of the Operations Period, the Parties will meet to discuss the extension of this Agreement on terms and conditions reflecting the then current market for wind generated electricity and with such other amendments and additional terms and conditions as the Parties may agree. Neither Party shall be obligated to agree to an extension of this Agreement.

3. PLANNING, INSTALLATION AND OPERATION OF PROJECT.

(a) Site Assessment and Planning. During the Initial Period, Seller shall have the right, at its own expense, to assess the suitability of the Site for the Project and shall act diligently in conducting such assessment. The assessment shall include the right to apply for any building permits or other governmental authorizations necessary for the construction of the Project; to arrange interconnections with the Local Electric Utility; to apply to any other governmental agencies or other persons for grants or other determinations necessary for the construction of or receipt of revenues from the Project; or to make any other investigation or determination necessary for the financing, construction, operation or maintenance of the Project. Seller shall use diligent efforts to initiate construction of the Project before the date that is eighteen months after the date of this Agreement and, if Seller has not initiated construction before the date that is eighteen months after the date of this Agreement, Seller shall, upon request of Buyer, provide Buyer with documentation of the cause of the delay in initiating construction.

(b) Termination of Development Activities. At any time during the Initial Period, Seller shall have the right to cease development of the Project, for any reason, in its sole discretion. If Seller gives Buyer notice of such determination, this Agreement shall terminate effective as of the delivery of such notice without any further liability of the Parties to each other, provided that (i) the Parties shall not be released from any payment or other obligations arising under this Agreement prior to the delivery of the notice; (ii) the indemnity obligations under Section 11 hereof and the dispute resolution provisions of Section 19 hereof shall continue to apply notwithstanding the termination of this Agreement; and (iii) Seller shall restore the Site to substantially the condition it was in as of the date of this Agreement.

(c) Standard of Operation. Seller shall design, obtain permits, install, operate, and maintain the Project so as to keep it in good condition and repair, in compliance with all Applicable Laws and in accordance with the generally accepted practices of the electric industry, in general, and the wind generation industry, in particular. Such work shall be at Seller's sole expense.

(d) Hazardous Materials. Seller acknowledges that the Site was listed on the Environmental Protection Agency's National Priorities List on September 8, 1983. Seller is not responsible for any Hazardous Materials encountered at the Site except to the extent introduced by Seller and Buyer is not responsible for any Hazardous Materials encountered at the Site except to the extent introduced by Buyer after the date of this Agreement. Upon encountering any Hazardous Materials, Seller and Contractor may stop work in the affected area and duly notify Buyer and, if required by Applicable Law, any Governmental Authority with jurisdiction over the Site. Seller and Contractor shall be obligated to resume work at the affected area(s) of the Site only after Buyer notifies Seller and Contractor that Buyer has complied with all Applicable Laws, and a qualified independent expert provides written certification that (i) remediation has been accomplished as required by Applicable Law and (ii) all necessary approvals have been obtained from any Governmental Authority having jurisdiction over the Project or the Site. If Buyer does not comply with the immediately foregoing sentence, Seller may terminate this Agreement effective as of the delivery of written notice to Buyer of such termination without any further liability of the Parties to each other, provided that (i) the Parties shall not be released from any payment or other obligations arising under this Agreement prior to

the delivery of the notice; (ii) the indemnity obligations under Section 11 hereof and the dispute resolution provisions of Section 19 hereof shall continue to apply notwithstanding the termination of this Agreement.

(e) Site Security. Buyer will provide regular police patrols for the Project to the extent of its normal security procedures, practices, and policies that apply to similar Buyer premises. Buyer will advise Seller immediately upon observing any damage to the Project.

(f) System Shut Down. Seller may shut down the Project at any time in order to perform required emergency repairs to the Project. At other times, Seller shall give Buyer notice of the shutdown as may be reasonable in the circumstances. Seller shall not have any obligation to reimburse Buyer for any losses caused by any shutdown, including costs of purchasing electricity that would have been produced by the Project but for such shutdown. Seller shall not schedule shutdowns during peak periods of electric generation and periods when peak energy and demand prices are charged by the Electric Service Provider, except as may be required in accordance with prudent electric industry safety practices in the event of equipment malfunction.

(g) Easements. Buyer hereby grants Seller and its designees vehicular and pedestrian access rights across any real property of the Buyer for purposes of designing, installing, operating, maintaining, repairing and removing the Project and the right to locate transmission lines and communications cables across any real property of the Buyer (collectively, the "Rights"). Upon request by Seller, the Parties shall execute and record with the appropriate Land Registry easements and other instruments documenting any such Rights.

(h) Lease. Concurrently with the execution of this Agreement, the Parties shall enter into a lease agreement in substantially the form of Exhibit B hereto (the "Lease") pursuant to which Buyer shall grant the Seller a leasehold interest in the Site for aggregate rent of \$1. However, in the event that Seller ceases producing electric energy for a period of 365 continuous days during the Operations Period, beginning on the 366th day Seller shall begin paying rent at a rate of \$10,000 per month for each month that Seller fails to produce any electric energy for Buyer's consumption. Failure to produce electric energy shall not be a default under the terms of this Agreement and this Agreement shall remain in full force and effect (it being understood that such increase in rent shall be Buyer's sole remedy in the event of such a cessation of production).

4. SALE OF ELECTRIC ENERGY.

(a) Sale of Electricity. Throughout the Operations Period, subject to the terms and conditions of this Agreement, Seller shall sell to Buyer and Buyer shall buy from Seller, on an annual basis, the lesser of (i) all of the electric energy produced by the Project and (ii) an amount equal to the amount of all of the electric energy consumed by Buyer (including any electric energy produced by or on behalf of Buyer and consumed by Buyer but excluding up to 125 kilowatt hours per year of electric energy produced by the solar energy project located at the Town Hall Annex at 1675 Flat River Road in Coventry, Rhode Island). The electric energy shall be delivered directly to the Local Electric Utility, and the Point of Delivery of the electric energy shall be the Project's busbar on the Buyer's side of the interconnection point with the Local Electric Utility's distribution system. Buyer shall receive any credits or payments from the Local Electric Utility that may be available under net metering or similar programs. Buyer shall

be responsible for obtaining all of its requirements for electric energy and pay for such service pursuant to contracts with or applicable tariffs of the Local Electric Utility or other Electric Service Provider. Buyer represents and warrants that, as of the date of this Agreement, the average amount of electric energy it consumes is 8 million kilowatt-hours per year, and Buyer agrees that it shall provide Seller with written notice at least 120 days in advance of any increase by 10% or more in its average annual rate of consumption of electric energy. The notice requirement provided for herein is to afford Seller the opportunity to reallocate resources to meet such increased demand, and Seller will make a good faith effort to accommodate such increased demand, provided, however, that, absent the giving of such notice, Seller shall not be required to deliver to Buyer such increased amount of electric energy.

(b) Limits on Obligation to Deliver. Seller does not warrant or guarantee the amount of electric energy to be produced by, or that any electrical energy will be produced, or the limits on the Project for any hourly, daily, monthly, annual or other period. Seller is not a utility or public service company and does not assume any obligations of a utility or public service company to supply Buyer's electric requirements. Seller is not subject to rate review by governmental authorities.

(c) Metering. Seller shall install one or more meter(s) at the Project, as Seller deems appropriate, to measure the output of the Project at the Point of Delivery. Seller shall conduct tests of the meters at such times as it deems appropriate in accordance with industry standards.

(d) Excess Electricity. Without limiting Seller's obligations pursuant to Section 4(a), Seller shall have the right to sell to any third party any electric energy produced by the Project in excess of the total annual amount of electric energy used by Buyer. In connection therewith, Seller shall have the right to sublet a portion of the Site to such third party with Buyer's prior written consent, not to be unreasonably withheld.

5. PAYMENT AND BILLING.

(a) Rates. Buyer shall pay Seller for electricity delivered hereunder at the rates set forth in Exhibit A attached hereto.

(b) Billing. Buyer shall pay for the electricity delivered hereunder monthly in arrears. Promptly after the end of each calendar month, Seller shall provide Buyer with an invoice setting forth the quantity of electricity delivered hereunder in such month, the applicable rates for such electricity and the total amount due, which shall be the product of the quantities and the applicable rates.

