



Board of Directors Meeting

Wednesday, September 19, 2019

6:00 pm

City of Hayward
Council Chambers
777 B Street,
Hayward, CA 94544

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 736-4981 or Scabrera@ebce.org.

If you have anything that you wish to be distributed to the Board, please hand it to the clerk who will distribute the information to the Board members and other staff. Please bring at least 25 copies.

1. Welcome & Roll Call

2. Pledge of Allegiance

3. Public Comment

This item is reserved for persons wishing to address the Board on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker. The Board Chair may increase or decrease the time allotted to each speaker.

4. Appoint Labor Negotiators (Action Item)

Appoint the following Board members as Labor Negotiators:

- A. Chair Kalb;
- B. Vice-Chair Martinez; and
- C. Director Mendall

5. Closed Session

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION under California Government Code Section 54957: Performance Evaluation of Chief Executive Officer Nicolas Chaset

- B. CONFERENCE WITH LABOR NEGOTIATORS under California Government Code section 54957.6, EBCE Designated Representatives: Dan Kalb, Diane Martinez, and Al Mendall Unrepresented Employee: Chief Executive Officer

6. General Counsel Report out of Closed Session

CONSENT AGENDA

- 7. Approval of Minutes from July 17, 2019
- 8. Contracts entered into (Informational Item)
- 9. Out of State Travel (Informational Item)
- 10. Grant to Center for Climate Protection to Support Consideration of new CCAs in Central Valley
Approve a grant to the Center for Climate Protection for \$30,000 to support their Central Valley CCA project and delegate to the CEO to negotiate and execute a grant agreement
- 11. EBCE Rate Modifications (Informational Item)
Receive an update from staff regarding EBCE rate modifications

REGULAR AGENDA

- 12. CEO REPORT
 - A. Executive Committee Meeting;
 - B. Marketing, Regulatory and Legislative Sub-committee; and
 - C. Local Development Business Plan Update
- 13. Community Advisory Committee Report
- 14. Legislative Update (Informational Item)
Receive update from staff regarding Legislative matters.
- 15. Amendments to the Joint Powers Agreement (Action Item)
Discuss and recommend, if necessary, amendments to the East Bay Community Energy Joint Powers Agreement (JPA) and Direct staff to bring back proposed language relating to proposed JPA amendments.
- 16. Inclusion of New Communities (Informational Item)
Receive report on including new jurisdictions within EBCE's service area.

17. Approve Non-Standard Pricing Rate Agreement Policy and Adopt a Resolution Authorizing CEO to Negotiate and Execute Non-Standard Pricing Rate Agreements (Action Item)

Approve the Non-Standard Pricing Rate Agreement Policy and delegate to Chief Executive Officer (CEO) the authority to negotiate and execute long-term, non-standard pricing rate agreements with customers in EBCE's service area that have:

1. one or more accounts on Direct Access and place those accounts on EBCE service, and/or
2. have been granted new or additional Direct Access allocation and remain on EBCE service for those accounts

In order to retain significant foundational baseline load and avoid potential increases in greenhouse gas emissions associated with the electric service to large users within member communities.

18. Raceway North, LLC and Edwards Solar II, LLC Contract Approvals (Action Item)

A. Adopt two Resolutions authorizing the Chief Executive Officer to execute agreements with CA renewables Energy RFP awardees Raceway North, LLC and Edwards Solar II, LLC. Each agreement is expected to be operational in December 2022 and deliver all associated output, which includes energy, RECs and RA with node settled pricing:

1. 20-year 125MWac solar PV + 80MW/160MWh battery storage project based in Kern County with Raceway North, LLC, developed by sPower ("sPower Contract"); and\
2. 15-year 100MWac solar PV + virtual storage project in Kern County with Edwards Solar II, LLC, developed by Terra-Gen ("Terra-Gen Contract").

B. Discuss a memorandum of understanding (MOU) signed with Brookfield Renewable Partners to further discussions regarding an 80MW wind project located in Alameda County. The project was proposed into Southern California Public Power Authority's (SCPPA) recent 2019 RFP as a competitive solicitation.

19. Board Member and Staff Announcements including requests to place items on future Board Agendas

20. Adjournment - to Date: Wednesday October 16, 2019

Location: City of Hayward
Council Chambers
777 B Street
Hayward CA 94544



Draft Minutes

Board of Directors Meeting

Wednesday, July 19, 2019

6:00 pm

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777 B Street,

Hayward, CA 94544

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1. Welcome & Roll Call

Present: Haggerty (Alameda County), Pilch (Albany) Hernandez (Dublin), Mei (Fremont), Mendall (Hayward), Munro (Livermore), Rood (Piedmont), Hernandez (San Leandro), Dutra-Vernaci (Union City) Sutter (Community Advisory), Vice-chair Martinez (Emeryville), and Chair Kalb (Oakland)

Excused: Arreguin (Berkeley)

2. Pledge of Allegiance

Excused: Director Arreguin (Berkeley)

3. Closed Session

- A. CONFERENCE WITH LEGAL COUNSEL - Anticipated Litigation: Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case.
- B. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (under Paragraph (1) of subdivision (d) of Section 54956.9) In Re PG&E corporation and Pacific Gas and Electric Company, Debtors, Bankruptcy Case No. 19-30088(DM), United States Bankruptcy Court, Northern District of California.

Director Mendall motioned to adjourn into closed session. Director Dutra-Vernaci seconded the motion which passed 11/0; Excused: Director Arreguin

4. General Counsel Report out of Closed Session

There were no reportable actions taken in closed session

5. Public Comment

This item is reserved for persons wishing to address the Board on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker. The Board Chair may increase or decrease the time allotted to each speaker.

There were no speakers for Public Comment

CONSENT AGENDA

6. Approval of Minutes:

- June 5, 2019
- June 19, 2019

7. Contracts entered into (Informational Item)

8. Consulting Services Agreement for Graphic and Web Design Services with Celery Design Collaborative

Adopt a resolution authorizing the Chief Executive Officer to sign an agreement for graphic and web design services with Celery Design Collaborative for the purpose of providing graphic and web design services to EBCE for the contract period of 7/17/19 to 7/31/20, in the amount of \$100,000.

9. Legal Services Approval

Adopt a resolution authorizing the Chief Executive Officer, or a designee to negotiate and execute contracts with select legal firms in accordance with the board approved legal budget, totaling \$1,076,000 for fiscal year 2019-2020.

Selected law firms include:

- Richards Watson & Gershon -General Counsel Services
- Davis Wright Tremaine - Policy
- Keyes & Fox - Policy/Compliance/Power procurement
- Hall Energy Law - Power Procurement
- Wilson Sonsini Goodrich & Rosati - Power Procurement
- Liebert Cassidy & Whitmore - Employment/HR
- Nixon Peabody - Finance

Director Munro motioned to approve the consent agenda. As amended:

- A. **move item 9 PG&E Time-of-Use Rate Transition to the regular agenda.**

Director Hernandez (SL) seconded the motion which carried 10/0; Excused: Directors Arreguin and Dutra-Vernaci

REGULAR AGENDA

10. CEO REPORT

- A. Executive Committee Meeting;
- B. Marketing and Outreach update; and
- C. Regulatory and Legislative update.

The Board Discussed:

- SB520 - Request member cities support EBCE legislative positions
- Medical baseline and upcoming wildfire prevention power/gas shut offs
- When do new policies go into effect.

11. PG&E Time-Of-Use Rate Transition (Action Item)

Receive report on planned PG&E Time-of-Use (TOU) rate transition, and adopt a resolution for EBCE participation in a transition of residential and non-residential customers to a default TOU rate in concert with the efforts of PG&E.

The Board discussed:

- large number of IOU Customers declining Time of Use billing
- How Customers can enroll in the rate plan
- Smart meter customer participation requirements
- Bill protection for rate payers
- Incentivizing customers to join program

Director Mendall motioned to adopt a resolution for EBCE participation in the Time-of-use rate. Director Pilch seconded the motion which passed 11/0

12. Community Advisory Committee Report

Chair Sutter reported on the Monday, 7/15/19 CAC meeting where the committee held Chair Elections, electing Mary Sutter as the Chair and Jane Franch as the Vice-Chair. The CAC also learned more about the Legislative strategy and discussed making a request to the Board to direct EBCE staff to create unaudited quarterly financial budget information reports.

13. Sacramento Municipal Utility District (SMUD) Presentation (Informational Item)

Receive a presentation from Director of Community Energy Services at SMUD regarding their services to EBCE

The Board discussed:

- How averages are calculated for customer retention
- Languages available through the Call Center
- Thanked SMUD and the Call Center representatives for their work

14. Treasurer's Report (Informational Item)

Receive quarterly report on EBCE Cash position.

The Board discussed:

- Requested that Future reports include additional information on budgets
- Creating a report standard with the next budget cycle
- How to manage delinquency billing
- Identifying low-income ratepayers
- Ability to add collection services to SMUD agreement

15. Amended and Restated Barclays Revolving Credit Agreement (Action Item)

Adopt a Resolution approving an amended and restated revolving credit agreement with Barclays Bank PLC and authorizing the Chief Executive Officer to execute the same, to allow for issuance of Letters of Credit as well as reduce the interest cost of the facility.

Director Pilch motioned to adopt a resolution approving an amended and restated credit agreement. Director Dutra-Vernaci seconded the motion which carried 11/0; Excused: Director Arreguin.

16. EBCE Rate Modifications (Informational Item)

Receive an update from staff regarding EBCE rate modifications.

Presented

17. Clearway, esVolta, and SunRun Contract Approvals (Action Item)

Adopt three resolutions authorizing the CEO to:

- A. Execute a 13-year 7MW/28MWh Local Greater Bay Area Resource Adequacy contract ("esVolta contract") with esVolta/Tierra Robles Energy Storage, LLC;
- B. Complete negotiations and execute a 10-year 0.5MW Local Greater Bay Area Resource Adequacy contract ("SunRun contract") associated with behind the meter low income multi-family housing with SunRun; and
- C. Execute a 15-year 112MWac Solar PV Power Purchase Agreement ("Clearway PPA") with Clearway Energy Group/Golden Fields Solar III, LLC.

The Board Discussed:

- Thanked Staff and General Counsel for their guidance and direction with the PPAs
- How development sites are identified
- Storage types included with projects
- CAC support of the Alameda based projects
- Right of First Refusal agreement
- Local Hire

Director Hernandez motioned to adopt three resolution authorizing the CEO, or his designee negotiate and execute agreements with:

- 1. esVolta/Tierra Robles Energy Storage LLC;**
- 2. SunRun, LLC; and**
- 3. Golden Fields Solar III, LLC.**

Director Mendall seconded the motion which passed 11/0; Excused: Director Arreguin

18. Board Member and Staff Announcements including requests to place items on future Board Agendas

Staff polled the Board for availability to hold an August meeting if desired. The Board will keep the August recess due to no urgent pending items.

Director Hernandez (SL) informed the Board that his alternate Councilmember Corina Lopez will attend the September and October meetings in his absence.

Chair Kalb announced that Director Mendall and Director Arreguin were selected as the Chair and Vice-Chair of the Executive Committee and the current committee membership will remain the same.

19. Adjourned



Consent Item 8

TO: East Bay Community Energy Board of Directors
FROM: Nick Chaset, Chief Executive Officer
SUBJECT: Contracts Entered into
DATE: September 18, 2019

RECOMMENDATION

Accept the CEO's report on contracts entered into between July 10, 2019 and September 10, 2019.

