



City of Detroit Solar

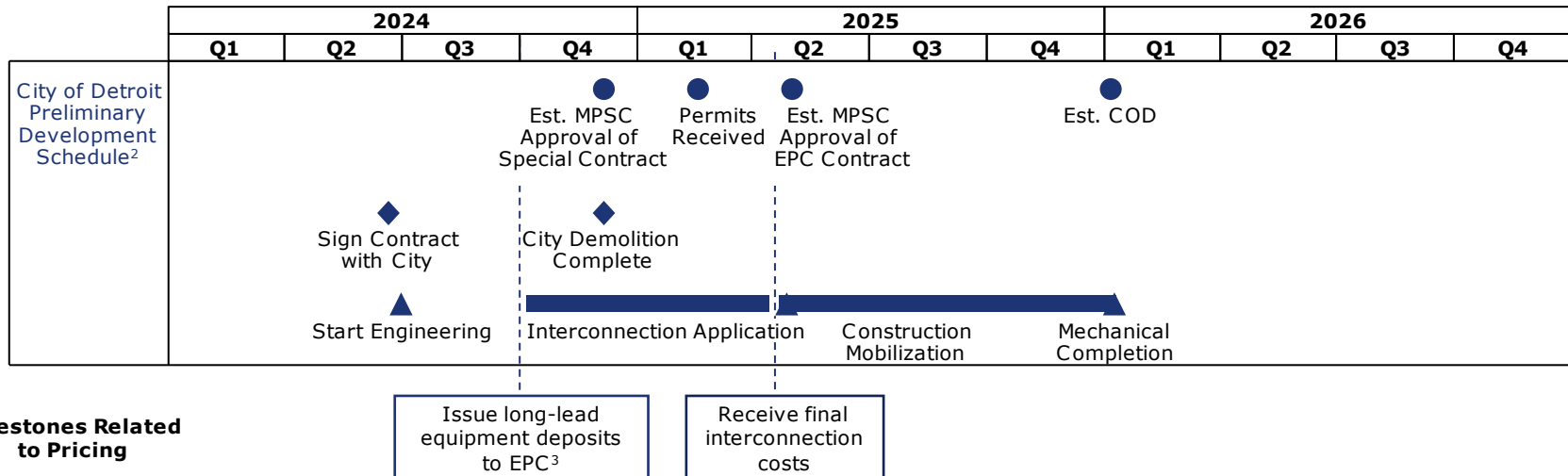
Meeting with CM Santiago

July 8, 2024

Estimated COD of Q4 2025 is contingent on several key activities including permitting, site clearing, interconnection upgrade requirements and construction timing

- In January 2024, the City of Detroit issued an RFP seeking proposals to develop solar projects at select sites within the City
- DTEE bid into this RFP, proposing to build all seven sites; DTEE was chosen to develop the 10 MW Van Dyke/Lynch site, with potential to develop additional sites during a second phase
- The City will clear the land, obtain all necessary land rights, and manage permitting conversations internally
- This project will require circuit reconfiguration and system upgrades from DTEE Distribution Operations

City of Detroit	
Project MW _{AC}	10
Estimated COD ¹	Q4 2025
LCOE	\$175/MWh
EPC Vendor	Motor City Electric ²



1. Estimated COD is contingent on permitting, site clearing, interconnection upgrade requirements and construction timing
2. DTEE reserves the right to change EPC vendors, though has firm EPC pricing from Motor City Electric to support LCOE
3. Schedule is contingent based on permitting, site clearing, and interconnection upgrades

The City of Detroit solar park will be contracted through a 35-year MIGreenPower Special Contract with the city paying a fixed LCOE for all the output

