

COMMERCIAL WIND ENERGY PROJECT DEVELOPMENT AGREEMENT

This Commercial Wind Energy Project Development Agreement (“**Agreement**”) made and entered into the ____ day of _____, 2022 (“**Effective Date**”), by and between the County Commission of Knox County, Missouri, a political subdivision of the State of Missouri (“**County Commission**” or “**County**”) and Northeast Missouri Wind, LLC, a Delaware limited liability company (“**NEMO**”).

RECITALS

A. The County Commission is vested with the authority to determine its local affairs and to perform all powers of local legislation and administration as it deems appropriate to protect and preserve the interests of the citizens of Knox County, Missouri.

B. There are no zoning regulations presently in effect regulating the use of land in unincorporated areas of Knox County, Missouri.

C. NEMO is developing a commercial wind energy generation project in Knox County, Missouri (“**Project**”).

D. It is the intent and purpose of the County Commission to support an orderly development of commercial wind energy generation projects within the County and to define the terms and conditions of the County’s support.

F. The County Commission has agreed to support the development, construction and operation of the Project in accordance with the terms and conditions in this Agreement.

AGREEMENT

In consideration of the mutual promises and covenants in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. **Definitions.**

1.1 **Abandonment** means the Project has not for 12 continuous months (i) generated electric energy and delivered such energy to the utility grid, (ii) been decommissioned in accordance with this Agreement and the Project Agreements, and (iii) such cessation of operations is not attributable to a Force Majeure Event.

1.2 **Collector Line** means an electrical power line carrying electric energy from any Wind Turbine to the Project substation.

1.3 **Commercial Operation Date** means the date on which the Project begins delivering energy to the utility grid and selling energy in commercial quantities (this does not include the sale of test energy prior to full commercial operations) documented by a confirmation from the interconnecting utility.

1.4 **Construction Start** means the date on which Developer begins making improvements on and to the County roads.

1.5 **Decommissioning Agreement** means an agreement between Developer and County substantially in the form of the attached Exhibit A.

1.6 **Decommissioning Cost** means an amount equal to the estimated costs to decommission the Project Facilities, discounted to present value at a market-based discount rate, net of any estimated salvage value, as determined by the Missouri licensed engineer and provided in the Decommissioning Plan.

1.7 **Decommissioning Plan** means a plan prepared by a licensed Missouri engineer, mutually agreed to by Developer and the County Commission, detailing the methods and estimated costs for removing the Project Facilities in compliance with this Agreement.

1.8 **Decommissioning Security** means one or more, or any combination of the following securing Developer's obligations to decommission the Project Facilities: corporate security bond, collateral bond, letter of credit, parent company guarantee, cash escrow or any other form of security reasonably acceptable to Developer and the County Commission.

1.9 **Design Notice Date** means the date Developer delivers written notice to the County that it has begun designing the overall Project and determining the location of Wind Turbines and other Project Facilities.

1.10 **Developer** means NEMO, its successor or assignee.

1.11 **Force Majeure Event** means an event beyond the reasonable control of Developer, including natural disasters, flood, earthquake, storm, fire, lightning, explosion, power failure, transformer or major equipment failure, or power surge, pandemic, epidemic, or public health emergency, war, revolution, riot, civil disturbance, sabotage, state or federal regulatory inaction or termination of any agreements or permits, temporary closure or loss (partial or complete) of the ability of the interconnecting utility to take the electricity at the point of interconnection to the power grid.

1.12 **Non-Participating Landowner** means any Person not a party to or subject to any lease, easement, waiver or other contractual arrangement with the Developer or an affiliate of the Developer related to the development, construction or operation of the Project.

1.13 **Occupied Residence** means a residential dwelling that exists and is occupied, or is capable of being occupied, as a residence for human occupants the majority of the time and is taxed and assessed by the Knox County, Missouri Tax Assessor as "residential property" as defined by Mo. Rev. Stat. § 137.016(1) on the last day of the calendar month immediately preceding the Design Notice Date. Occupied Resident shall not include "transient housing" as defined by Mo. Rev. Stat. § 137.016(1).