Legal Services Agreements Authorized under Resolution R-2019-24 (July 17, 2019 Board Meeting) "Approve Legal Services Agreement from certain law firms";

1. C-2019-55, Hall Energy Law (Portland, OR), First Amendment to Legal Services Agreement for services related to short term and long-term energy procurement support. NTE increased by \$175,000 to \$350,000 and termination date is extended to June 30, 2020.
2. C-2019-56, Davis Wright Tremaine (San Francisco, CA), Legal Services Agreement for regulatory advices and filings, NTE \$100,000 through June 30, 2019.

Other Agreements;

3. C-2019-58 Gilbert Tweed International (New York, NY) Consulting Service Agreement for executive search services for Director/VP of Power Resources, NTE \$40,000 through June 30, 2020.
4. C-2019-59 Association for Energy Affordability (Emeryville, CA) Consulting Services Agreement for electrification consulting services and webinars, NTE \$89,000 through January 31, 2020.
5. C-2019-60 Glass House Communications (Oakland, CA) First Amendment to Consulting Services Agreement, extending termination date to September 13, 2019.

6. C-2019-61 FinalOption Corp (San Leandro, CA), Amendment to Task Order 5, amends Task Order 5 to NTE \$35,00 of the original budget for New Customer Notification mailing, including printing and postage (about 75,000 mailings).
7. C-2019-62 Scientific Certification Systems, Inc (Emeryville, CA), Consulting Services Agreement NTE \$10,000 for a GHG management tool and services through June 30, 2019.
8. C-2019-63 Abbott Stringham Lynch (San Jose, CA), Consulting Services Agreement NTE \$15,000 for audit services related to the Power Source Disclosure Report, through June 30, 2019.
9. C-2019-64 Edison Energy (Newport Beach, CA), Consulting Services Agreement NTE \$75,000 for power project analysis and evaluation through June 30, 2019
10. C-2019-65 LadyPowers (San Francisco, CA), Consulting Services Agreement NTE \$22,500 for diversity/equity/inclusion services through September 1, 2019.
11. C-2019-66 Myst AI (San Francisco, CA), Consulting Services Agreement NTE \$15,000 for the purposes of providing solar and storage analysis services through 10/31/19.
12. C-2019-68 Oakland Roots SC (Oakland, CA), 2019/2020 Season Local Sponsorship Agreement for \$25,000 for local soccer team in exchange for event hosting, EBCE logo promotion, sponsor booth presence at games, signage, logo presence on website, & commercial spot during broadcasts, through June 30, 2020.
13. C-2019-69 Cameron Cole LLC (Oakland, CA), Consulting Services Agreement NTE \$10,000 for services related to verifying EBCE Greenhouse Gas emissions data within the Climate Registry, through June 30, 2020.



Consent Item 9

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: Out of State Travel (Informational Item)

DATE: September 18 , 2019

RECOMMENDATION

Accept the report on out of state travel.

1. Chief Executive Officer - Meet with Hydro Providers in the Pacific North West - Seattle, Washington and Portland Oregon, 7/31/19 - 8/2/19 (\$1488)
2. Chief Operating Officer - Meet with Hydro Providers in the Pacific North West - Seattle, Washington and Portland Oregon, 7/31/19 - 8/2/19 (\$1625)



Staff Report Item 10 (Action Item)

TO: East Bay Community Energy Board of Directors

FROM: Alex DiGiorgio, Public Engagement Manager

SUBJECT: Grant to Center for Climate Protection to Support Consideration of new CCAs in Central Valley (action item)

DATE: September 18, 2019

Recommendation

Approve a grant to the Center for Climate Protection for \$30,000 to support their Central Valley CCA project and authorize the CEO to negotiate and execute a grant agreement for this amount with General Counsel review and approval.

Background and Discussion

The Center for Climate Protection is a Santa Rosa-based non-profit that has been deeply involved in advancing the CCA movement through a variety of important initiatives, including their on-going work to advance the formation of new Community Choice Energy agencies in the Central Valley. The campaign is focused on educating local elected officials about the benefits of community choice and building grassroots support for the formation of Community Choice Energy agencies in Central Valley communities. This proposed grant would provide CCP with critical resources to support this current campaign's work in the City of Fresno and the City of Stockton.

The work of the Center for Climate Protection furthers multiple EBCE goals. Establishing of CCA programs in the Central Valley would likely result in the development of additional renewable energy generation facilities which would benefit CCAs throughout California, including the EBCE. The expansion of CCA programs in the Central Valley would likely increase political and regulatory support for continued growth of CCAs across California. The expansion of CCAs across California will also have a positive impact on climate change and reduction of greenhouse gases, which is a critical aspect of EBCE's mission.

This proposed grant fits within EBCE's 2019/2020 budget, where \$40,000 was included in the marketing budget to support education and engagement of new communities as they consider whether to join or form a Community Choice Energy agency.

Attachment

A. Overview of CCP Central Valley CCA Project

Central Valley CCA Workplan July 1, 2019-June 30, 2020

Introduction:

Since mid 2016, the Center for Climate Protection has been working with Central Valley-based partners to build community support for Community Choice Energy. This workplan outlines activities that will result in the launch of operational agencies in the Central Valley population centers within the coming 36 months. The four target jurisdictions are the City of Stockton and San Joaquin County, and the City of Fresno and Fresno County. This workplan does not include a description of the work over the past three years, but looks forward through June 2020. Details about the work completed to date is available upon request.

Team:

- Barry Vesser, Deputy Director
- Woody Hastings, Energy Program Manager
- Destiny Rodriguez, Community Organizer (Central Valley-based)
- Nina Turner, Energy Program Coordinator
- Stacey Meinzen, Communications
- Central Valley consultants

Outreach platforms:

- Clean Power Exchange (CPX) website, especially the Central Valley Page: <https://cleanpowerexchange.org/central-valley/>
- CPX E-News – San Joaquin Valley: <https://cleanpowerexchange.org/communities/san-joaquin-valley/>
- CPX Webinars: <https://cleanpowerexchange.org/webinars/>
- CPX Facebook: <https://www.facebook.com/CleanPowerX/>
- CPX Twitter: <https://twitter.com/CleanPowerX>

Outreach also includes engaging a wide range of community leaders and stakeholders, as well as with Central Valley-based conventional media such as print: Fresno Bee, Business Journal, and Stockton Record; Radio: KVPR FM, KFCF FM, and several local television outlets.

City of Fresno

Activity/Description	Milestones/Metrics	When
1. Working with elected champion/s and their peers <ul style="list-style-type: none"> a. Luis Chavez – maintain leadership b. Other council-members c. Council D-2 – work with candidates d. Mayor – work with 2020 candidates e. Continue efforts with City Manager f. Vote to fund tech study g. Vote to fund an Implementation Plan 	<ul style="list-style-type: none"> a. Check-ins/updates b. Check-ins/updates c. Special election f. Vote to fund tech study g. Majority vote 	<ul style="list-style-type: none"> a. Ongoing b. At least quarterly c. August 13, 2019 d. Ongoing e. Ongoing f. June 2019 g. Jan – March 2020
2. Producing Events/Webinars <ul style="list-style-type: none"> a. Business leaders forum b. Policymaker forum c. Central Valley-focused webinar 	<ul style="list-style-type: none"> a. One in 2019; one in 2020 b. One in 2019; one in 2020 c. One in 2020 	<ul style="list-style-type: none"> a. July 10, 2019; 2020 TBD b. ~Oct-Nov. 2019; 2020 TBD c. Q.1 2020 – date TBD
3. Presentations/Participating in others' events <ul style="list-style-type: none"> a. Civic organizations b. Chambers/Business groups c. Central Valley-focused webinar 		<ul style="list-style-type: none"> a. Ongoing b. Ongoing
4. Building Community Support <ul style="list-style-type: none"> a. Key Influencers b. Business c. Labor d. EJ groups e. Institutions/agencies f. General community g. Friends of Community Choice list 	<ul style="list-style-type: none"> a. Letters to the editor, speak at city council meeting g. 150 leaders on list 	<ul style="list-style-type: none"> a. Ongoing g. June 2020
5. Media/Social Media Outreach <ul style="list-style-type: none"> a. Local print (Fresno Bee, Biz Journal, etc.) b. Radio c. Television d. CPX E-News, FB, Twitter 	At least one media hit per month on average	Ongoing
6. Seeing-is-believing tour of SCP & EBCE and other peer-to-peer connections	At least one elected from Fresno participates	August 7/8 -and ongoing
7. Post card campaign	300 cards in support of CCA to elected officials	Dec 2019 – March 2020

Fresno County

Activity/Description	Milestones/Metrics	When
1. Working with elected champion/s and their peers <ul style="list-style-type: none"> a. Build community support in D-5 in order to sway N. Magsig in favor b. Maintain contact with other Supervisors c. Maintain contact with County Administrator d. Vote to fund tech study e. Vote to fund an implementation plan 	<ul style="list-style-type: none"> a. Meetings with at least 2 key influencers d. Vote to fund tech study e. Majority vote 	<ul style="list-style-type: none"> a. Ongoing b. Ongoing c. Ongoing d. Dec. 31, 2019 e. June 2020
2. Producing Events/Webinars <ul style="list-style-type: none"> a. Business leaders forum b. Policymaker forum c. Central Valley-focused webinar 		<ul style="list-style-type: none"> a. July 10, 2019 b. ~Oct-Nov. 2019 c. Q.1 2020
3. Presentations/Participating in others' events <ul style="list-style-type: none"> a. Civic organizations b. Chambers/Business groups c. Central Valley-focused webinar 		<ul style="list-style-type: none"> a. Ongoing b. Ongoing
4. Building Community Support <ul style="list-style-type: none"> a. Key Influencers b. Business c. Agricultural Community d. Labor e. EJ groups f. Institutions/agencies g. General community h. Friends of Community Choice list 	<ul style="list-style-type: none"> a. Letters to the editor, speak at BOS meeting h. 150 leaders on list 	<ul style="list-style-type: none"> g. June 2020
5. Media/Social Media Outreach <ul style="list-style-type: none"> a. Local print (Fresno Bee, Biz Journal, etc.) b. Radio c. Television d. CPX E-News, FB, Twitter 	At least one media hit per month on average	Ongoing
6. Seeing-is-believing tour of SCP & EBCE and other peer-to-peer connections	One key influencer, staff or elected attend	August 7/8 -and ongoing

City of Stockton

Activity/Description	Milestones/Metrics	When
1. Working with elected champion/s and their peers <ul style="list-style-type: none"> a. Mayor Tubbs, Vice Mayor Wright – maintain leadership b. Other council-members c. Mayor – work with 2020 candidates d. Continue efforts with City Manager e. Implementation Plan 	e. Vote to fund Implementation Plan	<ul style="list-style-type: none"> a. Ongoing b. Ongoing c. Ongoing d. Ongoing e. March 2020
2. Producing Events/Webinars <ul style="list-style-type: none"> a. Business leaders forum b. Policymaker forum c. Central Valley-focused webinar 		<ul style="list-style-type: none"> a. Sept-Dec. 2019 b. ~Oct-Nov. 2019 c. Q.1 2020
3. Presentations/Participating in others' events <ul style="list-style-type: none"> a. Civic organizations b. Chambers/Business groups c. Central Valley-focused webinar 		
4. Building Community Support <ul style="list-style-type: none"> a. Key Influencers b. Business c. Labor d. EJ groups e. Institutions/agencies f. General community g. Friends of Community Choice list 	c. Letters to the editor, speak at city council meeting g. 150 leaders on list	g. June 2020
5. Media/Social Media Outreach <ul style="list-style-type: none"> a. Local print (Fresno Bee, Biz Journal, etc.) b. Radio c. Television d. CPX FB, Twitter 	At least one media hit per month on average	Ongoing
6. Seeing-is-believing tour of SCP & EBCE and other peer-to-peer connections	At least one elected attending	August 7/8 -and ongoing
7. Post card campaign	300 cards in support of CCA to elected officials	Dec 2019 – March 2020



Consent Item 11

TO: East Bay Community Energy Board of Directors
FROM: Annie Henderson, VP Marketing and Account Services
SUBJECT: EBCE Rate Modifications (Informational Item)
DATE: September 18, 2019

Recommendation

Receive an update from staff regarding EBCE rate modifications

Background

PG&E changed their generation rates and the Power Charge Indifference Adjustment on July 1, 2019. PG&E made an error in the rates published for the tariffs of E19PR, E19SR, E19TR, E20PR, E20SR, and E20TR. Corrected rates were posted by PG&E on August 1, 2019.