(c) Invoice Delivery. Invoices shall be in writing and shall be either (i) delivered by hand; (ii) mailed first-class, postage prepaid; (iii) delivered by a recognized overnight or personal delivery service; (iv) transmitted by facsimile (such transmission to be effective on the day of receipt if received prior to 5:00 pm local time on a Business Day or in any other case as of the next Business Day following the day of transmittal); or (v) transmitted by email, addressed as follows:

Town of Coventry
1670 Flat River Road
Coventry, RI 02816
Attention: Thomas R. Hoover
Fax: 401-822-9139
Email: thoover@town.coventry.ri.us

(d) Payment. Buyer shall pay each invoice within ninety (90) days of receipt of the invoice. Payments shall be made by electronic funds transfer to an account designated by Seller in the invoice or in a written notice delivered to Buyer. Any amounts not paid when due, including any amounts properly disputed and later determined to be owing, shall accrue interest on the unpaid amount at the rate equal to the lesser of (i) 1% per month, compounded monthly or (ii) the highest rate allowed by applicable law.

(e) Disputed Invoices. If Buyer objects to all or a portion of an invoice, Buyer shall, on or before the date payment of the invoice is due, (i) pay the undisputed portion of the invoice, and (ii) provide an itemized statement of its objections setting forth in reasonable detail the basis for its objections. If Buyer does not object prior to the date payment of any invoice is due, Buyer shall be obligated to pay the full amount of such invoices but Buyer may subsequently object to such invoice and, if such objection proves to be correct, receive a refund of the disputed amount; provided, however, that Buyer may not object to any invoice more than sixty (60) days after the date on which such invoice is rendered.

(f) RECs. Whenever the Average Monthly REC Price is greater than \$0.025 per kilowatt-hour for any month during the Operations Period, Seller shall refund to Buyer one half of the cash consideration for RECs attributed to the Project that Seller received as a result of the Average Monthly REC Price for such month being greater than \$0.025 per kilowatt-hour. In the event that the Average Monthly REC Price is less than \$0.025 per kilowatt-hour for any month during the Operations Period, Buyer shall pay Seller, in addition to other amounts payable pursuant to this Agreement, an amount equal the difference between (i) the amount Seller would have received for RECs attributed to the Project had the Average Monthly REC Price been \$0.025 per kilowatt-hour for such month and (ii) the cash consideration Seller actually received for RECs attributed to the Project and sold in such month. Seller shall include with each invoice to Buyer a statement of the additional amount to be paid by Buyer or to be refunded to Buyer pursuant to this Section 5(f) with respect to the preceding month. Seller, at its option, may elect to offset any amounts due to Buyer pursuant to this Section 5(f) against any amounts due to Seller pursuant to Section 5(a).

6. INTERCONNECTION; ATTRIBUTES.

(a) Interconnection. Seller shall be responsible for arranging the interconnection of the Project with Buyer's Local Electric Utility in a manner which includes bi-directional or "net metering".

(b) Ownership of Tax Attributes. Seller (and/or Financing Party) shall be the owner of any Tax Attributes that may arise as a result of the operation of the Project and shall be

entitled to transfer such Tax Attributes to any person. Buyer shall provide reasonable assistance to Seller in preparing all documents necessary for Seller to receive such Tax Attributes, and if Buyer is deemed to be the owner of any such Tax Attributes, Buyer shall assign the same (or the proceeds thereof) to Seller. If Buyer receives any payments in respect of such Tax Attributes, it shall hold them in trust for Seller and promptly pay them over to Seller.

(c) Environmental Attributes. Seller (and/or Financing Party) shall be the owner of any Environmental Attributes which may arise as a result of the operation of the Project and shall be entitled to transfer such Environmental Attributes to any person. Buyer shall provide reasonable assistance to Seller in preparing all documents necessary for Seller to receive such Environmental Attributes, and if Buyer is deemed to be the owner of any such Environmental Attributes, Buyer shall assign the same (or the proceeds thereof) to Seller. If Buyer receives any payments in respect of such Environmental Attributes owned by Seller, it shall hold them in trust for Seller and promptly pay them over to Seller.

(d) Capacity & Ancillary Services. Seller shall be entitled to receive any payments for electric capacity or ancillary services that may become available as a result of the construction or operation of the Project. Buyer shall provide reasonable assistance to Seller in preparing all documents necessary for Seller to receive such payments, and if Buyer is deemed to be the owner or provider of such capacity or services, Buyer shall assign the same to Seller. If Buyer receives any payments in respect of capacity or such services it shall hold them in trust for Seller and promptly pay them over to Seller.

(e) No Resale of Electricity. Except as contemplated by the provisions of Section 4(a), the electricity purchased by Buyer from Seller under this Agreement shall not be resold, assigned or otherwise transferred to any other person without prior approval of the Seller, which approval shall not be unreasonably withheld, and Buyer shall not take any action which would cause Buyer or Seller to become a utility or public service company.

(f) Seller Is Not A Utility. Neither Party shall assert that Seller is an electric utility or public service company or similar entity that has a duty to provide service, is subject to rate regulation, or is otherwise subject to regulation by any governmental authority as a result of Seller's obligations or performance under this Agreement.

7. PERMITS, OWNERSHIP OF PROJECT, LIENS, MORTGAGES

(a) Permits. Seller shall pay for and obtain all approvals from governmental entities necessary for the construction and operation of the Project, including land use permits, building permits, demolition and waste disposal permits and approval. Buyer shall use its best efforts, consistent with applicable law, to cause all municipal permits and other approvals to be granted as promptly as practicable.

(b) System Ownership. Seller or Financing Party shall be the legal and beneficial owner of the Project at all times. The Project is personal property and shall not attach to or be deemed a part of, or fixture to, the Site. The Project shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code. Buyer covenants that it will place all persons having an interest in or lien upon the Site on notice of the ownership

of the Project and the legal status or classification of the Project as personal property. Buyer and/or Seller shall make any necessary filings to disclaim the Project as a fixture of the Site in the appropriate Land Registry to place all interested parties on notice of the ownership of the Project by Seller.

(c) Liens. To the extent permitted by Applicable Law, Buyer shall not directly or indirectly cause, create, incur, assume or suffer to exist any mortgage, pledge, lien, (including mechanics', labor or materialman's lien), charge, security interest, encumbrance or claim of any nature, including claims by governmental authorities for taxes (collectively referred to as "Liens" and each, individually, a "Lien") on or with respect to the Site, the Rights granted hereunder and the Project. Buyer shall promptly notify Seller of the imposition of a Lien on or with respect to the Site or the Project, and shall promptly discharge such lien.

(d) Non Disturbance Agreements. Buyer shall pay for and obtain all consents required for it to enter into and perform its obligations under this Agreement from any persons with interests in the Site. If there is any mortgage or fixture filing against the Site which could reasonably be construed as prospectively attaching to the Project, Buyer shall promptly upon request of Seller, provide an acknowledgement and consent from such lienholder, in form and substance reasonably acceptable to Financing Party, stating that the ownership of the Project remains in Seller and further acknowledging that the Project is personal property of Seller and agreeing not to disturb the rights of Seller in the Project and under this Agreement. If Buyer is the fee owner of the Site, Buyer consents to the filing of a disclaimer of the Project as a fixture of the Site in the Land Registry. If Buyer is not the fee owner, Buyer will obtain such consent from such owner of the Site. Such acknowledgment and consents, or acceptable notices thereof, shall be recorded, at Buyer's expense, in the appropriate Land Registry. Buyer may in the future mortgage, pledge, and grant security interests in all or a portion of the Site and the improvements thereon, provided the mortgagee or other grantee of the encumbrance acknowledges this Agreement, the Project, the Rights, and the priority of Seller's (and/or Financing Party's) rights in the Project and the Rights.

8. SAFETY SHUTDOWNS.

In addition to the right of Seller to shut down the Project for maintenance as provided in Section 3(f), Seller may shutdown the Project if Seller, in the exercise of reasonable judgment, believes Site conditions or activities of persons on a Site, which are not under the control of Seller, whether or not under the control of Buyer, may interfere with the safe operation of the Project. Seller shall give Buyer notice of a shutdown immediately upon becoming aware of the potential for such conditions or activities. In the event of such a shutdown period that is caused by activities of persons on the Site that are under the control of the Buyer (including without limitation erection or maintenance of towers but not including periods of Force Majeure), Buyer will pay Seller an amount equal to the amount that Seller would have received with respect to electric energy that would have been produced by the Project during the period of the shutdown. Determination of the amount of energy that would have been produced during the period of the shutdown shall be based, during the first Operations Year, on estimated levels of production and, after the first Operations Year, based on actual operation of the Project during the same period in the previous Operations Year, unless Seller and Buyer mutually agree to an alternative methodology. If a shutdown pursuant to this Section 8 is caused by activities of persons on the

Site that are under the control of the Buyer and continues for one hundred and eighty (180) days or longer, Seller may terminate this Agreement and require Buyer to pay the Early Termination Amount.

