



Solar*Connect CommunitySM

It's efficient, maintenance-free and local.

Here's more of what you need to know about clean, renewable carbon-free solar. Answers to some frequently asked questions:

What is community solar?

Community solar—often referred to as a community solar garden—is an array of solar panels that generates clean and renewable electricity. Solar*Connect Community, a new, locally-sourced solar program in Wisconsin, will be built, managed and maintained by a developer partner and connected to the local power grid operated by Xcel Energy. Subscribers—or program participants—pay a one-time fee to subscribe to the program and in turn receive a credit on their monthly electric bill based on the solar energy production of the garden.

What are the benefits of community solar?

Community solar programs like Solar*Connect Community benefit communities by providing local, clean and affordable energy. Residents and businesses alike can participate in solar without installation or maintenance of their own system. This program is especially desirable for renters or customers whose roofs are old, face the wrong direction, have limited space or excessive shade. Community solar also offers flexible participation levels to fit different budgets and energy needs.

Where will the solar gardens be located?

The plan is to build two solar gardens in Wisconsin in 2016: one in Eau Claire County and the other in La Crosse County.

How big will the solar gardens be?

Each panel is approximately three feet wide by six feet long and can produce 310 watts. 3,225 panels in total combine to produce 1 megawatt at each garden and will cover approximately seven acres (an acre is roughly the size of a football field).

Who can participate?

Any Xcel Energy electric customer in Wisconsin can participate in Solar*Connect Community—home and business owners, renters and even current Windsource[®] subscribers.

How do I get started?

First, to learn more about the program visit our website at xcelenergy.com/SolarConnectCommunity or if you have questions, call our Energy Expert Team at 800.824.1688. When you're ready to sign up, simply complete the subscription agreement form on our website and mail it to Xcel Energy.

How much does a subscription cost?

Xcel Energy is offering subscriptions at a cost of \$1,780 per kilowatt. The minimum subscription size of 200 watts costs \$356 and would produce enough energy to offset about 3 percent of an average residential customer's usage.

How do I calculate a subscription level that matches my energy needs and budget?

You can start small or go big—the minimum subscription amount is 200 watts and the maximum is 400 kilowatts. Your subscriptions can be sized up to 100 percent of your average annual electricity usage (up to 400 kW). Xcel Energy has online residential and business subscription calculators at xcelenergy.com/SolarConnectCommunity so that you can check out various subscription sizes to match your energy and budget needs. The typical home in our Wisconsin area uses 750 kWh a month (9,000 kWh per year). The example below provides an approximate subscription size necessary to cover a percentage of a home's monthly energy use.

| Goal Usage Match (%) | Monthly Usage Match (kWh) | Approximate Subscription (kW) | Approximate Cost |
|----------------------|---------------------------|-------------------------------|------------------|
| 25% | 187.5 | 1.8 | \$3,204 |
| 50% | 375 | 3.6 | \$6,408 |
| 100% | 750 | 7 | \$12,460 |

Please contact us if you need assistance in determining your average electric usage.

Energy Expert Team: 800.824.1688

Email: SolarConnectComm@xcelenergy.com

How do I pay my initial deposit, and how will the remaining balance be invoiced?

Residential subscribers can pay the \$200 per kilowatt deposit with a check. Business subscribers can pay the deposit by check or wire transfer. We will send an invoice for the remaining balance after the in-service date for the solar garden is determined. This balance must be paid prior to the solar garden being in-service.

Are there financing or loan options for Solar*Connect Community?

Yes. You can reach out to one of the financial institutions listed below to discuss loan options to help finance your Solar*Connect Community subscription. You can also discuss financing with any financial institution of your choice.

- BMO Harris Bank: 763.691.4991
- Royal Credit Union: 800.341.9911, ext. 8830
(Financing available only in service area)

What is the bill credit rate and how is it determined?

In 2016, the bill credit for residential, farm and small business is \$0.074/kWh. For large business, the bill credit is \$0.069/kWh. The bill credits are based on fixed and variable production costs embedded in Xcel Energy's current rates. This is not based on the full retail rate, but rather components that go into the retail rate for generation (i.e. average costs of all generation in entire fleet). If the generation fleet becomes more expensive over time, the bill credit will increase accordingly.

What is the outlook for the bill credit rate?

The bill credit established in 2016 is considered the "floor" for the bill credit. This means that the bill credit will never be lower than what it is in 2016. It is possible that over a standard 25-year contract, there will be no increase. However, because the bill credit is based on the average cost of all generation in our fleet,

changes to our Upper Midwest generation mix will affect the bill credit. Our long-term view of the cost impacts of our currently pending Upper Midwest Resource Plan indicates our preferred resource additions would result in a compound average growth rate of 2.4 percent per year for the plan period of 2016-2030.*

Will the amount of my bill credit change over time?

Yes. Due to the daily and seasonal variations in sunlight and solar production, your monthly bill credit will change throughout the year.

As a subscriber, will I receive Renewable Energy Credits?

Xcel Energy will track the Renewable Energy Credits associated with the solar garden program and retire those RECs on behalf of the subscribers. Because Xcel Energy will retire the RECs, subscribers have offset their energy use with solar energy.

Can I sell my garden subscription to another subscriber or get a refund?

No. A subscriber can choose to gift their subscription to a not-for-profit organization that is an electric customer of Xcel Energy in Wisconsin. Subscribers can choose to terminate their contract early, but they will not receive a refund.

What if I move before the end of the 25-year term of the program?

If you move within the Xcel Energy Wisconsin service area, you can transfer your subscription to your new address. If you sell your home and move out of our service area, you can choose to return your subscription back to Xcel Energy and receive a prorated refund. You also can choose to gift your subscription to a not-for-profit organization that is an electric customer of Xcel Energy in Wisconsin. Donation of your subscription to an eligible organization/charity may be tax deductible. Consult with your tax adviser to discuss all available options.

*It is difficult to produce a detailed, long-term rate impact analysis, because many factors will affect our rates and resource needs over time. The timing and characteristics of individual resource additions anticipated in our Upper Midwest Resource Plan are subject to change, but the plan provides good indication of what types of resources we think we are likely to pursue in the 2016-2030 timeframe. Because of simplifying assumptions and other intervening factors that may affect individual resource additions over time, these estimated impacts may not correspond with actual rates that the Public Service Commission of Wisconsin approves in the future.