On August 26, 2019, staff realized there were typographical errors in the published rate sheets for streetlights (SL) and traffic controls (TC1). These errors have been corrected. Any bill that included the incorrect rate will be cancelled and rebilled using the correct rate figures. Online rate sheets were updated as of

At the September 2018 Board Meeting, the Board gave EBCE staff authority to modify EBCE rates in response to PG&E rate changes to ensure that EBCE continues to offer a 1.5% discount. Therefore, staff updated EBCE rates to reflect this correction. EBCE back-end systems and online Rate Sheets were updated as of August 28, 2019, with an effective date of August 1, 2019.

Fiscal Impact

Revisions to the rates resulted in the refunding of approximately \$150,000 to EBCE customers to adjust for the proper billing amounts.

CEQA

Not a project

Attachment

- A. Updated EBCE Rate Sheets



East Bay Community Energy Rate Sheets

Rates effective as of July 1, 2019

Rate	Billing Determinant Name	Bright Choice Rate	Brilliant 100 Rate	Renewable 100 Rate	System Fees	Total Bright Choice Rate	Total Brilliant 100 Rate	Total Renewable 100 Rate	PG&E July 2019 Generation Rate	Unit
A1	Winter	0.06195	0.06335	0.07335	0.02968	0.09163	0.09303	0.10303	0.09303	kWh
A1	Summer	0.10148	0.10348	0.11348	0.02968	0.13116	0.13316	0.14316	0.13316	kWh
A10P	Summer	0.08025	0.08194	0.09194	0.03086	0.11111	0.11280	0.12280	0.11280	kWh
A10P	Winter	0.05685	0.05819	0.06819	0.03086	0.08771	0.08905	0.09905	0.08905	kWh
A10P	Max Demand Summer	4.92500	5.00000	5.01000	0.00000	4.92500	5.00000	5.01000	5.00000	kW
A10PX	Off-Peak Summer	0.05490	0.05621	0.06621	0.03086	0.08576	0.08707	0.09707	0.08707	kWh
A10PX	Part-Peak Winter	0.06764	0.06914	0.07914	0.03086	0.09850	0.10000	0.11000	0.10000	kWh
A10PX	Max Demand Summer	4.92500	5.00000	5.01000	0.00000	4.92500	5.00000	5.01000	5.00000	kW
A10PX	Part-Peak Summer	0.08112	0.08283	0.09283	0.03086	0.11198	0.11369	0.12369	0.11369	kWh
A10PX	Peak Summer	0.13094	0.13340	0.14340	0.03086	0.16180	0.16426	0.17426	0.16426	kWh
A10PX	Off-Peak Winter	0.05199	0.05325	0.06325	0.03086	0.08285	0.08411	0.09411	0.08411	kWh
A10S	Max Demand Summer	5.64405	5.73000	5.74000	0.00000	5.64405	5.73000	5.74000	5.73000	kW
A10S	Summer	0.08975	0.09159	0.10159	0.03086	0.12061	0.12245	0.13245	0.12245	kWh
A10S	Winter	0.06285	0.06428	0.07428	0.03086	0.09371	0.09514	0.10514	0.09514	kWh
A10SX	Off-Peak Winter	0.05590	0.05722	0.06722	0.03086	0.08676	0.08808	0.09808	0.08808	kWh
A10SX	Peak Summer	0.14272	0.14536	0.15536	0.03086	0.17358	0.17622	0.18622	0.17622	kWh
A10SX	Part-Peak Summer	0.08841	0.09023	0.10023	0.03086	0.11927	0.12109	0.13109	0.12109	kWh
A10SX	Max Demand Summer	5.64405	5.73000	5.74000	0.00000	5.64405	5.73000	5.74000	5.73000	kW
A10SX	Part-Peak Winter	0.07270	0.07428	0.08428	0.03086	0.10356	0.10514	0.11514	0.10514	kWh
A10SX	Off-Peak Summer	0.06076	0.06216	0.07216	0.03086	0.09162	0.09302	0.10302	0.09302	kWh
A10T	Summer	0.07097	0.07252	0.08252	0.03086	0.10183	0.10338	0.11338	0.10338	kWh
A10T	Winter	0.05050	0.05174	0.06174	0.03086	0.08136	0.08260	0.09260	0.08260	kWh
A10T	Max Demand Summer	3.90060	3.96000	3.97000	0.00000	3.90060	3.96000	3.97000	3.96000	kW

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A10TX	Off-Peak Winter	0.04484	0.04599	0.05599	0.03086	0.07570	0.07685	0.08685	0.07685	kWh
A10TX	Off-Peak Summer	0.04588	0.04705	0.05705	0.03086	0.07674	0.07791	0.08791	0.07791	kWh
A10TX	Part-Peak Winter	0.05919	0.06056	0.07056	0.03086	0.09005	0.09142	0.10142	0.09142	kWh
A10TX	Peak Summer	0.11698	0.11923	0.12923	0.03086	0.14784	0.15009	0.16009	0.15009	kWh
A10TX	Max Demand Summer	3.90060	3.96000	3.97000	0.00000	3.90060	3.96000	3.97000	3.96000	kW
A10TX	Part-Peak Summer	0.07080	0.07235	0.08235	0.03086	0.10166	0.10321	0.11321	0.10321	kWh
A1X	Off-Peak Summer	0.06564	0.06709	0.07709	0.02968	0.09532	0.09677	0.10677	0.09677	kWh
A1X	Part-Peak Summer	0.09259	0.09445	0.10445	0.02968	0.12227	0.12413	0.13413	0.12413	kWh
A1X	Off-Peak Winter	0.07179	0.07334	0.08334	0.02968	0.10147	0.10302	0.11302	0.10302	kWh
A1X	Part-Peak Winter	0.09240	0.09426	0.10426	0.02968	0.12208	0.12394	0.13394	0.12394	kWh
A1X	Peak Summer	0.11588	0.11810	0.12810	0.02968	0.14556	0.14778	0.15778	0.14778	kWh
A6	Off-Peak Summer	0.05864	0.05998	0.06998	0.02968	0.08832	0.08966	0.09966	0.08966	kWh
A6	Peak Summer	0.35205	0.35786	0.36786	0.02968	0.38173	0.38754	0.39754	0.38754	kWh
A6	Part-Peak Summer	0.11605	0.11827	0.12827	0.02968	0.14573	0.14795	0.15795	0.14795	kWh
A6	Off-Peak Winter	0.06649	0.06795	0.07795	0.02968	0.09617	0.09763	0.10763	0.09763	kWh
A6	Part-Peak Winter	0.08372	0.08545	0.09545	0.02968	0.11340	0.11513	0.12513	0.11513	kWh
AG1A	Summer	0.08480	0.08650	0.09650	0.02662	0.11142	0.11312	0.12312	0.11312	kWh
AG1A	Connected Load Summer	1.53660	1.56000	1.57000	0.00000	1.53660	1.56000	1.57000	1.56000	kWh
AG1A	Winter	0.06370	0.06508	0.07508	0.02662	0.09032	0.09170	0.10170	0.09170	kWh
AG1B	Winter	0.06422	0.06560	0.07560	0.02662	0.09084	0.09222	0.10222	0.09222	kWh
AG1B	Max Demand Summer	2.30490	2.34000	2.35000	0.00000	2.30490	2.34000	2.35000	2.34000	kW
AG1B	Summer	0.08850	0.09025	0.10025	0.02662	0.11512	0.11687	0.12687	0.11687	kWh
AG4A	Connected Load Summer	1.54645	1.57000	1.58000	0.00000	1.54645	1.57000	1.58000	1.57000	kWh
AG4A	Part-Peak Winter	0.05745	0.05873	0.06873	0.02662	0.08407	0.08535	0.09535	0.08535	kWh
AG4A	Off-Peak Winter	0.04566	0.04676	0.05676	0.02662	0.07228	0.07338	0.08338	0.07338	kWh
AG4A	Peak Summer	0.15190	0.15462	0.16462	0.02662	0.17852	0.18124	0.19124	0.18124	kWh

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AG4A	Off-Peak Summer	0.05296	0.05417	0.06417	0.02662	0.07958	0.08079	0.09079	0.08079	kWh
AG4B	Max Peak Demand Summer	2.90575	2.95000	2.96000	0.00000	2.90575	2.95000	2.96000	2.95000	kW
AG4B	Max Demand Summer	2.73830	2.78000	2.79000	0.00000	2.73830	2.78000	2.79000	2.78000	kW
AG4B	Part-Peak Winter	0.05238	0.05358	0.06358	0.02662	0.07900	0.08020	0.09020	0.08020	kWh
AG4B	Peak Summer	0.11001	0.11209	0.12209	0.02662	0.13663	0.13871	0.14871	0.13871	kWh
AG4B	Off-Peak Summer	0.05429	0.05552	0.06552	0.02662	0.08091	0.08214	0.09214	0.08214	kWh
AG4B	Off-Peak Winter	0.04118	0.04221	0.05221	0.02662	0.06780	0.06883	0.07883	0.06883	kWh
AG4C	Off-Peak Summer	0.03953	0.04054	0.05054	0.02662	0.06615	0.06716	0.07716	0.06716	kWh
AG4C	Max Peak Demand Summer	6.75710	6.86000	6.87000	0.00000	6.75710	6.86000	6.87000	6.86000	kW
AG4C	Peak Summer	0.13038	0.13277	0.14277	0.02662	0.15700	0.15939	0.16939	0.15939	kWh
AG4C	Off-Peak Winter	0.03601	0.03696	0.04696	0.02662	0.06263	0.06358	0.07358	0.06358	kWh
AG4C	Max Part-Peak Demand Summer	1.15245	1.17000	1.18000	0.00000	1.15245	1.17000	1.18000	1.17000	kW
AG4C	Part-Peak Summer	0.06375	0.06513	0.07513	0.02662	0.09037	0.09175	0.10175	0.09175	kWh
AG4C	Part-Peak Winter	0.04641	0.04752	0.05752	0.02662	0.07303	0.07414	0.08414	0.07414	kWh
AG5A	Peak Summer	0.13924	0.14177	0.15177	0.02662	0.16586	0.16839	0.17839	0.16839	kWh
AG5A	Part-Peak Winter	0.06135	0.06269	0.07269	0.02662	0.08797	0.08931	0.09931	0.08931	kWh
AG5A	Off-Peak Summer	0.05757	0.05885	0.06885	0.02662	0.08419	0.08547	0.09547	0.08547	kWh
AG5A	Connected Load Summer	4.21580	4.28000	4.29000	0.00000	4.21580	4.28000	4.29000	4.28000	kWh
AG5A	Off-Peak Winter	0.04904	0.05019	0.06019	0.02662	0.07566	0.07681	0.08681	0.07681	kWh
AG5B	Part-Peak Winter	0.05250	0.05370	0.06370	0.02662	0.07912	0.08032	0.09032	0.08032	kWh
AG5B	Peak Summer	0.13644	0.13892	0.14892	0.02662	0.16306	0.16554	0.17554	0.16554	kWh
AG5B	Max Peak Demand Summer	6.42220	6.52000	6.53000	0.00000	6.42220	6.52000	6.53000	6.52000	kW
AG5B	Off-Peak Winter	0.02125	0.02198	0.03198	0.02662	0.04787	0.04860	0.05860	0.04860	kWh
AG5B	Off-Peak Summer	0.03039	0.03126	0.04126	0.02662	0.05701	0.05788	0.06788	0.05788	kWh