1.14 **Participating Landowner** means any Person who is a party to or subject to a lease, easement, waiver or other contract with Developer related to the development, construction or operation of the Project. Real property owned by Developer shall be deemed participating property.

1.15 **Person** means any person, corporation, partnership, trust or other legal entity.

1.16 **Project Agreements** means those leases, easements, waivers and other contracts between Developer and a Participating Landowner regarding the development, construction and operation of the Project.

1.17 **Project Facilities** mean all of the following: (a) Wind Turbines; (b) Transmission Lines and other overhead and underground electrical distribution, collection, transmission and communications lines,

towers and related appurtenances, electric transformers, electric substations, switch stations, junction boxes, energy storage facilities, telecommunications equipment and lines, and other related power generation and transmission facilities; (c) temporary and permanent roads, crane travel paths, fences and gates; (d) meteorological towers, sonic detection and ranging equipment, or other wind or meteorological measurement devices or any equipment related thereto; and (e) control buildings, maintenance buildings, maintenance yards, septic systems, laydown and staging areas, and related facilities and equipment.

1.18 **Total Tip Height** means the distance between the ground and the top of the blade of the Tower when the blade is in a vertical position.

1.19 **Tower** means the conical tubular steel towers upon which the electrical generator, rotor, blades and/or meteorological equipment will be installed.

1.20 **Transmission Line** means an electrical power line carrying electric energy generated by the Project from the Project's substation to the point of interconnection of the Project with the electric power grid.

1.21 **Wind Turbine** shall mean any piece of electrical generating equipment that converts the kinetic energy of wind into electrical energy through the use of airfoils or similar devices to capture the wind, including the Tower upon which it is incorporated.

Section 2. **Design Standards and Setbacks**

2.1 No Wind Turbine shall be located closer than 110% of the Total Tip Height from any County road.

2.2 No Wind Turbine shall be located closer than 110% of the Total Tip Height from the property line of any adjoining property owned by a Non-Participating Landowner.

2.3 No Wind Turbine shall be located closer than the greater of (i) 110% of the Total Tip Height, and (ii) 1,750 feet from any Occupied Residence and shall be sited to comply with Section 7.1 and 7.2 of this Agreement.

2.4 For purposes of this Section 2, all distances shall be measured from the center of the Wind Turbine foundation to the nearest Non-Participating Landowner's property line, nearest road right-of-way, or nearest point on the foundation of any Occupied Residence.

2.5 The setback distances set forth in Section 2.2 through Section 2.4, above, may be modified or waived through existing or future written leases, easements, or other agreements between the Developer and the affected landowner. Notwithstanding any waiver of the setback requirements in Section 2.3, in no event shall a Wind Turbine be located closer than the greater of (i) 110% of the Total Tip Height, and (ii) 1,400 feet from any Occupied Residence.

2.6 The lowest point of the rotor blade of any Wind Turbine shall be at least 35 feet above the top of the foundation of any Wind Turbine.

2.7 If lubricants and/or hazardous materials are required to be located within the Project boundaries, such material shall be kept and transported in accordance with all applicable environmental laws.

2.8 There shall be no lights on the Wind Turbines other than those required or approved by the Federal Aviation Administration. This restriction shall not apply to infrared heating devices used to protect wind monitoring equipment installed on the Wind Turbines.

2.9 Wind Turbines and Towers shall be self-supporting and painted a neutral color such as white or pale gray.

2.10 Wind Turbines shall include only those markings, logos, and identification information reasonably necessary to identify the Wind Turbine owner, or as required by the Wind Turbine manufacturer or by law and shall not be used for third-party advertising purposes.

2.11 No Wind Turbines shall be located within that area depicted as the Airport Setback Area on the attached Exhibit B.

Section 3. **Project Development Plan**

3.1 At least 45 calendar days prior to Construction Start, Developer shall provide to the County Commission relevant background information on the Project, including a general overview of the Project location, construction timeframe and the Project's anticipated useful life, phases of development of the Project, and planned future expansion, if any.