9. TAXES.

(a) Income Taxes. Seller shall be responsible for any and all income taxes associated with payments from Buyer to Seller for electric energy from the Project. Seller, as owner of the Project, shall be entitled to all Tax Attributes with respect to the Project.

(b) Sales Taxes. Buyer shall be responsible for all taxes, fees, and charges, including sales, use, and gross receipts taxes, imposed or authorized by any Governmental Authority on the sale of electric energy by Seller to Buyer. Buyer shall timely report, make filings for, and pay any and all such taxes assessed directly against it and shall reimburse Seller for any and all such taxes assessed against and paid by Seller.

(c) Property Taxes. Buyer shall use its reasonable best efforts, consistent with Applicable Law including without limitation Section 44-3-21 of the General Laws of the State of Rhode Island, to ensure that no property taxes are assessed or imposed with respect to the Project or the Site, and Buyer shall be responsible for any such taxes which may be assessed or imposed notwithstanding the foregoing. Buyer shall timely pay any and all such taxes assessed directly against it and shall reimburse Seller for any and all such taxes assessed against and paid by Seller.

(d) Tax Contests. Each Party has the right to contest taxes in accordance with Applicable Law and the terms of encumbrances against the Site. Each Party shall use all reasonable efforts to cooperate with the other in any such contests of tax assessments or payments. In no event shall either Party postpone during the pendency of an appeal of a tax assessment the payment of taxes otherwise due except to the extent such postponement in payment has been bonded or otherwise secured in accordance with Applicable Law.

(e) Payment of Delinquent Taxes. In the event either Party fails to pay any taxes that may become a lien upon the other Party's property, such Party may pay such amounts and in such event shall be entitled to recover such paid amount from the other Party, together with interest thereon at the rate of one percent (1%) per month, compounded monthly.

(f) Reimbursement Deadline. Any reimbursement of taxes owing pursuant to this Section 9 shall be paid within twenty (20) Business Days of receiving an invoice therefor from the Party who paid the taxes.

10. COOPERATION; FUTURE IMPROVEMENTS.

(a) Cooperation. The Parties acknowledge that the performance of each Party's obligations under this Agreement will frequently require the assistance and cooperation of the other Party. Each Party therefore agrees, in addition to those provisions in this Agreement specifically providing for assistance from one Party to the other, that it will at all times during the Term cooperate with the other Party and provide all reasonable assistance to the other Party to help the other Party perform its obligations hereunder.

(b) Buyer to Not Restrict Wind Access. Buyer, or any lessee, grantee or licensee of Buyer, shall not erect any structures on, or make other modifications to, or plantings on, the Site which will interfere with the construction, operation or maintenance of, or wind access of, the Project, and Buyer shall not enact or adopt or permit to be enacted or adopted any ordinance that would reasonably be expected to restrict or impede the operation of the Project.

(c) Adjoining Properties. If Applicable Law and existing easements do not ensure that structures or plantings on adjoining property will not interfere with the wind access for the Project, then Buyer and Seller shall work together to obtain from owners of adjoining properties any easements reasonably necessary to protect the wind access of the Project. Such easements shall run for the benefit of both Buyer and Seller. Seller shall pay for the expense of obtaining such easements, including payments to property owners and legal costs, but the rates payable by Buyer for electric energy from the Project shall be increased by an amount sufficient for Seller to fully amortize such costs, over a period equal to the lesser of (i) ten years and (ii) the remaining term of this Agreement. Without limiting the generality of the balance of this Section 10(c), Buyer shall not erect or permit the erection of any wind turbines, other than in connection with the Project, in the vicinity of the Site that would reasonably be expected to interfere with the wind access of the Project.

11. INDEMNIFICATION.

(a) Seller Indemnification. Seller shall indemnify, defend and hold Buyer and its directors, officers, employees, agents, volunteers, and invitees ("Buyer's Indemnified Parties"), harmless from and against all Losses incurred by the Buyer Indemnified Parties to the extent arising from or out of the following: (i) any claim for or arising out of any injury to or death of any Person or loss or damage to property to the extent arising out of Seller's negligence or willful misconduct; (ii) Seller's violation of Applicable Law or this Agreement; or (iii) any failure to properly handle or dispose of any Hazardous Materials brought onto the Site by Seller. Such duty to indemnify with respect to any injuries to persons or damage to property arising from the generation of electricity from the Project shall not extend to incidents occurring on Buyer's side of the Point of Delivery except to the extent caused by incidents on Seller's side of the Point of Delivery. Such duty to indemnify shall not apply to any action or claim, whether in tort (including negligence and strict liability), contract or otherwise for any loss, injury, or costs resulting from interruptions in service. Seller shall not be obligated to indemnify Buyer or any Buyer Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of Buyer or any Buyer Indemnified Party.

(b) Buyer Indemnification. Buyer shall indemnify, defend and hold Seller, its contractors, subcontractors, members, directors, officers, employees, agents, affiliates and invitees, and Financing Party ("Seller's Indemnified Parties"), harmless from and against all Losses incurred by the Seller's Indemnified Parties to the extent arising from or out of (i) any claim for or injury to or death of any Person or loss or damage to property to the extent arising out of the negligence or willful misconduct of any of Buyer's Indemnified Parties; (ii) Buyer's violation of Applicable Law or this Agreement; or (iii) the presence, removal or remediation of any Hazardous Materials on the Site (other than any Hazardous Materials brought on to the Site by Seller's Indemnified Parties after the date of this Agreement). Buyer shall not be obligated to

indemnify Seller or any Seller Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of Seller or any Seller Indemnified Party.

(c) Notice of Claims. Whenever any claim arises for indemnification under this Agreement, the Indemnified Person shall notify the Indemnifying Party in writing as soon as possible (but in any event prior to the time by which the interest of the Indemnifying Party will be materially prejudiced as a result of its failure to have received such notice) after the Indemnified Person has knowledge of the facts constituting the basis for such claim (the “Notice of Claim”). Such Notice of Claim shall specify all facts known to the Indemnified Person giving rise to the indemnification right and the amount or an assessment of the amount of the liability arising therefrom.

(d) Defense of Claims. The Indemnifying Party has the right, but not the obligation to assume the defense or the matter for which indemnification is sought hereunder. If the Indemnifying Party does not assume the defense, it shall timely pay all costs of counsel and case expenses incurred by Indemnified Person in connection with the defense, when and as incurred. If the Indemnifying Party assumes the defense, the Indemnified Person has the right to hire its own counsel to defend it, but the Indemnified Person shall be responsible for the reasonable costs of such counsel. The Indemnifying Party shall not consent to the entry of any judgment or enter into any settlement with respect to the matter for which indemnification is sought without the prior written consent of the Indemnified Person (which consent shall not be unreasonably withheld) unless the judgment or settlement involves the payment of money damages only and does not require the acknowledgement of the validity of any claim.

(e) Payments. At the time that the Indemnifying Party makes any indemnity payments under this Agreement, the indemnification payment shall be adjusted such that the payment will result in the Indemnified Person receiving an indemnity payment equal to the Loss after taking into account (i) all federal, state, and local income taxes that are actually payable to the Indemnified Person with respect to the receipt of such payment and (ii) all national, state, and local tax deductions allowable to the Indemnified Person for any items of loss and deduction for which the Indemnified Party is being indemnified.

(f) Survival of Indemnification. The obligations of indemnification hereunder shall survive termination of this Agreement.

12. REPRESENTATIONS AND WARRANTIES.

(a) Mutual Representations. Each Party hereby represents and warrants to the other, as of date hereof, that:

(i) Organization. It is validly existing under the laws of its state of Rhode Island and has the power and authority to enter into this Agreement and to perform its obligations hereunder.

(ii) No Conflict. The execution and delivery of this Agreement and the performance of and compliance with the provisions of this Agreement will not conflict with or constitute a breach of or a default under (1) its organizational documents; (2) any agreement or other obligation by which it is bound; (3) any law or regulation.

(iii) Enforceability. (1) All actions required to be taken by or on the part of such Party necessary to make this Agreement effective have been duly and validly taken; (2) this Agreement has been duly and validly authorized, executed and delivered on behalf of such Party; and (3) this Agreement constitutes a legal, valid and binding obligation of such Party, enforceable in accordance with its terms, subject to laws of bankruptcy, insolvency, reorganization, moratorium or other similar laws.

(iv) No Material Litigation. There are no court orders, actions, suits or proceedings at law or in equity by or before any governmental authority, arbitral tribunal or other body, or threatened against or affecting it or brought or asserted by it in any court or before any arbitrator of any kind or before or by any governmental authority that could reasonably be expected to have a material adverse effect on it or its ability to perform its obligations under this Agreement, or the validity or enforceability of this Agreement.