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AG5B	Max Demand Summer	5.13185	5.21000	5.22000	0.00000	5.13185	5.21000	5.22000	5.21000	kW
AG5C	Max Part-Peak Demand Summer	2.23595	2.27000	2.28000	0.00000	2.23595	2.27000	2.28000	2.27000	kW
AG5C	Off-Peak Winter	0.02907	0.02992	0.03992	0.02662	0.05569	0.05654	0.06654	0.05654	kWh
AG5C	Max Peak Demand Summer	11.90865	12.09000	12.10000	0.00000	11.90865	12.09000	12.10000	12.09000	kW
AG5C	Part-Peak Summer	0.05313	0.05434	0.06434	0.02662	0.07975	0.08096	0.09096	0.08096	kWh
AG5C	Peak Summer	0.10906	0.11113	0.12113	0.02662	0.13568	0.13775	0.14775	0.13775	kWh
AG5C	Part-Peak Winter	0.03854	0.03953	0.04953	0.02662	0.06516	0.06615	0.07615	0.06615	kWh
AG5C	Off-Peak Summer	0.03230	0.03320	0.04320	0.02662	0.05892	0.05982	0.06982	0.05982	kWh
AGICE	Max Peak Demand Summer	3.56570	3.62000	3.63000	0.00000	3.56570	3.62000	3.63000	3.62000	kW
AGICE	Max Demand Summer	3.33915	3.39000	3.40000	0.00000	3.33915	3.39000	3.40000	3.39000	kW
AGICE	Off-Peak Summer	0.00885	0.00939	0.01939	0.02662	0.03547	0.03601	0.04601	0.03601	kWh
AGICE	Part-Peak Winter	0.08140	0.08305	0.09305	0.02662	0.10802	0.10967	0.11967	0.10967	kWh
AGICE	Peak Summer	0.11768	0.11988	0.12988	0.02662	0.14430	0.14650	0.15650	0.14650	kWh
AGICE	Part-Peak Summer	0.07778	0.07937	0.08937	0.02662	0.10440	0.10599	0.11599	0.10599	kWh
AGICE	Off-Peak Winter	0.00885	0.00939	0.01939	0.02662	0.03547	0.03601	0.04601	0.03601	kWh
AGRA	Off-Peak Summer	0.05153	0.05272	0.06272	0.02662	0.07815	0.07934	0.08934	0.07934	kWh
AGRA	Part-Peak Winter	0.05936	0.06067	0.07067	0.02662	0.08598	0.08729	0.09729	0.08729	kWh
AGRA	Peak Summer	0.27153	0.27607	0.28607	0.02662	0.29815	0.30269	0.31269	0.30269	kWh
AGRA	Connected Load Summer	1.51690	1.54000	1.55000	0.00000	1.51690	1.54000	1.55000	1.54000	kWh
AGRA	Off-Peak Winter	0.04718	0.04830	0.05830	0.02662	0.07380	0.07492	0.08492	0.07492	kWh
AGRB	Off-Peak Winter	0.03473	0.03566	0.04566	0.02662	0.06135	0.06228	0.07228	0.06228	kWh
AGRB	Peak Summer	0.24355	0.24766	0.25766	0.02662	0.27017	0.27428	0.28428	0.27428	kWh
AGRB	Max Demand Summer	2.24580	2.28000	2.29000	0.00000	2.24580	2.28000	2.29000	2.28000	kW
AGRB	Off-Peak Summer	0.05085	0.05203	0.06203	0.02662	0.07747	0.07865	0.08865	0.07865	kWh

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AGRB	Max Peak Demand Summer	2.52160	2.56000	2.57000	0.00000	2.52160	2.56000	2.57000	2.56000	kW
AGRB	Part-Peak Winter	0.04476	0.04585	0.05585	0.02662	0.07138	0.07247	0.08247	0.07247	kWh
AGVA	Connected Load Summer	1.58585	1.61000	1.62000	0.00000	1.58585	1.61000	1.62000	1.61000	kWh
AGVA	Off-Peak Winter	0.04574	0.04684	0.05684	0.02662	0.07236	0.07346	0.08346	0.07346	kWh
AGVA	Off-Peak Summer	0.04852	0.04966	0.05966	0.02662	0.07514	0.07628	0.08628	0.07628	kWh
AGVA	Part-Peak Winter	0.05767	0.05895	0.06895	0.02662	0.08429	0.08557	0.09557	0.08557	kWh
AGVA	Peak Summer	0.23474	0.23872	0.24872	0.02662	0.26136	0.26534	0.27534	0.26534	kWh
AGVB	Peak Summer	0.21772	0.22144	0.23144	0.02662	0.24434	0.24806	0.25806	0.24806	kWh
AGVB	Part-Peak Winter	0.04548	0.04658	0.05658	0.02662	0.07210	0.07320	0.08320	0.07320	kWh
AGVB	Off-Peak Summer	0.04935	0.05051	0.06051	0.02662	0.07597	0.07713	0.08713	0.07713	kWh
AGVB	Max Demand Summer	2.07835	2.11000	2.12000	0.00000	2.07835	2.11000	2.12000	2.11000	kW
AGVB	Off-Peak Winter	0.03529	0.03623	0.04623	0.02662	0.06191	0.06285	0.07285	0.06285	kWh
AGVB	Max Peak Demand Summer	2.67920	2.72000	2.73000	0.00000	2.67920	2.72000	2.73000	2.72000	kW
E1	Flat	0.08537	0.08713	0.09713	0.03044	0.11581	0.11757	0.12757	0.11757	kWh
E19P	Max Part-Peak Demand Summer	3.17170	3.22000	3.23000	0.00000	3.17170	3.22000	3.23000	3.22000	kW
E19P	Part-Peak Winter	0.05506	0.05634	0.06634	0.02893	0.08399	0.08527	0.09527	0.08527	kWh
E19P	Off-Peak Winter	0.03961	0.04065	0.05065	0.02893	0.06854	0.06958	0.07958	0.06958	kWh
E19P	Max Peak Demand Summer	13.02170	13.22000	13.23000	0.00000	13.02170	13.22000	13.23000	13.22000	kW
E19P	Peak Summer	0.10530	0.10734	0.11734	0.02893	0.13423	0.13627	0.14627	0.13627	kWh
E19P	Off-Peak Summer	0.03258	0.03352	0.04352	0.02893	0.06151	0.06245	0.07245	0.06245	kWh
E19P	Part-Peak Summer	0.06104	0.06241	0.07241	0.02893	0.08997	0.09134	0.10134	0.09134	kWh
E19PR	Off-Peak Winter	0.04358	0.04468	0.05468	0.02893	0.07251	0.07361	0.08361	0.07361	kWh
E19PR	Part-Peak Winter	0.05850	0.05983	0.06983	0.02893	0.08743	0.08876	0.09876	0.08876	kWh
E19PR	Off-Peak Summer	0.03678	0.03778	0.04778	0.02893	0.06571	0.06671	0.07671	0.06671	kWh
E19PR	Part-Peak Summer	0.09934	0.10129	0.11129	0.02893	0.12827	0.13022	0.14022	0.13022	kWh

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E19PR	Peak Summer	0.26010	0.26450	0.27450	0.02893	0.28903	0.29343	0.30343	0.29343	kWh
E19S	Part-Peak Winter	0.06309	0.06449	0.07449	0.02893	0.09202	0.09342	0.10342	0.09342	kWh
E19S	Max Peak Demand Summer	14.62725	14.85000	14.86000	0.00000	14.62725	14.85000	14.86000	14.85000	kW
E19S	Max Part-Peak Demand Summer	3.61495	3.67000	3.68000	0.00000	3.61495	3.67000	3.68000	3.67000	kW
E19S	Peak Summer	0.11642	0.11863	0.12863	0.02893	0.14535	0.14756	0.15756	0.14756	kWh
E19S	Part-Peak Summer	0.06952	0.07102	0.08102	0.02893	0.09845	0.09995	0.10995	0.09995	kWh
E19S	Off-Peak Winter	0.04617	0.04731	0.05731	0.02893	0.07510	0.07624	0.08624	0.07624	kWh
E19S	Off-Peak Summer	0.03845	0.03948	0.04948	0.02893	0.06738	0.06841	0.07841	0.06841	kWh
E19SR	Part-Peak Winter	0.06655	0.06800	0.07800	0.02893	0.09548	0.09693	0.10693	0.09693	kWh
E19SR	Peak Summer	0.27446	0.27908	0.28908	0.02893	0.30339	0.30801	0.31801	0.30801	kWh
E19SR	Part-Peak Summer	0.10914	0.11124	0.12124	0.02893	0.13807	0.14017	0.15017	0.14017	kWh
E19SR	Off-Peak Winter	0.05019	0.05139	0.06139	0.02893	0.07912	0.08032	0.09032	0.08032	kWh
E19SR	Off-Peak Summer	0.04274	0.04383	0.05383	0.02893	0.07167	0.07276	0.08276	0.07276	kWh
E19T	Off-Peak Summer	0.02990	0.03080	0.04080	0.02893	0.05883	0.05973	0.06973	0.05973	kWh
E19T	Max Part-Peak Demand Summer	3.58540	3.64000	3.65000	0.00000	3.58540	3.64000	3.65000	3.64000	kW
E19T	Part-Peak Summer	0.04912	0.05031	0.06031	0.02893	0.07805	0.07924	0.08924	0.07924	kWh
E19T	Peak Summer	0.06365	0.06506	0.07506	0.02893	0.09258	0.09399	0.10399	0.09399	kWh
E19T	Max Peak Demand Summer	14.31205	14.53000	14.54000	0.00000	14.31205	14.53000	14.54000	14.53000	kW
E19T	Off-Peak Winter	0.03664	0.03764	0.04764	0.02893	0.06557	0.06657	0.07657	0.06657	kWh
E19T	Part-Peak Winter	0.05141	0.05263	0.06263	0.02893	0.08034	0.08156	0.09156	0.08156	kWh
E19TR	Off-Peak Summer	0.03654	0.03754	0.04754	0.02893	0.06547	0.06647	0.07647	0.06647	kWh
E19TR	Off-Peak Winter	0.04306	0.04416	0.05416	0.02893	0.07199	0.07309	0.08309	0.07309	kWh
E19TR	Part-Peak Summer	0.09826	0.10020	0.11020	0.02893	0.12719	0.12913	0.13913	0.12913	kWh
E19TR	Part-Peak Winter	0.05733	0.05864	0.06864	0.02893	0.08626	0.08757	0.09757	0.08757	kWh
E19TR	Peak Summer	0.25202	0.25630	0.26630	0.02893	0.28095	0.28523	0.29523	0.28523	kWh
E20P	Part-Peak Winter	0.05869	0.05998	0.06998	0.02618	0.08487	0.08616	0.09616	0.08616	kWh