3.2 At least 45 calendar days prior to Construction Start, Developer shall submit to the County Commission a site plan of the Project, and shall periodically submit updated versions reflecting changes to the layout and design of the Project, if any, containing the following information:

- (a) Scale of 1" = 2000';
- (b) Scale and north point (up);
- (c) All properties of Participating Landowners, including property lines;
- (d) All public roads within the Project boundaries;
- (e) All Occupied Residences within the Project boundaries and Occupied Residences on land owned by a Non-Participating Landowner within 1,750 feet of a planned Wind Turbine;
- (f) Location of all Wind Turbines, Collector Lines, Transmission Lines, substations, permanent maintenance and access roads, operation and maintenance buildings and other permanent structures used by the Developer in conjunction with the Project.

Section 4. **Project Construction**

4.1 Developer shall remove all waste and scrap that is the product of construction, operation, restoration, and maintenance of the Project and properly dispose of it on a regular basis.

4.2 Developer shall take commercially reasonable measures to minimize any interference with electromagnetic communications, such as radio, telephone, microwaves or television signals caused by the Project. The Project shall be operated in conformance with applicable Federal Communications Commission regulations relating to the use and operation of commercial wind energy generation projects then in effect.

4.3 Developer shall not construct Project Facilities on land owned by Non-Participating Landowners or cause damage to land owned by Non-Participating Landowners. All Project Facilities shall be located on land owned by Participating Landowners or on land that Developer has sufficient real property or contractual rights to construct the applicable Project Facilities.

Section 5. Project Completion

5.1 Ninety days after the Commercial Operation Date, Developer shall provide a final site plan to the County that conforms to the standards set forth in Section 3.2, updated to show the as-built location of all Project Facilities shown thereon, including the as-built locations of underground collector lines and the locations where underground collector lines cross County roads. This requirement may be satisfied with delivery of an as-built ALTA standard survey of the Project.

Section 6. Decommissioning and Abandonment

6.1 Developer shall decommission the Project and remove Project Facilities in compliance with this Agreement within 12 months from the date Project Abandonment occurs and restore the Premises to as close to pre-construction conditions as reasonably practical. Developer shall decommission the Project Facilities as follows:

- (a) All surface and subsurface drainage structures displaced or damaged during decommissioning shall be repaired.
- (b) All Wind Turbines, Transmission Lines, meteorological towers, above ground junction boxes, and above ground pad-mount transformers, if applicable, shall be removed.
- (c) Wind Turbine foundation pedestals shall be removed to a depth of four feet below ground level.
- (d) If requested by the Participating Landowner, access roads shall be removed and the ground restored to a reasonably similar state as the remainder adjacent land.
- (e) Underground collector lines, wires, and cables shall be removed to a depth of four feet below grade unless otherwise requested by the Participating Landowner. Underground collector lines, wires, and cables may be abandoned in place if they are at least a depth of four feet below grade.

6.2 Five years after the Commercial Operation Date, Developer shall submit to the County a Decommissioning Plan complying with the specifications of this Agreement.

6.3 Developer shall submit an updated Decommissioning Plan 10 years after the Commercial Operation Date, and every five years thereafter so long as the Project is operational.

6.4 Within 45 days after delivery of the first Decommissioning Plan, Developer shall provide Decommissioning Security in the amount of the Decommissioning Cost (provided such amount is a positive number) and shall maintain the Decommissioning Security for the benefit of Knox County, Missouri for explicit use by the County to assist landowners in removing the Project Facilities. The County may draw on or make a claim against the Decommissioning Security for the actual cost incurred by the County to perform

Developer's decommissioning obligations if Developer fails to comply with such obligations set forth in Section 6.1 of this Agreement.

6.5 The Decommissioning Security shall be adjusted, as needed, within 45 days after subsequent updates to the Decommissioning Plan to reflect the then-current Decommissioning Cost. The Decommissioning Security shall remain in place until the earlier of (i) two years after Project Abandonment if the County has not drawn on or made a claim against the full amount of the Decommissioning Security, (ii) the date that the County provides written notice to Developer authorizing the release of the Decommissioning Security, or (iii) the date Developer has completed its decommissioning obligations under this Agreement as evidenced by an inspection report prepared by a Missouri licensed engineer documenting the decommissioning work that Developer has completed in compliance with this Agreement.