(b) Buyer Representations. In addition to the representations and warranties in Section 12(a), Buyer hereby represents and warrants to Seller, as of date hereof, that:

(i) Electric Usage. Buyer has provided to Seller complete and correct records of its electric usage for the preceding three (3) years.

(ii) Financial Information. The financial statements Buyer has provided to Seller present fairly in all material respects the financial condition and results of operations of Buyer.

13. FORCE MAJEURE.

(a) Excuse for Force Majeure Event. Except as provided in Section 13(b) or otherwise specifically provided in this Agreement, neither Party shall be considered in breach of this Agreement or liable for any delay or failure to comply with this Agreement, if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; provided that the Party claiming relief as a result of the Force Majeure Event shall promptly (i) notify the other Party in writing of the existence and details of the Force Majeure Event; (ii) exercise all reasonable efforts to minimize delay caused by such Force Majeure Event; (iii) notify the other Party in writing of the cessation of such Force Majeure Event; and (iv) resume performance of its obligations hereunder as soon as practicable thereafter.

(b) No Excuse for Payment for Prior Services. Obligations to make payments for services already provided shall not be excused by a Force Majeure Event.

(c) Termination for Force Majeure Event. Notwithstanding anything to the contrary in this Section 13, if nonperformance on account of a Force Majeure Event continues beyond a continuous period of three hundred and sixty-five (365) days, then Seller shall have the right to terminate this Agreement upon thirty (30) days notice to the Buyer. In the event of such a termination of this Agreement with respect to the Project, the Parties shall not be released from any payment or other obligation arising under this Agreement which accrued prior to the shutdown of the Project or the Site, and the indemnity, confidentiality and dispute resolution provisions of this Agreement shall survive the termination of this Agreement.

14. CHANGE IN LAW.

In the event there is a Change in Law that is applicable to the operation of the Project, the sale of electric energy produced by the Project, or any other obligation of the Seller hereunder, and compliance with the Change in Law results in an increase in Seller's costs to operate and/or maintain the Project, Seller will promptly submit to Buyer a written notice setting forth (i) the applicable Change in Law; (ii) the manner in which such Change in Law increases Seller's costs; and (iii) Seller's proposed adjustment to the then applicable and future rates for electric energy in this Agreement to reflect such increases in costs. Buyer agrees to an adjustment in the then applicable and future rates such that the new rates compensate Seller for the total cost increase arising from the Change in Law and said adjustment will remain in effect for as long as the costs arising from the Change in Law continue to be incurred by the Seller.

15. SELLER DEFAULT AND BUYER REMEDIES.

(a) Seller Events of Default. Seller shall be in default of this Agreement if any of the following ("Seller Events of Default") shall occur:

(i) Misrepresentation. Any representation or warranty by Seller under Section 12 hereof, is incorrect or incomplete in any material way, or omits to include any information necessary to make such representation or warranty not materially misleading, and such defect is not cured within fifteen (15) days after receipt of notice from Buyer identifying the defect.

(ii) Obligation Failure. Seller fails to perform any obligation hereunder, such failure is material, such failure is not excused by the provisions of Section 13(b) (relating to Force Majeure Events), and such failure is not cured within ninety (90) days after receipt of notice from Buyer identifying the failure.

(iii) Insolvency. Seller (A) applies for or consents to the appointment, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or a substantial portion of its property; (B) admits in writing its inability, or is generally unable, to pay its debts as such debts become due; (C) makes a general assignment for the benefit of its creditors; (D) commences a voluntary case under any bankruptcy law; (E) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; (F) acquiesces in, or fails to contest in a timely manner, any petition filed against Seller in an involuntary case under bankruptcy law or seeking to dissolve Seller under other Applicable Law; or (G) takes any action authorizing its dissolution.

(b) Financing Party Opportunity to Cure; Buyer Remedies. Upon an Event of Default by Seller, provided that Buyer complies with its obligations under Section 17 and Financing Party does not cure such Event of Default by Seller, Buyer may terminate this Agreement, seek to recover damages for costs of replacement electricity and pursue other remedies available at law or equity.

16. BUYER DEFAULT AND SELLER REMEDIES.

(a) Buyer Events of Default. Buyer shall be in default of this Agreement if any of the following ("Buyer Events of Default") shall occur:

(i) Misrepresentation. Any representation or warranty by Buyer under Section 12 hereof, is incorrect or incomplete in any material way, or omits to include any information necessary to make such representation or warranty not materially misleading, and such defect is not cured within fifteen (15) days after receipt of notice from Seller identifying the defect.

(ii) Obstruction. Buyer obstructs commencement of installation of the Project or fails to take any actions necessary for the interconnection of the Project and fails to correct such action within ten (10) days after receipt of notice thereof from Seller.

(iii) Payment Failure. Buyer fails to make any payment due under the terms of this Agreement, and fails to make such payment within ten (10) days of when such payment was due.

(iv) Obligation Failure. Buyer fails to perform any obligation hereunder, such failure is material, such failure is not excused by the provisions of Section 13(b) (relating to Force Majeure Events), such failure involves an obligation other than payment and such failure is not cured within thirty (30) days after receipt of notice from Seller identifying the failure.

(v) Insolvency. Buyer (A) applies for or consents to the appointment, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or a substantial portion of its property; (B) admits in writing its inability, or be generally unable, to pay its debts as such debts become due; (C) makes a general assignment for the benefit of its creditors; (D) commences a voluntary case under any bankruptcy law; (E) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; (F) acquiesces in, or fails to contest in a timely manner, any petition filed against Buyer in an involuntary case under bankruptcy law or seeking to dissolve Buyer under other Applicable Law; or (G) takes any action authorizing its dissolution.

(b) Default Damages. Upon an Event of Default by Buyer, Seller may require Buyer to pay to Seller the Early Termination Amount, sell electricity produced by the Project to persons other than Buyer, and recover from Buyer any loss in revenues resulting from such sales; and/or pursue other remedies available at law or in equity. After Seller's receipt of such Early Termination Amount pursuant to this Section 16(b), Seller shall collect no additional damages resulting from lost revenues from sales of electricity from the Project.

17. COLLATERAL ASSIGNMENT, FINANCING PROVISIONS.

(a) Financing Arrangements. Seller may mortgage, pledge, grant security interests, assign, or otherwise encumber its interests in this Agreement to any persons providing financing for the Project. Buyer acknowledges that Seller will obtain construction financing for the Project

from one or more third parties and that Seller may either obtain term financing secured by the Project or sell or assign the Project to a Financing Party or may arrange other financing accommodations from one or more financial institutions and may from time to time refinance, or exercise purchase options under, such transactions. Buyer acknowledges that in connection with such transactions Seller may secure Seller's obligations by, among other collateral, an assignment of this Agreement and a first security interest in the Project. In order to facilitate such necessary sale, conveyance, or financing, and with respect to any lender or lessor, as applicable, Buyer agrees as follows:

(i) Consent to Collateral Assignment. Buyer hereby consents to both of the sale of the Project to a Financing Party and the collateral assignment to the Financing of the Seller's right, title and interest in and to this Agreement.

(ii) Rights of Financing Party. Notwithstanding any contrary term of this Agreement:

(A) Step-In Rights. The Financing Party, as owner of the Project, or as collateral assignee of this Agreement, shall be entitled to exercise, in the place and stead of Seller, any and all rights and remedies of Seller under this Agreement in accordance with the terms of this Agreement. The Financing Party shall also be entitled to exercise all rights and remedies of owners or secured parties, respectively, generally with respect to this Agreement and the Project;

(B) Opportunity to Cure Default. The Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty or obligation required of Seller thereunder or cause to be cured any default of Seller thereunder in the time and manner provided by the terms of this Agreement. Nothing herein requires the Financing Party to cure any default of Seller under this Agreement or (unless the Financing Party has succeeded to Seller's interests under this Agreement) to perform any act, duty or obligation of Seller under this Agreement, but Buyer hereby gives it the option to do so;

(C) Exercise of Remedies. Upon the exercise of remedies, including any sale of the Project by the Financing Party, whether by judicial proceeding or under any power of sale contained therein, or any conveyance from Seller to the Financing Party (or any assignee of the Financing Party as defined below) in lieu thereof, the Financing Party shall give notice to Buyer of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a default under this Agreement;

(D) Cure of Bankruptcy Rejection. Upon any rejection or other termination of this Agreement pursuant to any process undertaken with respect to Seller under the United States Bankruptcy Code, at the request of Financing Party made within ninety (90) days of such termination or rejection, Buyer shall enter into a new agreement with Financing Party or its assignee having substantially the same terms and conditions as this Agreement.

(iii) Right to Cure.