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E20P	Part-Peak Summer	0.06487	0.06626	0.07626	0.02618	0.09105	0.09244	0.10244	0.09244	kWh
E20P	Peak Summer	0.11187	0.11397	0.12397	0.02618	0.13805	0.14015	0.15015	0.14015	kWh
E20P	Max Part-Peak Demand Summer	3.67405	3.73000	3.74000	0.00000	3.67405	3.73000	3.74000	3.73000	kW
E20P	Off-Peak Summer	0.03597	0.03692	0.04692	0.02618	0.06215	0.06310	0.07310	0.06310	kWh
E20P	Off-Peak Winter	0.04308	0.04413	0.05413	0.02618	0.06926	0.07031	0.08031	0.07031	kWh
E20P	Max Peak Demand Summer	15.54330	15.78000	15.79000	0.00000	15.54330	15.78000	15.79000	15.78000	kW
E20PR	Off-Peak Summer	0.03906	0.04005	0.05005	0.02618	0.06524	0.06623	0.07623	0.06623	kWh
E20PR	Off-Peak Winter	0.04592	0.04702	0.05702	0.02618	0.07210	0.07320	0.08320	0.07320	kWh
E20PR	Part-Peak Summer	0.10098	0.10292	0.11292	0.02618	0.12716	0.12910	0.13910	0.12910	kWh
E20PR	Part-Peak Winter	0.06100	0.06233	0.07233	0.02618	0.08718	0.08851	0.09851	0.08851	kWh
E20PR	Peak Summer	0.26702	0.27148	0.28148	0.02618	0.29320	0.29766	0.30766	0.29766	kWh
E20S	Max Peak Demand Summer	14.19385	14.41000	14.42000	0.00000	14.19385	14.41000	14.42000	14.41000	kW
E20S	Off-Peak Summer	0.03534	0.03630	0.04630	0.02789	0.06323	0.06419	0.07419	0.06419	kWh
E20S	Peak Summer	0.10737	0.10943	0.11943	0.02789	0.13526	0.13732	0.14732	0.13732	kWh
E20S	Part-Peak Winter	0.05846	0.05977	0.06977	0.02789	0.08635	0.08766	0.09766	0.08766	kWh
E20S	Part-Peak Summer	0.06466	0.06607	0.07607	0.02789	0.09255	0.09396	0.10396	0.09396	kWh
E20S	Max Part-Peak Demand Summer	3.49675	3.55000	3.56000	0.00000	3.49675	3.55000	3.56000	3.55000	kW
E20S	Off-Peak Winter	0.04257	0.04364	0.05364	0.02789	0.07046	0.07153	0.08153	0.07153	kWh
E20SR	Off-Peak Summer	0.03897	0.03999	0.04999	0.02789	0.06686	0.06788	0.07788	0.06788	kWh
E20SR	Off-Peak Winter	0.04597	0.04709	0.05709	0.02789	0.07386	0.07498	0.08498	0.07498	kWh
E20SR	Part-Peak Summer	0.10123	0.10320	0.11320	0.02789	0.12912	0.13109	0.14109	0.13109	kWh
E20SR	Part-Peak Winter	0.06131	0.06267	0.07267	0.02789	0.08920	0.09056	0.10056	0.09056	kWh
E20SR	Peak Summer	0.24891	0.25313	0.26313	0.02789	0.27680	0.28102	0.29102	0.28102	kWh
E20T	Off-Peak Winter	0.03982	0.04080	0.05080	0.02457	0.06439	0.06537	0.07537	0.06537	kWh
E20T	Peak Summer	0.06633	0.06771	0.07771	0.02457	0.09090	0.09228	0.10228	0.09228	kWh
E20T	Part-Peak Summer	0.05207	0.05324	0.06324	0.02457	0.07664	0.07781	0.08781	0.07781	kWh

Rate	Billing Determinant Name	Bright Choice Rate	Brilliant 100 Rate	Renewable 100 Rate	System Fees	Total Bright Choice Rate	Total Brilliant 100 Rate	Total Renewable 100 Rate	PG&E July 2019 Generation Rate	Unit
E20T	Max Peak Demand Summer	18.52785	18.81000	18.82000	0.00000	18.52785	18.81000	18.82000	18.81000	kW
E20T	Part-Peak Winter	0.05431	0.05551	0.06551	0.02457	0.07888	0.08008	0.09008	0.08008	kWh
E20T	Max Part-Peak Demand Summer	4.41280	4.48000	4.49000	0.00000	4.41280	4.48000	4.49000	4.48000	kW
E20T	Off-Peak Summer	0.03320	0.03408	0.04408	0.02457	0.05777	0.05865	0.06865	0.05865	kWh
E20TR	Off-Peak Summer	0.03544	0.03635	0.04635	0.02457	0.06001	0.06092	0.07092	0.06092	kWh
E20TR	Off-Peak Winter	0.04183	0.04284	0.05284	0.02457	0.06640	0.06741	0.07741	0.06741	kWh
E20TR	Part-Peak Summer	0.09461	0.09642	0.10642	0.02457	0.11918	0.12099	0.13099	0.12099	kWh
E20TR	Part-Peak Winter	0.05584	0.05706	0.06706	0.02457	0.08041	0.08163	0.09163	0.08163	kWh
E20TR	Peak Summer	0.26071	0.26505	0.27505	0.02457	0.28528	0.28962	0.29962	0.28962	kWh
E37	Off-Peak Winter	0.01937	0.02005	0.03005	0.02520	0.04457	0.04525	0.05525	0.04525	kWh
E37	Off-Peak Summer	0.02850	0.02932	0.03932	0.02520	0.05370	0.05452	0.06452	0.05452	kWh
E37	Peak Summer	0.13455	0.13698	0.14698	0.02520	0.15975	0.16218	0.17218	0.16218	kWh
E37	Max Demand Summer	4.89545	4.97000	4.98000	0.00000	4.89545	4.97000	4.98000	4.97000	kW
E37	Max Peak Demand Summer	6.12670	6.22000	6.23000	0.00000	6.12670	6.22000	6.23000	6.22000	kW
E37	Part-Peak Winter	0.05061	0.05176	0.06176	0.02520	0.07581	0.07696	0.08696	0.07696	kWh
E6	Part-Peak Winter	0.08289	0.08462	0.09462	0.03044	0.11333	0.11506	0.12506	0.11506	kWh
E6	Peak Summer	0.22074	0.22456	0.23456	0.03044	0.25118	0.25500	0.26500	0.25500	kWh
E6	Part-Peak Summer	0.10407	0.10612	0.11612	0.03044	0.13451	0.13656	0.14656	0.13656	kWh
E6	Off-Peak Summer	0.05646	0.05778	0.06778	0.03044	0.08690	0.08822	0.09822	0.08822	kWh
E6	Off-Peak Winter	0.06980	0.07133	0.08133	0.03044	0.10024	0.10177	0.11177	0.10177	kWh
ETOUA	Peak Summer	0.16767	0.17069	0.18069	0.03044	0.19811	0.20113	0.21113	0.20113	kWh
ETOUA	Peak Winter	0.08164	0.08335	0.09335	0.03044	0.11208	0.11379	0.12379	0.11379	kWh
ETOUA	Off-Peak Winter	0.06756	0.06905	0.07905	0.03044	0.09800	0.09949	0.10949	0.09949	kWh
ETOUA	Off-Peak Summer	0.09323	0.09511	0.10511	0.03044	0.12367	0.12555	0.13555	0.12555	kWh
ETOUB	Peak Summer	0.18923	0.19258	0.20258	0.03044	0.21967	0.22302	0.23302	0.22302	kWh
ETOUB	Peak Winter	0.08400	0.08574	0.09574	0.03044	0.11444	0.11618	0.12618	0.11618	kWh

Rate	Billing Determinant Name	Bright Choice Rate	Brilliant 100 Rate	Renewable 100 Rate	System Fees	Total Bright Choice Rate	Total Brilliant 100 Rate	Total Renewable 100 Rate	PG&E July 2019 Generation Rate	Unit
ETOUB	Off-Peak Summer	0.08772	0.08952	0.09952	0.03044	0.11816	0.11996	0.12996	0.11996	kWh
ETOUB	Off-Peak Winter	0.06549	0.06695	0.07695	0.03044	0.09593	0.09739	0.10739	0.09739	kWh
ETOUC3	Peak Summer	0.14303	0.14567	0.15567	0.03044	0.17347	0.17611	0.18611	0.17611	kWh
ETOUC3	Off-Peak Summer	0.08054	0.08223	0.09223	0.03044	0.11098	0.11267	0.12267	0.11267	kWh
ETOUC3	Peak Winter	0.08742	0.08921	0.09921	0.03044	0.11786	0.11965	0.12965	0.11965	kWh
ETOUC3	Off-Peak Winter	0.07035	0.07188	0.08188	0.03044	0.10079	0.10232	0.11232	0.10232	kWh
ETOUP1	Peak Summer	0.16687	0.16987	0.17987	0.03044	0.19731	0.20031	0.21031	0.20031	kWh
ETOUP1	Off-Peak Winter	0.04312	0.04424	0.05424	0.03044	0.07356	0.07468	0.08468	0.07468	kWh
ETOUP1	Off-Peak Summer	0.06535	0.06681	0.07681	0.03044	0.09579	0.09725	0.10725	0.09725	kWh
ETOUP1	Peak Winter	0.06164	0.06304	0.07304	0.03044	0.09208	0.09348	0.10348	0.09348	kWh
ETOUP2	Peak Summer	0.18322	0.18647	0.19647	0.03044	0.21366	0.21691	0.22691	0.21691	kWh
ETOUP2	Peak Winter	0.06073	0.06212	0.07212	0.03044	0.09117	0.09256	0.10256	0.09256	kWh
ETOUP2	Off-Peak Summer	0.05190	0.05315	0.06315	0.03044	0.08234	0.08359	0.09359	0.08359	kWh
ETOUP2	Part-Peak Summer	0.12324	0.12558	0.13558	0.03044	0.15368	0.15602	0.16602	0.15602	kWh
ETOUP2	Off-Peak Winter	0.04100	0.04209	0.05209	0.03044	0.07144	0.07253	0.08253	0.07253	kWh
ETOUP3	Peak Summer	0.16715	0.17016	0.18016	0.03044	0.19759	0.20060	0.21060	0.20060	kWh
ETOUP3	Off-Peak Summer	0.06564	0.06710	0.07710	0.03044	0.09608	0.09754	0.10754	0.09754	kWh
ETOUP3	Off-Peak Winter	0.04743	0.04862	0.05862	0.03044	0.07787	0.07906	0.08906	0.07906	kWh
ETOUP3	Peak Winter	0.06610	0.06757	0.07757	0.03044	0.09654	0.09801	0.10801	0.09801	kWh
ETOUP3	Peak Spring	0.05381	0.05509	0.06509	0.03044	0.08425	0.08553	0.09553	0.08553	kWh
ETOUP3	Off Peak Spring	0.04166	0.04276	0.05276	0.03044	0.07210	0.07320	0.08320	0.07320	kWh
ETOUP3	Super Off Spring	0.01562	0.01632	0.02632	0.03044	0.04606	0.04676	0.05676	0.04676	kWh
EVA	Off-Peak Winter	0.03835	0.03940	0.04940	0.03044	0.06879	0.06984	0.07984	0.06984	kWh
EVA	Peak Winter	0.07205	0.07361	0.08361	0.03044	0.10249	0.10405	0.11405	0.10405	kWh
EVA	Part-Peak Winter	0.03359	0.03457	0.04457	0.03044	0.06403	0.06501	0.07501	0.06501	kWh
EVA	Off-Peak Summer	0.03599	0.03700	0.04700	0.03044	0.06643	0.06744	0.07744	0.06744	kWh
EVA	Part-Peak Summer	0.10174	0.10375	0.11375	0.03044	0.13218	0.13419	0.14419	0.13419	kWh