6.6 The County and Developer shall enter into a Decommissioning Agreement on or prior to the date Developer provides the Decommissioning Security to the County in accordance with this Section 6.

Section 7. **Light, Shadow Flicker, and Sound**

7.1 The Wind Turbines, from time to time, may cast shadows that, in some cases during the operation of any Wind Turbine, may be intermittent and create a condition commonly referred to as "shadow flicker." Developer agrees to design the Project in such a way as to limit the aggregate hours per year of shadow flicker at any Occupied Residence to 30 hours or less, which shall be determined by computer modeling performed by an experienced third party engineering firm using industry standard software and accounting for sun angles, sunrise and sunset times, sunshine probabilities, typical weather patterns for the area, site topography, existing structures, and the operating times, direction and location of the Wind Turbines ("**Flicker Model**"). The County acknowledges and agrees that the Wind Turbine siting consistent with the Flicker Model will not eliminate intermittent shadows cast by Wind Turbines on Occupied Residences and that the duration of shadows cast on Occupied Residences will vary from year to year, and that durations that exceed the standards in this Agreement in any given year due to outlier conditions experienced in such year will not constitute a violation or default under the provisions of this Agreement. Developer shall provide the County with a report of the results of such Flicker Model prior to Construction Start.

7.2 The Wind Turbines are not silent during operation. Developer agrees to select and procure Wind Turbines with certain sound emission specifications, use commercially reasonable efforts to cause the supplier of the Wind Turbines to manufacture the Wind Turbines in accordance with such specifications, and to site the Wind Turbines such that the sound level, as determined by a computer model of the Project using the methods in International Standard ISO 9613-2 with ground attenuation factors appropriate for the site, shall not exceed 55 A-weighted decibels (dBA), inclusive of the impact from 35 dBA ambient background noise, at the nearest point on the foundation of any Occupied Residence ("**Sound Model**"). The Sound Model shall account for the actual Wind Turbine locations, Wind Turbine specifications, Occupied Residence locations, wind speed and direction frequency, and site topography. The County acknowledges and agrees that the occurrence of sound emanating from the Wind Turbines, which does not exceed the standards in this Section 7.2 will not constitute a violation or default under the provisions of this Agreement. Developer shall provide the County with a report of the results of such Sound Model prior to Construction Start.

7.3 The sound and shadow flicker requirements set forth in Section 7.1 and Section 7.2 above may be modified or waived through existing or future written leases, easements, or other agreements between the Developer and the affected landowner.

7.4 Developer shall use commercially reasonable efforts to obtain approval from the Federal Aviation Administration (FAA) and any other applicable state or federal agency to install light mitigating technology systems ("**Lighting System**") on its Wind Turbines and thereafter install and implement such

Lighting System within 12 months after the Commercial Operation Date, subject to any Force Majeure event. If the Lighting System is not installed on or before the day that is 12 months after the Commercial Operation Date, which may be extended day for day by an event of Force Majeure (“**Lighting System Deadline**”), the County may charge NEMO a fee for each operating Wind Turbine in the Project, calculated as follows: \$20 *multiplied by* the number of days after the Lighting System Deadline that the Lighting System is not installed on such Wind Turbine. Within 30 days after submitting the application for approval of such light mitigation technology to the FAA, Developer shall provide to the County (i) information regarding the type of system being submitted for approval, and (ii) a summary description of the characteristics and function of such system.

Section 8. **Road Use**

8.1 At least 45 calendar days prior to Construction Start, Developer shall provide to the County a traffic map showing the roads haul routes for Project construction vehicles and the ingress and egress routes to and from the footprint of the Project for material deliveries.

8.2 Prior to Construction Start, Developer and the County shall enter into a road use agreement (“**Road Use Agreement**”), which shall include, among other provisions and obligations, the following obligations:

- (a) an obligation, at the election of the County, for Developer to post a surety bond or letter of credit (“**Road Security**”) securing Developer’s obligations to repair the County roads post-construction in at least the amount of the estimated cost to perform such repairs;
- (b) an obligation to repair damage to County roads caused by Developer’s construction of the Project such that after the County roads have been repaired, they are in as good or better condition than they were prior to construction of the Project; and
- (c) an obligation for Developer to maintain with the County a surety bond or letter of credit in an amount equal to at least 10% of the Road Security to secure Developer’s obligations related to construction of Project Facilities on land with sufficient rights for such construction in accordance with Section 4.3 herein until the date that is 30 calendar days after the date Developer provides to the County the fully executed final completion certificate from its general construction contractor, or as otherwise set forth in the Road Use Agreement.