(A) Cure Period. Buyer will not exercise any right to terminate or suspend this Agreement unless it shall have given the Financing Party prior written notice of its intent to terminate or suspend this Agreement, as required by this Agreement, specifying the condition giving rise to such right, and the Financing Party shall not have caused to be cured the condition giving rise to the right of termination or suspension within thirty (30) days after such notice or (if longer) the periods provided for in this Agreement; provided that if such Seller default reasonably cannot be cured by the Financing Party within such period and the Financing Party commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed an additional ninety (90) days. If such Seller default cannot reasonably be cured without the Financing Party obtaining possession of all or part of the Site and/or all or part of the Project, then any such default shall be deemed remedied if, (i) within the cure period granted to Financing Party pursuant to this Section 17(a), either the Financing Party or its assignee has acquired possession of all or part of the Site and/or all or part of the Project, or has commenced appropriate judicial or nonjudicial proceedings to obtain the same, (ii) the Financing Party or its assignee, as the case may be, is in the process of diligently prosecuting any such proceedings to completion, and (iii) after gaining possession of all or part of the Site and/or all or part of the Project, the Financing Party or its assignee cures such Seller default. If the Financing Party or its assignee is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction over any bankruptcy or insolvency proceeding involving Seller or any defaulting assignee, as the case may be, from commencing or prosecuting the proceedings described above, the period specified above for commencing such proceeding shall be extended for the period of such prohibition. The Parties' respective obligations will otherwise remain in effect during any cure period.

(B) Continuation of Agreement. If the Financing Party or its assignee (including any purchaser or transferee), pursuant to an exercise of remedies by the Financing Party, shall acquire title to or control of Seller's assets and shall, within the time periods described in Section 17(a)(iii)(A) above, cure all defaults under this Agreement existing as of the date of such change in title or control in the manner required by this Agreement and which are capable of cure by a third person or entity, then such Person shall no longer be in default under this Agreement, and this Agreement shall continue in full force and effect.

(b) Financing Party a Third Party Beneficiary. Buyer agrees and acknowledges that Financing Party is a third party beneficiary of the provisions of this Section 17.

(c) Entry to Consent to Assignment. Buyer agrees to (i) execute any consents to assignment or acknowledgements and (ii) provide such opinions of counsel as may be reasonably requested by Seller and/or Financing Party in connection with such financing or sale of the Project.

18. LIMITATIONS ON DAMAGES.

EXCEPT AS EXPLICITLY PROVIDED IN THIS AGREEMENT (INCLUDING IN SECTIONS 8 AND 16(b)), NEITHER PARTY NOR ANY OF ITS INDEMNIFIED PERSONS SHALL BE LIABLE TO THE OTHER PARTY OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

19. DISPUTE RESOLUTION.

(a) Negotiation Period. The Parties shall negotiate in good faith and attempt to resolve any dispute, controversy or claim arising out of or relating to this Agreement (a "Dispute") within 30 days after the date that a Party gives written notice of such Dispute to the other Party.

(b) Mediation. If, after such negotiation in accordance with Section 19(a), the Dispute remains unresolved, either Party may require that a non-binding mediation take place. In such mediation, representatives of the Parties with authority to resolve the dispute shall meet for at least three (3) hours with a mediator whom they choose together. If the Parties are unable to agree on a mediator, then either Party is hereby empowered to request the American Arbitration Association to appoint a mediator. The mediator's fee and expenses shall be paid one-half by each Party.

(c) Arbitration of Disputes.

(i) Rules of Arbitration. Any Dispute that is not settled to the mutual satisfaction of the Parties pursuant to Sections 19(a) or 19(b) shall (except as provided in Section 19(d)) be settled by binding arbitration between the Parties conducted in Providence, Rhode Island, or such other location mutually agreeable to the Parties, and in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "AAA") in effect on the date that a Party gives notice of its demand for arbitration.

(ii) Dispute Submission. The Party initiating the Arbitration (the "Submitting Party") shall submit such Dispute to arbitration by providing a written demand for arbitration to the other Party (the "Responding Party"), which demand must include statements of the facts and circumstances surrounding the dispute, the legal obligation breached by the other Party, the amount in controversy and the requested relief, accompanied by all relevant documents supporting the Demand.

(iii) Arbitrator Selection. The arbitrator(s) selected shall have contract resolution experience and experience in the electric power business and shall not have any current or past substantial business or financial relationships with the Parties or their Affiliates. Arbitrators must agree to be bound by the confidentiality provisions of this Agreement. If the amount in controversy is less than \$250,000, the Dispute will be determined by a single neutral arbitrator, who will be chosen by the Parties within forty-five (45) days of submission of the demand on the Responding Party. If the Parties cannot agree on a single neutral arbitrator within such period, the arbitrator shall be

chosen by the AAA. If the amount in controversy is \$250,000 or greater, the Dispute will be determined by a Panel of three (3) arbitrators. Each Party shall select one arbitrator, but if a Party fails to select an arbitrator within forty-five (45) days of the submission of the demand on the Responding Party, the arbitrator will be chosen by the AAA. The two arbitrators so selected will select the third arbitrator, who shall chair the panel. If the two arbitrators cannot select the third arbitrator within thirty (30) days (or such additional time as the Parties may agree) of the selection of both of the first two arbitrators, the third arbitrator shall be chosen by the AAA. As used herein, "Panel" means either a single arbitrator or a group of three arbitrators selected as provided herein.

(iv) Discovery. Within fifteen days (15) of the selection of the third arbitrator, the Parties shall submit statements to the Panel summarizing the issues in the case and including recommendations for discovery. Within twenty (20) days of receipt of the statements from the Parties, the Panel will meet with the Parties and issue orders on the scheduling of the case and any discovery to be permitted.

(v) Decision. Upon ten (10) days of completion of the hearing conducted by the Panel, each Party shall submit to the Panel its proposal for resolution of the dispute. The Panel in its award shall be limited to selecting only one of the two proposals submitted by the Parties. The award shall be in writing (stating the amount and reasons therefore) and shall be final and binding upon the Parties, and shall be the sole and exclusive remedy between the Parties regarding any claims and counterclaims presented to the Panel. The Panel shall be permitted, in its discretion, to add pre-award and post-award interest at commercial rates. Judgment upon any award may be entered in any court having jurisdiction.

(vi) Expenses. Unless otherwise ordered by the Panel, each Party shall bear its own expenses and one-half of the cost of the Panel. Payments of the Panel's costs shall be made on a monthly basis prior to the Award.

(d) Exceptions to Arbitration. The obligation to arbitrate shall not be binding upon any Party with respect to (i) requests for preliminary injunctions, temporary restraining orders, specific performance, or other procedures in a court of competent jurisdiction to obtain interim relief deemed necessary by such court to preserve the status quo or prevent irreparable injury pending resolution by arbitration of the actual Dispute; (ii) actions to enforce an award of a Panel or otherwise to collect payments not subject to bonafide dispute; or (iii) claims involving third parties who have not agreed to participate in the arbitration of the Dispute.

(e) Survival of Arbitration Provisions. The provisions of this Section 19 shall survive any termination of this Agreement and shall apply (except as provided herein) to any disputes arising out of this Agreement.

20. NOTICES.

Delivery of Notices. All notices or other communications which may be or are required to be given by any party to any other party pursuant to this Agreement shall be in writing and shall be either (i) delivered by hand; (ii) mailed by first-class, registered or certified mail, return

receipt requested, postage prepaid; (iii) delivered by a recognized overnight or personal delivery service; (iv) transmitted by facsimile (such transmission to be effective on the day of receipt if received prior to 5:00 pm local time on a business day or in any other case as of the next business day following the day of transmittal); or (v) transmitted by email if receipt of such transmission by email is specifically acknowledged by the recipient (automatic responses not being sufficient for acknowledgement), addressed as follows:

If to Buyer:

Town of Coventry
1670 Flat River Road
Coventry, RI 02816
Attention: Thomas R. Hoover
Email: thoover@town.coventry.ri.us

With a copy to:

Fredrick G. Tobin, Esq.
300 Centerville Road
Suite 100E
Warwick, RI 02886
Email: fgt@fgtesq.com

If to Seller:

WED Coventry, LLC
1130 Ten Rod Road - Suite E-102
North Kingstown, RI 02852
Attention: Mark DePasquale
Email: mdepasquale@windenergydevelopmentllc.com

With a copy to:

Robinson & Cole LLP
One Financial Plaza, Suite 1430
Providence, RI 02903
Attn: Joseph B. White, Esq.
Email: JBWhite@rc.com

Notices shall be effective when delivered (or in the case of email, when acknowledged by the recipient) in accordance with the foregoing provisions, whether or not (except in the case of email transmission) accepted by, or on behalf of, the Party to whom the notice is sent.