Rate	Billing Determinant Name	Bright Choice Rate	Brilliant 100 Rate	Renewable 100 Rate	System Fees	Total Bright Choice Rate	Total Brilliant 100 Rate	Total Renewable 100 Rate	PG&E July 2019 Generation Rate	Unit
EVA	Peak Summer	0.24383	0.24801	0.25801	0.03044	0.27427	0.27845	0.28845	0.27845	kWh
EVB	Off-Peak Winter	0.03835	0.03940	0.04940	0.03044	0.06879	0.06984	0.07984	0.06984	kWh
EVB	Peak Winter	0.07205	0.07361	0.08361	0.03044	0.10249	0.10405	0.11405	0.10405	kWh
EVB	Part-Peak Winter	0.03359	0.03457	0.04457	0.03044	0.06403	0.06501	0.07501	0.06501	kWh
EVB	Off-Peak Summer	0.03599	0.03700	0.04700	0.03044	0.06643	0.06744	0.07744	0.06744	kWh
EVB	Part-Peak Summer	0.10174	0.10375	0.11375	0.03044	0.13218	0.13419	0.14419	0.13419	kWh
EVB	Peak Summer	0.24383	0.24801	0.25801	0.03044	0.27427	0.27845	0.28845	0.27845	kWh
EV2	Off-Peak Winter	0.06117	0.06257	0.07257	0.03044	0.09161	0.09301	0.10301	0.09301	kWh
EV2	Peak Winter	0.09660	0.09853	0.10853	0.03044	0.12704	0.12897	0.13897	0.12897	kWh
EV2	Part-Peak Winter	0.08430	0.08605	0.09605	0.03044	0.11474	0.11649	0.12649	0.11649	kWh
EV2	Off-Peak Summer	0.06806	0.06956	0.07956	0.03044	0.09850	0.10000	0.11000	0.10000	kWh
EV2	Part-Peak Summer	0.10858	0.11070	0.12070	0.03044	0.13902	0.14114	0.15114	0.14114	kWh
EV2	Peak Summer	0.15262	0.15541	0.16541	0.03044	0.18306	0.18585	0.19585	0.18585	kWh
LS	Flat	0.06805	0.06946	0.07946	0.02427	0.09232	0.09373	0.10373	0.09373	kWh
STOUP	Part-Peak Winter	0.08047	0.08203	0.09203	0.02207	0.10254	0.10410	0.11410	0.10410	kWh
STOUP	Peak Summer	0.09625	0.09805	0.10805	0.02207	0.11832	0.12012	0.13012	0.12012	kWh
STOUP	Off-Peak Summer	0.05291	0.05405	0.06405	0.02207	0.07498	0.07612	0.08612	0.07612	kWh
STOUP	Reservation Charge	0.46295	0.47000	0.48000	0.00000	0.46295	0.47000	0.48000	0.47000	kWh
STOUP	Part-Peak Summer	0.07748	0.07900	0.08900	0.02207	0.09955	0.10107	0.11107	0.10107	kWh
STOUP	Off-Peak Winter	0.06144	0.06271	0.07271	0.02207	0.08351	0.08478	0.09478	0.08478	kWh
STOUS	Part-Peak Summer	0.07748	0.07900	0.08900	0.02207	0.09955	0.10107	0.11107	0.10107	kWh
STOUS	Peak Summer	0.09625	0.09805	0.10805	0.02207	0.11832	0.12012	0.13012	0.12012	kWh
STOUS	Off-Peak Summer	0.05291	0.05405	0.06405	0.02207	0.07498	0.07612	0.08612	0.07612	kWh
STOUS	Off-Peak Winter	0.06144	0.06271	0.07271	0.02207	0.0835083	0.08478	0.09478	0.08478	kWh
STOUS	Part-Peak Winter	0.08047	0.08203	0.09203	0.02207	0.1025385	0.1041	0.1141	0.1041	kWh
STOUS	Reservation Charge	0.46295	0.47000	0.48000	0.00000	0.46295	0.47000	0.48000	0.47000	kWh
STOUT	Peak Summer	0.07650	0.07800	0.08800	0.02207	0.09856895	0.10007	0.11007	0.10007	kWh

Rate	Billing Determinant Name	Bright Choice Rate	Brilliant 100 Rate	Renewable 100 Rate	System Fees	Total Bright Choice Rate	Total Brilliant 100 Rate	Total Renewable 100 Rate	PG&E July 2019 Generation Rate	Unit
STOUT	Part-Peak Summer	0.06103	0.06230	0.0723	0.02207	0.08310445	0.08437	0.09437	0.08437	kWh
STOUT	Reservation Charge	0.36208	0.36793	0.37793	0.02207	0.38415	0.39000	0.40000	0.39000	kWh
STOUT	Off-Peak Summer	0.04058	0.04153	0.05153	0.02207	0.062646	0.0636	0.0736	0.0636	kWh
STOUT	Off-Peak Winter	0.04775	0.04881	0.05881	0.02207	0.0698168	0.07088	0.08088	0.07088	kWh
STOUT	Part-Peak Winter	0.06347	0.06477	0.07477	0.02207	0.0855374	0.08684	0.09684	0.08684	kWh
TC1	Flat	0.07330	0.07487	0.08487	0.02968	0.10298175	0.10455	0.11455	0.10455	kWh
A15	Summer	0.10603	0.10803	0.11803	0.02513	0.1311626	0.13316	0.14316	0.13316	kWh
A15	Winter	0.06650	0.06790	0.0779	0.02513	0.09163455	0.09303	0.10303	0.09303	kWh

* Updates on 8/15/19 made to E19PR, E19SR, E19TR, E20PR, E20SR, and E20TR to reflect corrections posted by PG&E to these tariffs on 8/1/19.

* Updates on 8/28/19 made to LS and TC1 to correct typographic errors.



Rate Schedule Map

Rate Schedule	Rate Family	Rate Class
AG1A	AG1A	Agricultural
AG1B	AG1B	Agricultural
AG4A	AG4A	Agricultural
AG4B	AG4B	Agricultural
AG4C	AG4C	Agricultural
AG4D	AG4A	Agricultural
AG4E	AG4B	Agricultural
AG4F	AG4C	Agricultural
AG5A	AG5A	Agricultural
AG5B	AG5B	Agricultural
AG5C	AG5C	Agricultural
AG5D	AG5A	Agricultural
AG5E	AG5B	Agricultural
AG5F	AG5C	Agricultural
AGICE	AGICE	Agricultural
AGRA	AGRA	Agricultural
AGRB	AGRB	Agricultural
AGRD	AGRA	Agricultural
AGRE	AGRB	Agricultural
AGVA	AGVA	Agricultural
AGVB	AGVB	Agricultural
AGVD	AGVA	Agricultural
AGVE	AGVB	Agricultural
E20P	E20P	Large Commercial
E20PR	E20PR	Large Commercial
E20S	E20S	Large Commercial
E20SR	E20SR	Large Commercial
E20T	E20T	Large Commercial
E20TR	E20TR	Large Commercial
LS1	LS	Lights
LS2	LS	Lights
LS3	LS	Lights
OL1	LS	Lights
TC1	TC1	Lights
A10P	A10P	Medium Commercial
A10PL	A10P	Medium Commercial

Rate Schedule	Rate Family	Rate Class
A10PX	A10PX	Medium Commercial
A10S	A10S	Medium Commercial
A10SL	A10S	Medium Commercial
A10SX	A10SX	Medium Commercial
A10T	A10T	Medium Commercial
A10TL	A10T	Medium Commercial
A10TX	A10TX	Medium Commercial
E19P	E19P	Medium Commercial
E19PR	E19PR	Medium Commercial
E19PV	E19P	Medium Commercial
E19S	E19S	Medium Commercial
E19SR	E19SR	Medium Commercial
E19SV	E19S	Medium Commercial
E19T	E19T	Medium Commercial
E19TR	E19TR	Medium Commercial
E19TV	E19T	Medium Commercial
E37	E37	Medium Commercial
E1	E1	Residential
E1L	E1	Residential
E1M	E1	Residential
E1ML	E1	Residential
E6	E6	Residential
E6L	E6	Residential
ELTOUC3	ETOU3	Residential
EM	E1	Residential
EML	E1	Residential
EMLTOU	E6	Residential
EMTOU	E6	Residential
ES	E1	Residential
ESL	E1	Residential
ESR	E1	Residential
ESRL	E1	Residential
ET	E1	Residential
ETL	E1	Residential
ETOUA	ETOUA	Residential
ETOUAL	ETOUA	Residential



Rate Schedule	Rate Family	Rate Class
ETOUB	ETOUB	Residential
ETOUBL	ETOUB	Residential
ETOUC3	ETOUC3	Residential
ETOUP1	ETOUP1	Residential
ETOUP1L	ETOUP1	Residential
ETOUP2	ETOUP2	Residential
ETOUP2L	ETOUP2	Residential
ETOUP3	ETOUP3	Residential
ETOUP3L	ETOUP3	Residential
EVA	EV	Residential

Rate Schedule	Rate Family	Rate Class
EVB	EV	Residential
A1	A1	Small Commercial
A15	A15	Small Commercial
A1L	A1	Small Commercial
A1X	A1X	Small Commercial
A6	A6	Small Commercial
STOUP	STOUP	Standby
STOUS	STOUS	Standby
STOUT	STOUT	Standby



Schedule of Fees and Surcharges

Class	2019 PCIA (\$/kWh)	2019 Franchise (\$/kWh)	Sum (\$/kWh)
All Residential	0.02979	0.00065	0.0304
A1	0.02905	0.00063	0.0297
A10	0.03019	0.00067	0.0309
E19	0.02830	0.00063	0.0289
Street	0.02375	0.00052	0.0243
Standby	0.02160	0.00047	0.0221
Agricultural	0.02605	0.00057	0.0266
E20T	0.02405	0.00052	0.0246
E20P	0.02561	0.00057	0.0262
E20S	0.02731	0.00058	0.0279

Adjustments and Discounts

Adjustment	Rate	Amount
Primary Voltage Discount - Max Demand Summer	AG1B	\$ (0.87)
Primary Voltage Discount - Max Demand Summer	AG4B	\$ (0.69)
Primary Voltage Discount - Max Peak Demand Summer	AG4C	\$ (1.19)
Transmission Voltage Discount - Max Peak Demand Summer	AG4C	\$ (2.19)
Transmission Voltage Discount - Max Part-Peak Demand Summer	AG4C	\$ 0.02
Primary Voltage Discount - Max Demand Summer	AG5B	\$ (1.63)
Transmission Voltage Discount - Max Demand Summer	AG5B	\$ (2.84)
Primary Voltage Discount - Max Peak Demand Summer	AG5C	\$ (2.49)
Transmission Voltage Discount - Max Peak Demand Summer	AG5C	\$ (4.66)
Primary Voltage Discount - Max Demand Summer	AGRB	\$ (0.58)
Primary Voltage Discount - Max Demand Summer	AGVB	\$ (0.62)
Primary Voltage Discount - Max Demand Summer	E37	\$ (1.56)
Transmission Voltage Discount - Max Demand Summer	E37	\$ (2.71)
NEM Generation - Bonus Credit	New NEM	\$ 0.01
NEM Generation - Bonus Credit	Muni /Low Income NEM	\$ 0.01



Staff Report Item 12

TO: East Bay Community Energy Board of Directors
FROM: Nick Chaset, Chief Executive Officer
SUBJECT: CEO Report (Informational Item)
DATE: September 18, 2019

Recommendation

Accept Chief Executive Officer (CEO) report on update items below.