City of Detroit Solar Park	
Contract Type	<ul style="list-style-type: none"> • Special Contract – City of Detroit
Subscriber Requirements	<ul style="list-style-type: none"> • The City has agreed to purchase all production from the project • The City may elect to add additional sites to be developed by DTEE during the term
Contract Term	<ul style="list-style-type: none"> • 35 years
Conditions Precedent	<ul style="list-style-type: none"> • The contract is conditioned upon MPSC approval of the special contract and the construction agreement
Termination and Default	<ul style="list-style-type: none"> • If the LCOE is projected to exceed the agreed upon subscription fee, and if DTE and the City cannot agree to a new subscription fee, either party has the right to terminate • Termination for convenience can occur, with there being three distinct milestones with different levels of termination fees, termination after commencement will result in a defined termination fee schedule • The following acts constitute a default by the City: (i) A breach of the agreement (30-day cure period), (ii) nonpayment (30-day cure period), or (iii) a City bankruptcy or insolvency, or untrue/misleading representation or warranty (right to terminate)
Contract Expiration	<ul style="list-style-type: none"> • After 35 years, the City may acquire the project, or DTEE may continue to operate and maintain the project at a recalculated subscription price; DTEE will be responsible for decommissioning the project in year 36 if both parties agree that the project has reached its useful life
Billing and Credits	<ul style="list-style-type: none"> • Project LCOE is a not-to-exceed; however, pricing program can decrease as cost-efficiencies are realized through the construction process • Follows Rider 17 energy and capacity credit methodology • DTEE will transfer or retire Renewable Energy Credits (RECs) as requested
Neighborhood Benefits	<ul style="list-style-type: none"> • DTEE will administer a home energy efficiency upgrades for the residents near the project site as well as entering into an agreement with the applicable neighborhood organization(s) to consider community preferences on fencing, screening, vegetation, security – projected costs for this work is ~\$2.1M. LCOE may increase if scope of work exceeds projected costs • DTEE and the City will hold an annual meeting about the solar project for the duration of the term

The project will be constructed on land near DTE's Lynch Road Service Center



Lynch Road Service Center

City of Detroit Solar Project Fact Sheet

Description	Details
Racking Type	Ballasted Ground Mount (No soil penetration) Fixed Tilt 25 degrees SE Orientation
Tracking System	Not Applicable
Inverters	String Inverters
Interconnection Voltage	13.2 kV
Panels	Monocrystalline Silicon Bifacial Approximately 23,000 panels
Expected Generation (MWh)	16,651 MWh annually
Equivalent homes powered	2,051
Tons of CO2 offset per year*	7,353
Pounds of coal burned*	7,351,358
Barrels of oil consumed*	15,444
Gasoline-powered passenger vehicles driven for one year	1,588

* EPA (2022) [AVERT](#), U.S. national weighted average CO2 marginal emission rate, year 2021 data. Avoided Emissions and geneRation Tool (AVERT) U.S. uses national weighted average CO2 marginal emission rate to convert reductions of kilowatt-hours into avoided units of carbon dioxide emissions.

DTE Electric is negotiating with Motor City Electric as the EPC Contractor for the City of Detroit solar park

- Motor City has executed many contracts for the City of Detroit and recently had Mayor Duggan in to tour their facility and understand their capabilities; the location of this project is within 1 mile of Motor City Headquarters in Detroit
- Motor City has been mentoring Williams Electrical and Telecommunications Co. (WETC) for many years and will help to develop them in the solar space and worked to provide a competitive bid price to execute this EPC Contract
- Motor City Electric (MCE) is partnered with WETC
 - MCE has been in business since 1952 and is headquartered in Detroit
 - They have been an electrical contractor for DTE for over 20 years with spend exceeding \$150M in the past 5 years
 - They have executed major substations builds, system conduit construction, electrical contractor on multiple wind projects for DTE, and were recently awarded the electrical portion of Slocum Battery Storage and the main EPC Contractor for Trenton Battery Storage
- WETC offers complete general electrical contracting services nationwide from design and installation to operations, maintenance, and service and is a member of IBEW local 58 Electricians
- WETC held a direct contract with DTE Electric underground electrical blanket contract as a baseload contractor from 2021-2024 executing over \$55M in work

Image of a Ballasted Ground Mounted system that would be used for the solar park at Van Dyke/Lynch



How Do Renewables Work