Each Party may designate by Notice in accordance with this section to the other Party a new address to which any notice may thereafter be given.

21. MISCELLANEOUS.

(a) Governing Law. This Agreement shall be governed by the laws of the State of Rhode Island.

(b) Rules of Interpretation. Section headings are for convenience only and shall not affect the interpretation of this Agreement. References to sections are, unless the context otherwise requires, references to sections of this Agreement. The words “hereto”, “hereof” and “hereunder” shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “Person” shall include individuals; partnerships; corporate bodies (including but not limited to corporations, limited partnerships and limited liability companies); non-profit corporations or associations; governmental bodies and agencies; and regulated utilities. The word “including” shall be deemed to be followed by the words “without limitation”. In the event of any conflict between the text of this Agreement and the contents of an Exhibit hereto, the text of this Agreement shall govern. Both Parties have prepared, negotiated and drafted this Agreement, and this Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties.

(c) Severability. If any non-material part of this Agreement is held to be unenforceable, the rest of the Agreement will continue in effect. If a material provision is determined to be unenforceable and the Party which would have been benefited by the provision does not waive its unenforceability, then the Parties shall negotiate in good faith to amend the Agreement to restore to the Party that was the beneficiary of such unenforceable provision the benefits of such provision. If the Parties are unable to agree upon an amendment that restores the Party’s benefits, the matter shall be resolved under Section 19(c) in order to restore to the Party that was the beneficiary of the unenforceable provision the economic benefits of such provision.

(d) Amendment and Waiver. This Agreement may only be amended by a writing signed by both Parties. Any waiver of any of the terms hereof shall be enforceable only to the extent it is waived in a writing signed by the Party against whom the waiver is sought to be enforced. Any waiver shall be effective only for the particular event for which it is issued and shall not constitute a waiver of a subsequent occurrence of the waived event nor constitute a waiver of any other provision hereof, at the same time or subsequently.

(e) Assignment. Neither Party may assign, sell, transfer or in any other way convey its rights, duties or obligations under this Agreement, either in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, except that Seller may assign all of its rights and obligations, in whole and not in part and upon notice of such assignment to the Buyer, to an Affiliate of the Seller, provided that such Affiliate has the technical and financial capability to fulfill the requirements of the Seller under this Agreement.

(f) No Joint Venture. This Agreement does not create a joint venture, partnership or other form of business association between the Parties.

(g) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the

same instrument. Delivery of signature by fax, or scan delivered by email, receipt acknowledged, or electronic signature are effective to bind a Party hereto.

(rest of page left blank intentionally – signatures appear on next page)

IN WITNESS WHEREOF, intending to be legally bound hereby, Seller and Buyer have executed this Power Purchase Agreement as of the date first set forth above.

WED Coventry, LLC

By: 

Name: Mark DePasquale

Title: Sole Manager

The Town of Coventry

By: 

Name: THOMAS R. HOOVER

Title: TOWN MANAGER

GLOSSARY OF TERMS

“Affiliate” means, as to any person, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person. For purposes of this definition, “control” of a person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such person whether by contract or otherwise.

“Agreement” means this Power Purchase Agreement, including all exhibits attached hereto, as the same may be amended from time to time in accordance with the provisions hereof.

“Applicable Law” means any constitutional provision, law, statute, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, holding, injunction, registration, license, franchise, permit, authorization, or guideline issued by a Governmental Authority that is applicable to a Party to this Agreement or the transaction described herein. Applicable Law also includes an approval, consent or requirement of any Governmental Authority having jurisdiction over such Party or its property, enforceable at law or in equity.

“Average Monthly REC Price” means, with respect to any month, the average cash consideration received by Seller in exchange for one REC in such month.

“Business Day” means a day other than Saturday, Sunday, or other day on which Federal Reserve member banks in New York City are open for business.

“Buyer” has the meaning set forth in the first paragraph of this Agreement, and all successors and permitted assigns.

“Change in Law” means that after the date of this Agreement, an Applicable Law is amended, modified, nullified, suspended, repealed, found unconstitutional or unlawful, or changed or affected in any material respect by any Applicable Law. Change in Law does not include changes in federal or state income tax laws. Change in Law does include material changes in the interpretation of an Applicable Law.

“Commercial Operation Date” means the date, which shall be specified by Seller to Buyer, when the Project is physically complete and has successfully completed all performance tests and satisfies the interconnection requirements of the Local Electric Utility.

“Contractor” means, together, all contractors, including subcontractors, contracted directly or indirectly by Seller in connection with the installation and development of the Project.

“Dispute” means a controversy or claim arising out of or relating to this Agreement.

“Early Termination Amount” means an amount equal to the amount of all of Seller’s lost revenues from the sale or utilization of electrical energy, Environmental Attributes, or Tax Attributes, calculated based on the rates set forth on Exhibit A hereto and assuming the delivery hereunder of 8 million kilowatt-hours of electricity per year; provided that, in the event of

termination before commencement of construction of the Project, the Early Termination Amount shall be equal to the total amount of the costs and expenses incurred by Seller between the date hereof and the date of termination in connection with the Project, including without limitation costs and expenses incurred by Seller in connection with obtaining approvals from governmental entities necessary for the construction and operation of the Project.

“Electric Service Provider” means any person, including the Local Electric Utility, authorized by the State of Rhode Island to provide electric energy and related services to retail users of electricity in the area in which the Site is located.

“Environmental Attributes” means Renewable Energy Certificates, carbon trading credits, emissions reductions credits, emissions allowances, green tags, Green-e certifications, or other entitlements, certificates, products, or valuations attributed to the Project and its displacement of conventional energy generation, or any other entitlement pursuant to any federal, state, or local program applicable to renewable energy sources, whether legislative or regulatory in origin, as amended from time to time, and excluding, for the avoidance of doubt, any Tax Attributes.

“Financing Party” means a Project Lessor or Lender.

“Force Majeure Event” means any act or event that prevents the affected Party from performing its obligations in accordance with this Agreement, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party had been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing, Force Majeure Event may include but are not limited to the following acts or events: (i) natural phenomena, such as storms, hurricanes, floods, lightning and earthquakes; (ii) explosions or fires arising from lightning or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, terrorist acts, or rebellion; and (iv) strikes or labor disputes. Force Majeure Events shall not include equipment failures or acts or omissions of agents, suppliers or subcontractors, except to the extent such acts or omissions arise from a Force Majeure Event. Changes in prices for electricity shall not constitute Force Majeure Events.

“Governmental Authority” means any international, national, federal, provincial, state, municipal, county, regional or local government, administrative, judicial or regulatory entity operating under any Applicable Laws and includes any department, commission, bureau, board, administrative agency or regulatory body of any government.

“Hazardous Materials” means all hazardous or toxic substances, wastes or other pollutants, including petroleum, petroleum hydrocarbons or petroleum products, petroleum by-products, radioactive materials, asbestos or asbestos-containing materials, gasoline, diesel fuel, pesticides, radon, urea formaldehyde, lead or lead-containing materials, polychlorinated biphenyls; and any other chemicals, materials, substances or wastes in any amount or concentration which are now included in the definition of “hazardous substances,” “hazardous materials,” “hazardous wastes,” “extremely hazardous wastes,” “restricted hazardous wastes,”

“toxic substances,” “toxic pollutants,” “pollutants,” “regulated substances,” “solid wastes,” or “contaminants” or words of similar import, under any Applicable Law.

“Indemnified Person” means the person who asserts a right to indemnification under Section 11.

Indemnifying Party” means the Party who has the indemnification obligation under Section 11 to the Indemnified Person.

“Initial Period” has the meaning provided in Section 2.

“Land Registry” means the office where real estate records for the Site are customarily filed.

“Lease” has the meaning provided in Section 3(h).

“Lender” means persons providing construction or permanent financing to Seller in connection with installation of the Project.

“Liens” has the meaning provided in Section 7(c).

“Local Electric Utility” means The Narragansett Electric Company, d/b/a National Grid, or any other entity authorized and required under Applicable Law to provide electric distribution service to Buyer at the Site.

“Losses” means any and all losses, liabilities, claims, demands, suits, causes of action, judgments, awards, damages, cleanup and remedial obligations, interest, fines, fees, penalties, costs, and expenses (including all attorney’s fees and other costs and expenses incurred in defending any such claims or matters or in asserting or enforcing any indemnity obligation).

“Operations Period” has the meaning provided in Section 2.

“Operations Year” means a twelve month period beginning at 12:00 am on an anniversary of the Commercial Operations Date and ending at 11:59 pm on the day immediately preceding the next anniversary of the Commercial Operations Date, provided that the first Operations Year shall begin on the Commercial Operations Date.