Executive Committee Meeting

The Executive Committee met on July 26, 2019, where they received presentations on marketing and accounting services, carbon accounting and power content and EBCE's compliance with its energy risk management policy.

New Staff

Chris Eshleman, Power Resources Manager

Chris began his career in Clifton Park, NY at L&S Energy Services Inc. as an Energy Engineer. There he performed energy audits and prepared energy conservation studies and engineering analysis for residential, commercial, industrial, and municipal buildings. He joins EBCE after 5 years with Pacific Gas and Electric, where he advanced to become a Senior Day Ahead Analyst. In that role, he ensured the continual increase in operations efficiency and growth while retaining an unwavering attention to the company's core values, mission, and objectives. As our new Power Resources Manager, Chris is applying his expertise in implementing both long-range strategic plans and daily process improvements to deliver compliant, reliable projects. Chris received a Master of Engineering in Energy Systems Engineering (Utility Operations) from Lehigh University and a Bachelor of Science in Mechanical Engineering from San Diego State University.

Vanessa Gerber, Strategic Operations Analyst

Vanessa joined our team on August 19, 2019 as our new Strategic Operations Analyst. Her primary role is to work collaboratively with our Regulatory, Local Development, Power Procurement, Marketing and Technology & Analytics teams on cross functional priorities related

to regulatory matters, revenue forecasting, integrated resource planning, rate design, and local program design. Vanessa brings a passionate commitment to being a part of the transition of our energy systems not only in the name of deploying clean electricity, but also through more accessible and equitable services. Prior to joining EBCE she worked for CleanFund, which is a clean energy finance company in Sausalito. During her two years there, her responsibilities ranged from corporate marketing and communications, to data analytics and management, to solar and efficiency project scoping, to simply picking up the phone to secure and foster key relationships with property owners and channel partners. Vanessa has a MSc in Environmental Change & Management from the University of Oxford and a BS in Conservation & Resource Studies from UC Berkeley.

Dawn Owens, Business Customer Engagement Manager

Dawn is joining our Marketing Team in the role of Business Customer Engagement Manager. She brings 7 years of experience in client facing roles and over 10 years of California energy industry experience. Before EBCE, she was the Director of Energy Projects at Experis/Manpower Group. There she facilitated the completion of a 500 MW power generating station, which will provide significant portion of client's EBITDA for the next 5 years. In her position at EBCE, she will serve as a credible, experienced, relentlessly positive, and passionate representative, who engages businesses without our service territory about the benefits of cleaner power provided locally at reasonable rates. Dawn received a finance focused MBA from the University of San Francisco and a BA in Economics with a minor in Psychology from New Mexico State University.

EBCE Clean Energy Procurement Policies and Options Discussion

As part of EBCE's on-going consideration of its energy procurement strategies and policies, attached is a presentation for discussion on a variety of potential policies to consider over the coming years.

Marketing and Outreach Update

Attached power presentation

Attachments

- A. Marketing and Outreach Update presentation (Document forthcoming)
- B. EBCE Clean Energy Procurement Discussion presentation



EBCE Clean Energy Procurement

PRESENTED BY: Nick Chaset

DATE: 9/18/19



EBCE Clean Energy Procurement

In 2018, EBCE exceeded the Bright Choice clean energy goals by 5%, with a total zero emission power content of 90%

EBCE Power Content	2018 POWER MIX (Actual)
Eligible Renewable	42%
-- Biomass & waste	
-- Geothermal	
-- Small hydroelectric	
-- Solar	
-- Wind	
Coal	
Large Hydroelectric	27%
Natural Gas	
Nuclear	
Other	
Unspecified power*	7.0%
ACS - Unspecified	24%
CO2-free equivalent (accounts for small quantity CO2 in ACS)	90.0%

To put EBCE's power content in perspective, over the last six years PG&E's clean energy content (when excluding nuclear power) has ranged from 32% in 2013 to 52% in 2018.

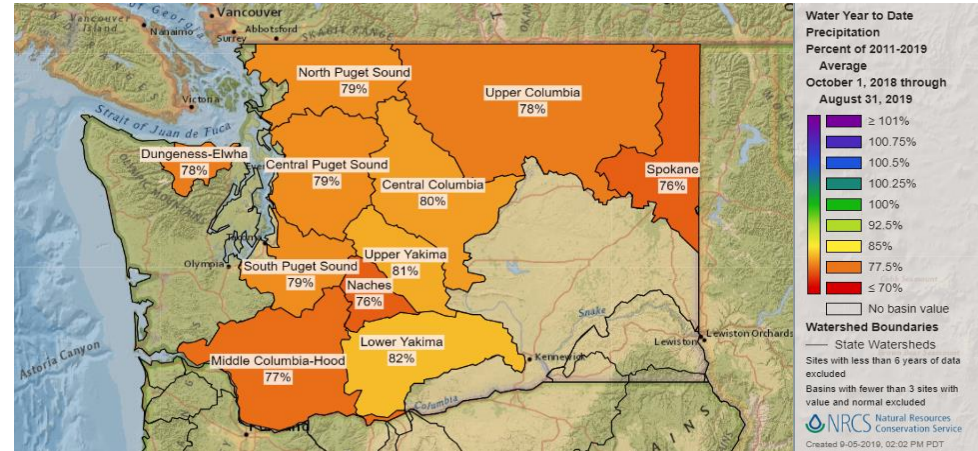
PG&E Power Content	2013 POWER MIX (Actual)	2014 POWER MIX (Actual)	2015 POWER MIX (Actual)	2016 POWER MIX (Actual)	2017 POWER MIX (Actual)	2018 POWER MIX (Actual)
Eligible Renewable	22%	27%	30%	33%	33%	39%
-- Biomass & waste	4%	5%	4%	4%	4%	4%
-- Geothermal	5%	5%	5%	5%	5%	4%
-- Small hydroelectric	2%	1%	1%	3%	3%	3%
-- Solar	5%	9%	11%	13%	13%	18%
-- Wind	6%	7%	8%	8%	8%	10%
Coal	0%	0%	0%	0%	0%	0%
Large Hydroelectric	10%	8%	6%	12%	18%	13%
Natural Gas	28%	24%	25%	17%	20%	15%
Nuclear	22%	21%	23%	24%	27%	34%
Other	0%	0%	0%	0%	0%	0%
Unspecified sources of power	18%	20%	17%	14%	2%	0%
CO2-free (w Nuclear)	53%	56%	59%	69%	78%	86%
CO2-free (w/o Nuclear)	32%	35%	36%	45%	51%	52%

PG&E's future power content remains highly uncertain due to 1) on going loss of load, 2) reallocation of clean energy resources from PG&E to CCAs as part of the PCIA proceeding, and 3) the inherent variability of renewables and hydro. The closure of Diablo Canyon starting in 2024 will likely result in PG&E's longer term power content matching its current nuclear-free clean energy % - which is in the 50%-60% range

EBCE Clean Energy Procurement cont.

CO2-free energy continues to be constrained significantly with reduced supply of large hydro predominantly related to

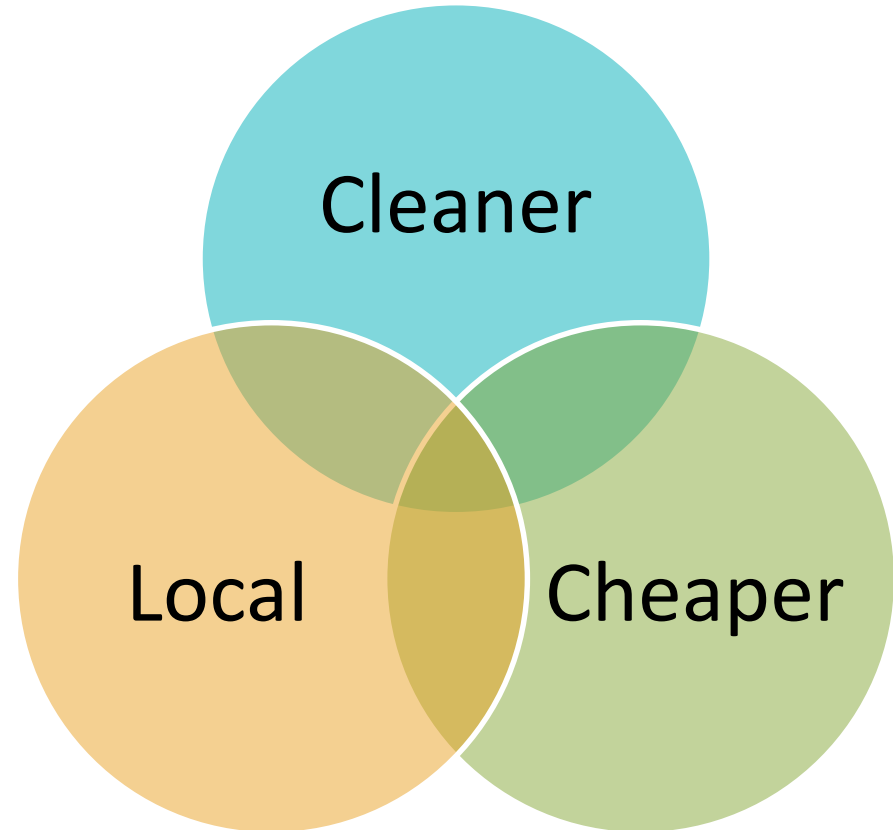
- PG&E and SCE electing not to sell any large hydro supply in 2019
- PNW Hydro at less than 80% of normal water levels



Diminished supply of CO2-free energy supply creates risk for EBCE as a number of our supply agreements include variable delivery quantities based on available supply. Practically, this means that EBCE may not be supplied sufficient CO2-free energy to meet Bright Choice 85% CO2-free power content in 2019. As the end of the energy supply year, further updates will be provided.

EBCE Clean Energy Pathways

- EBCE JPA requires that EBCE is cleaner and cheaper than PG&E while making significant investments in local clean energy
- What are policies and procurement strategies that EBCE can pursue to optimize across these three priorities?