Section 9. **Remedies and Enforcement**

9.1 Developer and the County acknowledge that money damages would not be an adequate remedy for a breach or threatened breach of this Agreement and either party may seek specific performance or injunctive relief to remedy or prevent a breach of this Agreement, after notice and reasonable opportunity to cure has been provided. The absence of a notice of default from the County to the Developer shall constitute evidence that this Agreement is in full force and effect and that the Developer is in material compliance with the terms of this Agreement. Notwithstanding the foregoing, the County’s sole remedy with regard to Developer’s breach of its decommissioning obligations set forth in Section 6.1 shall be a draw on or claim against the Decommissioning Security.

Section 10. **Additional Payment**

10.1 NEMO, or its affiliate, shall make a voluntary payment of \$500,000 (“**Additional Payment**”) to the County to cover any unforeseen expenses incurred by the County in administering this Agreement and the Road Use Agreement and to otherwise be used for the benefit of the community in the County’s discretion, which shall be paid as follows:

- (a) \$150,000 within 10 business days after this Agreement and the Road Use Agreement are fully executed.
- (b) \$350,000 on or before Construction Start.

10.2 The County shall use the Additional Payment in a manner that is compliant with all applicable laws. NEMO shall have no liability or responsibility for the County’s use of the Additional Payment.

Section 11. Miscellaneous

11.1 Due Authorization. Developer and the County represent and warrant that this Agreement has been duly authorized, executed and delivered, and constitutes a valid and binding obligation against the parties. No consent or authorization of any other person or governmental authority is required to make this Agreement effective.

11.2 Severability. If any provision of this Agreement is found to be illegal, invalid, or unenforceable, the remainder of this Agreement will not be affected and shall remain in full force and effect.

11.3 Amendments. This Agreement constitutes the entire agreement and understanding of the parties. No waiver, modification or amendment to this Agreement is effective unless made in writing and duly executed by the parties. Waiver by either party of any breach or failure to comply with any provision or term of this Agreement by the other party shall not be construed as, or constitute a waiver of any other provision.

11.4 Notices. All notices shall be in writing and sent to the parties at their respective addresses set forth below by certified mail, or to such other address as either party shall designate in writing to the other party at any time.

County:

Knox County Commission
c/o Knox County Clerk
107 N 4th Street
Edina, MO 63537-1470

Developer:

Northeast Missouri Wind, LLC
c/o Cordelio Power
65 Queen Street W #605
Toronto, ON M5H 2M5
Canada

11.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and together shall constitute one agreement.

11.6 Legal Matters. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Missouri, without respect for any conflict of law provisions. In the event of litigation, Developer and the County hereby agree to waive any right to trial by jury.

11.7 Zoning. The parties agree that this Agreement and the Road Use Agreement shall supersede any subsequent zoning ordinance passed and adopted by the County related to the development, construction, or operation of wind energy facilities or that generally imposes restrictions on use of land in the Project area and that Developer's development, construction and operation of the Project shall not be subject to any such subsequently passed zoning ordinance.

11.8 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.

[signatures follow]

DEVELOPER:

Northeast Missouri Wind, LLC
a Delaware limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____ §

§

COUNTY OF _____ §

§

On this _____ day of _____ in the year 2022, before the undersigned, a Notary Public in and for said state, personally appeared _____, _____ of Northeast Missouri Wind, LLC, a Delaware limited liability company, known to me to be the person who executed the within Commercial Wind Energy Project Development Agreement and acknowledged to me that he executed the same for the purposes therein stated.

Printed Notary Name _____

My Commission Expires: _____

Exhibit A

Form of Decommissioning Agreement

(attached)

Exhibit B

Airport Setback Area