“Party” means either Buyer or Seller, as the context shall indicate, and “Parties” means both Buyer and Seller.

“Point of Delivery” has the meaning set forth in Section 4(a).

“Project” means a renewable energy project consisting of one wind-powered turbine, which may be increased to two wind-powered turbines in the Seller’s sole discretion, and generators capable of producing electricity and associated appurtenances, equipment, facilities and roadways to be installed on the Site in accordance with this Agreement.

“Project Lessor” means, if applicable, any Person to whom Seller transferred the ownership interest in the Project, subject to a leaseback of the Project from such Person.

“Renewable Energy Certificate” or “REC” means a certificate, credit, allowance, green tag, or other transferable indicia, howsoever entitled, created by an applicable program or certification authority, including without limitation the New England Power Pool, indicating generation of one kilowatt-hour of energy, or product associated with the generation of one kilowatt-hour of energy from a renewable energy source by a renewable energy project.

“Rights” has the meaning set forth in Section 3(g).

“Seller” has the meaning set forth in the first paragraph of this Agreement, and all successors and permitted assigns.

“Site” means the real property leased by Seller to Buyer pursuant to the Lease.

“Tax Attributes” means the tax credits and any grants or payments in lieu thereof and any tax deductions or other benefits under the Internal Revenue Code or applicable federal, state, or local law available as a result of the construction, ownership or operation of the Project or the output generated by the Project (including tax credits (including any grants or payments in lieu thereof) and accelerated and/or bonus depreciation.)

“Term” shall have the meaning provided in Section 2 hereof.

EXHIBIT A

ENERGY PURCHASE RATES

Operations Year	Price per kWh
1	\$0.115
2	\$0.115
3	\$0.115
4	\$0.117
5	\$0.120
6	\$0.122
7	\$0.124
8	\$0.127
9	\$0.130
10	\$0.132
11	\$0.135
12	\$0.137
13	\$0.140
14	\$0.143
15	\$0.146
16	\$0.149
17	\$0.152
18	\$0.155
19	\$0.158
20	\$0.161

EXHIBIT B

FORM OF LEASE

LEASE AGREEMENT

This Lease Agreement (this "Lease") is dated as of July 25, 2012, (the "Effective Date") by and between WED Coventry, LLC, having an office at 1130 Ten Rod Road, Suite E-102, North Kingstown, Rhode Island 02852 ("Lessee") and The Town of Coventry, having an office at 1670 Flat River Road, Coventry, Rhode Island 02816 ("Lessor" and, together with Lessee, the "Parties").

1. Lease.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, that certain real property, including, without limitation, all air space thereof (the "Property"), located in Coventry, Rhode Island, as more particularly described on Exhibit X, upon the terms and conditions set forth herein.

2. Purpose of Lease.

Pursuant to this Lease, Lessee shall have exclusive use and possession of the Property for the following purposes (collectively, "Operations"):

(a) Determining the feasibility of wind energy conversion on the Property or on neighboring lands, including studies of wind speed, wind direction and other meteorological data and testing;

(b) Converting wind energy into electrical energy and collecting and transmitting the electrical energy so converted;

(c) Developing, constructing, reconstructing, erecting, installing, improving, replacing, relocating and removing from time to time, and using, maintaining, repairing, operating and monitoring, the following, in connection with one or more Projects (as defined in Section 4(b) of this Lease, below): (i) wind turbine generators, wind machines, wind energy conversion systems and wind power generating facilities (including associated towers, foundations, support structures, braces and other structures and equipment), and other power generation facilities to be operated in conjunction with wind turbine installations, in each case of any type or technology (collectively "Generating Units"); (ii) transmission facilities, including overhead and underground transmission, distribution and collector lines, wires and cables, conduit, footings, foundations, towers, poles, guy lines and anchors, substations, interconnection and/or switching facilities, circuit breakers and transformers, and energy storage facilities; (iii) overhead and underground control, communications and radio relay systems and telecommunications equipment, including fiber, wires, cables, conduit and poles; (iv) meteorological towers and wind measurement equipment; (v) control, maintenance and administration buildings; (vi) utility installations; (vii) laydown areas and maintenance yards; (viii) signs; (ix) fences and other safety and protection facilities; and (x) other improvements, facilities, appliances, machinery and equipment in any way related to or associated with any of the foregoing (all of the foregoing, including the Generating Units, collectively, "Wind Power Facilities");

(d) Drilling, redrilling, maintaining, repairing, using, operating, improving, replacing, relocating, plugging and abandoning water wells, and pumping and using water as needed in connection with one or more Projects; and

(e) Undertaking any other activities that Lessee determines are necessary, helpful, appropriate or convenient in connection with, or incidental to, any of the foregoing purposes or for the benefit of one or more Projects, including conducting surveys and environmental, biological, cultural and other tests and studies. Without limiting the generality of the foregoing, the Parties recognize that (a) power generation technologies are improving at a rapid rate and that Lessee may (but shall not be required to) from time to time replace existing Generating Units on the Property with newer model (and potentially larger) Generating Units and (b) the Operations may be accomplished by Lessee or one or more third parties authorized by Lessee.

3. Improvements Property of Lessee.

Lessee shall not be required to obtain Lessor's approval or consent for the construction, installation, and development of any improvements on the Property including, without limitation, any Wind Power Facilities and any components thereof. Any such improvements (including, without limitation, any Wind Power Facilities and any components thereof) constructed or placed on the Property by Lessee shall be owned and remain the sole property of Lessee. All such improvements constructed or placed on the Property during the Term may be replaced, repaired or removed at any time by Lessee during the Term without the consent or approval of Lessor.

4. Easements.

Upon the request of Lessee at any time and from time to time during the term of this Lease, Lessor shall grant thereto (in recordable form and containing such terms and provisions as may reasonably be requested by Lessee), for no additional consideration, the following stand-alone easements (each, a "Separate Easement"); (a) one or more nonexclusive easements for vehicular and pedestrian ingress, egress and access to and from Wind Power Facilities on, over and across any real property in which Lessor has sufficient rights to grant such an easements, by means of roads and lanes thereon if existing, or otherwise by such roads as Lessee or anyone else may construct from time to time, in each case for the benefit of one or more Projects; and (b) one or more easements for the right to install and locate transmission lines and communications cables across any real property in which Lessor has sufficient rights to grant such an easements; in each such case as, where and to whom designated by Lessee. The term of each Separate Easement shall run concurrently with the term of this Lease, and shall terminate upon the expiration or termination hereof. For purposes of this Lease, the term "Project" means one or more Generating Units and associated Wind Power Facilities that are constructed, installed and/or operated on the Property and/or on other lands in the general vicinity of the Property by or on behalf of Lessee or an affiliate of either thereof, as an integrated energy generating and delivery system.

5. Exclusivity.

Lessee shall have the exclusive right to develop and use the Property for renewable energy purposes and to convert all of the wind resources of the Property; provided, however, that nothing expressly or impliedly contained in this Lease or represented to Lessor shall be construed as requiring Lessee to (a) undertake construction, installation or operation of any Wind Power Facilities on the Property or elsewhere, (b) continue operation of any Wind Power Facilities from time to time located on the Property or elsewhere or (c) generate or sell any minimum or maximum amount of electrical energy from the Property. Lessor shall cooperate with Lessee in connection with its Operations, and, upon request by Lessee, shall make available to Lessee for inspection copies of all reports, agreements, surveys, plans and other records of Lessor that relate to the wind on or across the Property or to the feasibility of wind energy development on the Property.

6. Term.

This Lease shall initially be for the term (the "Initial Term") commencing on the Effective Date and ending on the earlier to occur of (a) the date that is 20 years after the date, specified by Lessee to Lessor, on which the first Project is to be put into commercial operation, or, (b) the date on which that certain Power Purchase Agreement (the "Power Purchase Agreement") between Lessor and Lessee is terminated pursuant to its terms.

7. Extended Term.

Twenty-four (24) months prior to the end of the Initial Term, the Parties will meet to discuss the extension of this Lease Agreement for a period of years on substantially the same terms and conditions contained herein (if any, the "Extended Term").

8. Rent.

On the date hereof, Lessee shall pay Lessor, as rent for the entire Initial Term, one dollar, receipt of which Lessor hereby acknowledges; provided, that in the event that Lessee ceases producing electric energy for a period of 365 continuous days during the Operations Period (as defined in the Power Purchase Agreement), beginning on the 366th day Seller shall begin paying rent at a rate of \$10,000 per month for each month that Lessee fails to produce any electric energy for Lessor's consumption.

9. No Interference.

Neither Lessor's activities nor the exercise of any rights or interests heretofore or hereafter given or granted by Lessor to any Related Person (as defined below) of Lessor, whether exercised on the Property or elsewhere, shall, currently or prospectively, interfere with, impair or materially increase the cost of (a) the construction, installation, maintenance or operation of any Project, (b) vehicular or pedestrian access to, or the transmission of energy from, the Property, any Wind Power Facilities or any Project, (c) any Operations of Lessee on the Property or with respect to any Project or (d) the undertaking of any other activities or the free enjoyment and exercise of any other rights or benefits given to or permitted Lessee hereunder. Without limiting the generality of the foregoing, neither Lessor nor any Related Person of Lessor shall (i) interfere

with or impair (A) the free, unobstructed and natural availability, accessibility, flow, frequency, speed or direction of air or wind over and across the Property (whether by planting trees, constructing buildings or other structures, or otherwise), or (B) the lateral or subjacent support for the Wind Power Facilities or (ii) engage in any other activity on the Property or elsewhere; in each case that might cause a decrease in the output or efficiency of Lessee's Generating Units. As used herein, the term "Related Person" means any member, partner, principal, officer, director, shareholder, predecessor-in-interest, successor-in-interest, employee, agent, heir, representative, contractor, sublessee, grantee, licensee, invitee or permittee of a specified Party, or any other person or entity that has obtained or hereafter obtains rights or interests from such Party.

10. Right To Assign, Sublease and Encumber.

Lessee and any assignee or Sublessee, as hereinafter defined, shall have the absolute right at any time and from time to time, upon notice to Lessor but without the need to obtain Lessor's consent, to: (a) assign, sublease or grant an easement, subeasement or license in, or otherwise transfer all or any portion of its right, title or interest under this Lease, in any Sublease, as hereinafter defined, any easement hereunder, any Separate Easement, and/or in any Wind Power Facilities to any person or entity (each, other than a transfer to or from a Lender, as hereinafter defined, a "Transfer"); and/or (b) encumber, hypothecate, mortgage or pledge (including by mortgage, deed of trust or personal property security instrument) all or any portion of its right, title or interest under this Lease, in any Sublease, any easement hereunder, any Separate Easement, and/or in any Wind Power Facilities to any Lender as security for the repayment of any indebtedness and/or the performance of any obligation. As used herein, (i) the term "Sublessee" means any person or entity that receives a Transfer from Lessee of less than all of the right, title or interest under this Lease or in one of more Easements, (ii) the term "Sublease" means the grant or assignment of such rights from Lessee to a Sublessee and (iii) the term "Lender" means any person providing construction or permanent financing to Lessee or any Sublessee. References to Lessee in this Lease shall be deemed to include any person or entity that succeeds (whether by assignment or otherwise) to all of the then-Lessee's then-existing right, title and interest under this Lease.

11. Lessee's Right To Terminate.

Lessee shall have the right, at any time and from time to time during the term of this Lease, to surrender or terminate all or any portion of its right, title and interest in this Lease or the Separate Easements (as to all or any portion or portions of the Property), by giving Lessor thirty (30) days' notice and by executing and causing to be acknowledged and recorded in the Land Evidence Records of the Town of Coventry, Rhode Island, a notice of termination of this Lease or the applicable Separate Easement describing with particularity the portion of such right, title or interest so terminate and the part of the Property to which it applies. Upon any such termination by Lessee, the Parties' respective rights and obligations hereunder shall cease as to the portion of the Property or the right, title or interest herein as to which such termination applies, but the Lease, the Separate Easements and the Parties' respective rights and obligations hereunder shall remain in full force and effect as to any right, title and interest of Lessee not so terminated.

12. Surrender of the Property.

No later than 6 months after the expiration or earlier termination of the Initial Term or any applicable Extended Term, Lessee shall remove all above-ground towers, tower pedestals, footings, concrete pads, anchors, guy wires, fences, fixtures, materials, and other portions of any Wind Power Facilities (except for roads and the below ground distribution and collection lines) and personal property made or placed thereon by Lessee pursuant to this Lease (except that Lessee shall be entitled to leave in place all portions of the tower foundations that are below ground surface level); cover up all pit holes, trenches or other borings or excavations made by Lessee thereon; replace all topsoil removed in connection with siting any wind turbine, fertilize and reseed with native grass, and otherwise restore the Property to as near as reasonably practicable to its original condition prior to the Lease, and otherwise leave the Property in same condition as it was as of the Effective Date, wear and tear and seasonal changes excepted.

13. Insurance.

Throughout the Initial Term and any Extended Term, Lessee will maintain in effect, at its sole expense, commercial general liability insurance at not less than a commercially reasonable limit, for bodily and personal injury and property damage, including Lessor as an additional insured, and Workers' Compensation Insurance in accordance with the applicable legal requirements.

14. Amendments for Lender's Protection.

Lessor and Lessee hereby agree to cooperate in including in this Lease by suitable amendment from time to time any provision which may reasonably be requested by any proposed Lender for the purpose of protecting or preserving the lien thereof on the Lessee's leasehold estate, as well as such other documents containing terms and provisions customarily required by Lender (taking into account the customary requirements of participants, syndication partners or ratings agencies) in connection with any such financing. Lessor and Lessee each agree to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effectuate any such amendment as well as such other documents containing terms and provisions customarily required by Lenders in connection with any such financing.

15. Notices.

Delivery of Notices. All notices or other communications which may be or are required to be given by any Party to any other Party pursuant to this Lease shall be in writing and shall be either (i) delivered by hand; (ii) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid; (iii) delivered by a recognized overnight or personal delivery service; (iv) transmitted by facsimile (such transmission to be effective on the day of receipt if received prior to 5:00 pm local time on a business day or in any other case as of the next business day following the day of transmittal); or (v) transmitted by email if receipt of such transmission by email is specifically acknowledged by the recipient (automatic responses not being sufficient for acknowledgement), addressed as follows:

If to Lessor:

Town of Coventry
1670 Flat River Road
Coventry, RI 02816
Attention: Thomas R. Hoover
Email: thoover@town.coventry.ri.us

With a copy to:

Fredrick G. Tobin, Esq.
300 Centerville Road
Suite 100E
Warwick, RI 02886
Email: fgt@fgtesq.com

If to Lessee:

WED Coventry, LLC
1130 Ten Rod Road - Suite E-102
North Kingstown, RI 02852
Attention: Mark DePasquale
Email: mdepasquale@windenergydevelopmentllc.com

With a copy to:

Robinson & Cole LLP
One Financial Plaza, Suite 1430
Providence, RI 02903
Attn: Joseph B. White, Esq.
Email: JBWhite@rc.com

Notices shall be effective when delivered (or in the case of email, when acknowledged by the recipient) in accordance with the foregoing provisions, whether or not (except in the case of email transmission) accepted by, or on behalf of, the Party to whom the notice is sent.

Each Party may designate by Notice in accordance with this section to the other Party a new address to which any notice may thereafter be given.

16. Enforceability.

Each Party hereto represents and warrants to the other Party, as of the date hereof, that all actions required to be taken by or on the part of such Party necessary to make this Lease effective have been duly and validly taken; this Lease has been duly and validly authorized, executed and delivered on behalf of such Party; and this Lease constitutes a legal, valid and

binding obligation of such Party, enforceable in accordance with its terms, subject to laws of bankruptcy, insolvency, reorganization, moratorium or other similar laws.

17. Memorandum of Lease.

Upon execution and delivery of this Lease, Lessor and Lessee will execute and acknowledge a memorandum of lease (the "Memorandum of Lease") and will take all reasonable steps and execute all documents necessary to record the Memorandum of Lease in the real estate records of the county in which the Property is located.

18. Miscellaneous.

(a) This Lease shall be governed by the laws of the State of Rhode Island.

(b) This Lease may only be amended by a writing signed by both Parties. Any waiver of any of the terms hereof shall be enforceable only to the extent it is waived in a writing signed by the Party against whom the waiver is sought to be enforced. Any waiver shall be effective only for the particular event for which it is issued and shall not constitute a waiver of a subsequent occurrence of the waived event nor constitute a waiver of any other provision hereof, at the same time or subsequently.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the Parties have executed this Lease Agreement as of the Effective Date.

The Town of Coventry

LESSOR:

By Thomas R. Hoover
Name: THOMAS R. HOOVER
Title: TOWN MANAGER

LESSEE:

WED Coventry, LLC

By Mark DePasquale
Name: Mark DePasquale
Title: Manager

Exhibit X

Leasehold Estate ("Property")

That certain parcel of land with the buildings thereon located at 210 Piggy Lane, Coventry,
Rhode Island and described as the Town of Coventry Assessor's Map/Lot# 0310-019.000.