EBCE Clean Energy Pathways: 2019 and 2020

- **Implement clean energy compliance periods instead of firm annual targets**
 - Primary reasons for this shift **from** annual to 3-4 year compliance period is to account for intermittent and variable nature of clean energy resources and this would align large hydro to the RPS compliance periods
 - **Also** allows EBCE to **respond** to PG&E's actual power content **instead of guessing** where they may end up
 - Overall, this approach will primarily ensure EBCE can meet its clean energy goals in the most cost-effective way possible

Illustrative Clean Energy Compliance Period

EBCE Power Content	2018	2019	2020	Compliance '18-'20
	POWER MIX (Actual)	POWER MIX (Est)	POWER MIX (Est)	POWER MIX (Actual)
Eligible Renewable	42%	38%	38%	38%
-- Biomass & waste				
-- Geothermal				
-- Small hydroelectric				
-- Solar				
-- Wind				
Coal				
Large Hydroelectric	27%	45%	45%	47%
Natural Gas				
Nuclear				
Other				
Unspecified power*	7.0%	15%	15%	15%
ACS - Unspecified	24%			
CO2-free equivalent (accounts for small quantity CO2 in ACS)	90.0%	83%	83%	85%

Variability of PG&E's hydro 2013-2018

ENERGY RESOURCES	2013	2014	2015	2016	2017	2018
	POWER MIX (Actual)	POWER MIX (Actual)	POWER MIX (Actual)	POWER MIX (Actual)	POWER MIX (Actual)	POWER MIX (Actual)
Large Hydroelectric	10%	8%	6%	12%	18%	13%

EBCE Clean Energy Pathways: 2019 and 2020

- **Set Clean Energy Procurement ‘Loading Order’ to further integrate policy priorities into procurement**
 - Provides policy direction to EBCE to plan and execute procurement within defined financial limits set by board (i.e. maintain discount, meet EBCE annual financial reserve contribution targets, cover all budgeted expenses)

Example:

- 1) Local Clean Energy **including** EE/DR/RE/Storage
- 2) PCC1 renewables
- 3) PCC2 renewables
- 4) CA Large Hydro
- 5) CAISO Large Hydro
- 6) Non- CAISO Large Hydro
- 7) PCC 3 – as limited by EBCE JPA
- 8) Nuclear (EBCE currently has no formal policy about use of nuclear energy)

EBCE Clean Energy Pathways: 2021 and Beyond

- EBCE is currently kicking off the analysis required to prepare an Integrated Resource Plan (IRP) to the Community and the Board in early 2020
- Goal of IRP is to set clean energy goals for EBCE over the next decade
- Within IRP process, EBCE can also better define goals for Local Clean Energy over the next decade
- With IRP targets set, EBCE would pursue procurement to meet these targets within the context of policies like compliance periods and loading order

Sample EBCE IRP Derived Power Content	2021	2025	2030
	POWER MIX (est)	POWER MIX (est)	POWER MIX (est)
Eligible Renewable	50%	60.0%	70%
-- Biomass & waste			
-- Geothermal			
-- Small hydroelectric			
-- Solar			
-- Wind			
Coal			
Large Hydroelectric (inc	40%	35%	25%
Natural Gas			
Nuclear			
Other			
Unspecified sources of po	10%	5%	5%
TOTAL	100%	100%	100%
Large Hydro Sources			
PNW Hydro	17%	12%	2%
PG&E Hydro	8%	8%	8%
CAISO Imports	15%	15%	15%
CO2 %	40%	35%	25%
Renewable Sources			
PCC1 Total	24.8%	52%	65%
PG&E PCC1		24%	20%
EBCE PCC1 contracts		28%	45%
PCC2	23.6%	6%	4%
PCC3	1.7%	3%	1%
RE %	50.0%	60.0%	70.0%

Description of Carbon-Free Energy Sources

Resource Type	Description
RPS – PCC1	Renewable energy that is generated and/or consumed in the CAISO. REC and energy are bundled together.
RPS – PCC2	Renewable energy that is generated and consumed outside of CAISO, but within western grid. REC and energy are bundled together, with unspecified energy being delivered into California within the same hour that the renewable generation is actually generated.
RPS – PCC3	Renewable energy that is generated in CAISO or outside of CAISO. REC is unbundled from energy and can be sold after the energy is actually generated.
CO2-free – CAISO Large Hydro	Large hydro from a specified source (e.g. specific dam) that is generated and/or consumed in the CAISO. Carbon-free attribute and energy are bundled together.
CO2-free – CAISO ACS	Large hydro from a specified system of sources (e.g. a geographic area controlled by a single utility with multiple large hydro generators and some small quantity of unspecified energy) that is imported and consumed in the CAISO. Carbon-free attribute and energy are bundled together.
CO2-free WECC Large Hydro	Large hydro from a specified source (e.g. specific dam) that is generated and consumed outside of CAISO, but within the western grid. Carbon free attribute and energy are bundled together and may or may not be imported into California.
CO2-free – CAISO Nuclear	Nuclear energy from Diablo Canyon Nuclear Generating Station (DCNGS) or Palo Verde Nuclear Generating Station (PVNGS). DVNGS is located in California. PVNGS is located in Arizona. Carbon-free attribute is bundled with energy.



Legislative Update

September 19, 2019



Remaining Legislative Schedule

- By Sept 13: Bills must pass the floor
- By Oct 13 : Gov must sign bills into law

Bill Tracker – Oppose/Watch

Item 14

Bill No.	Author	Summary	Status	EBCE Position	Notes
AB 56	E. Garcia	Establishes statewide central electricity procurement entity	Failed in policy cmtc	OPPOSE UNLESS AMENDED	Sent amendments to author; oppose coalition letter sent
SB 155	Bradford	Requires CPUC to notify retail sellers if they are at risk of not satisfying RPS requirements	Sent to Gov for signature	NEUTRAL	Amended to remove requirements re IRP enforcement
SB 350	Hertzberg	Authorizes CPUC to consider multiyear centralized RA mechanism	2-year bill	WATCH	
SB 520	Hertzberg	Provides that IOUs are POLR unless IOU/CCA/CPUC all agree otherwise; IOUs to receive cost recovery for serving as POLR	Sent to Gov for signature	OPPOSE	Testified in opposition 7/10; veto letter pending

Bill Tracker - Support

Bill No.	Author	Summary	Status	EBCE Position	Notes
SB 49	Skinner	Requires EE standards also reduce the emissions of GHG associated with wasteful, uneconomic, inefficient, or unnecessary energy consumption	Sent to Gov for signature	SUPPORT	<i>Support letter sent 4/3</i>
SB 167	Dodd	Requires CPUC to include impacts on medical baseline customers of IOU wildfire mitigation plans	Sent to Gov for signature	SUPPORT	
SB 255	Bradford	Expands CPUC supplier diversity program to CCAs, ESPs, wholesale electric generators	Sent to Gov for signature	SUPPORT	

Wildfire Legislation Update

- AB 1054 (Holden) and AB 111 (companion budget bill) creating wildfire liability fund, passed Asm and Sen 7/11, signed by Gov 7/12
- AB 235 (Mayes), PG&E's bill to allow the state to issue tax-exempt, low-interest bonds on PG&E's behalf to pay wildfire claims, did not receive a rule waiver and will not be heard until next year
- AB 1513 (Holden) cleans up AB 1054 re ensuring that wildfire fund not subject to federal taxes
- SB 378 (Wiener), introduced to limit Public Safety Power Shutoff events, will not be heard until next year

Next Steps

- Veto request letters to the Gov due soon
- EBCE working with CalCCA on 2020 legislative agenda
 - Identifying proactive opportunities to promote community choice autonomy, load stability, acceleration of decarbonization, and local development opportunities
 - Identifying bills we previously opposed that are likely to resurface in 2020, in order to identify engagement strategy and build coalitions



Staff Report Item 16

TO: East Bay Community Energy Board of Directors

FROM: Alex DiGiorgio, Public Engagement Manager

SUBJECT: Inclusion of New Communities (Informational Item)

DATE: September 18, 2019

Recommendation

Receive report on including new jurisdictions within EBCE's service area.

Background and Discussion

As a mission-driven public agency, EBCE strives to reduce energy-related greenhouse gas (GHG) emissions by providing more renewable energy at competitive rates while pioneering innovative programs and policies. To the extent EBCE retains and expands its customer-base, it can accelerate the achievement of this mission. Moreover, by including new communities within its service area, EBCE can more generally advance sustainable development, environmental justice, and energy democracy throughout California.

New Community Inclusion: Requirements, Timing, Process

Section 3.1 of EBCE's Joint Powers Authority (JPA) Agreement refers to the "Addition of Parties," and provides for the possibility of including new cities and/or counties within the JPA.

Requirements

In order to join EBCE, the following requirements must be met: 1) the governing body of the prospective jurisdiction (i.e., the City Council or County Board of Supervisors) must pass a resolution and ordinance to join EBCE's JPA; 2) EBCE's Board must pass a resolution authorizing the membership of the prospective jurisdiction; and 3) EBCE

must update its Joint Powers Agreement and file an updated Implementation Plan with the California Public Utilities Commission (CPUC) reflecting the membership of the new jurisdiction(s) within EBCE’s JPA.

Section 3.1 of the Joint Power Agreement also provides for the possibility of other “conditions” for JPA membership (e.g. “membership payments” or “membership fees”), which are subject to the discretion of EBCE’s Board. To date, no such conditions have been considered.

Timing

In February of 2018, the CPUC passed [Resolution E-4907](#), which delays the timeline by which California cities and counties may begin service with Community Choice Aggregation (CCA) agencies, like EBCE. In effect, cities and counties must wait a full calendar year between the time they form or join a CCA and when electricity customers within their borders may be enrolled in the CCA’s service. As a result, any jurisdiction that requests to begin service with EBCE by 2021, must complete the process of joining EBCE’s JPA by the end of 2019. Otherwise, enrollment with EBCE will not be possible until 2022 or later.

Process

Given the requirements and timing articulated above, EBCE staff has drafted a document outlining the process to join EBCE in time to enroll customers before 2022. Please see attached: ‘Steps to Joining East Bay Community Energy (EBCE).’

Date	Event
Aug-Sept 2019	City completes PG&E Load Data Request Forms
Sept-Oct 2019	City passes Resolution, Ordinance to join EBCE
Aug-Oct 2019	EBCE conducts internal technical analysis to evaluate inclusion request(s)
Oct-Nov 2019	Earliest opportunities for EBCE Executive Committee (Exec Com/Board of Directors (BoD) and Community Advisory Committee (CAC) to consider technical analysis and inclusion request(s)
Nov-Dec 2019	Latest opportunities for EBCE Exec Com, BoD and CAC to consider technical analysis and inclusion request(s). Pending affirmative Board vote, staff updates Joint Powers Agreement and files updated Implementation Plan with CPUC
2020	New communities entitled to Board seat(s); community outreach within new jurisdictions begins
2021	Enrollment begins in new jurisdiction(s)

New Community Inclusion: Eligible Communities

The following jurisdictions have expressed interest in considering EBCE membership:

- 1) City of Tracy (San Joaquin County);
- 2) City of Newark (Alameda County); and
- 3) City of Pleasanton (Alameda County)

Fiscal Impact

There is no fiscal impact to consider the inclusion of new communities. There would be fiscal impacts, however, to considering the membership requests of a given jurisdiction. These should be discussed and considered by EBCE's Board if/when a jurisdiction completes its share of the required steps to join EBCE.

Staff Recommendation

Consider inclusion of new communities within EBCE's JPA

Attachments

- A. Steps to Joining East Bay Community Energy
- B. Presentation on New Community Inclusion



Steps to joining East Bay Community Energy (EBCE)

- 1) In-person meeting(s) with City staff and local elected officials
 - Request PG&E data release forms (Forms 79-1030 & 79-1031)
 - i. May take up to eight weeks to receive accurate data from PG&E
 - Expedited timeline due to CPUC Res. E-4907
- 2) Two or three presentations to Council
 - Discussion item
 - Vote #1 on Ordinance & Resolution to join EBCE's Joint Powers Authority (JPA) Agreement
 - Vote #2 on Ordinance + Signature page of JPA – *Must be completed by Sept/Oct 2019 for 2021 enrollment*
- 3) EBCE staff conducts internal technical analysis
 - Evaluates impact of cost of service to prospective new community (e.g., impact on EBCE's rates and GHG emissions reductions)
- 4) EBCE Board reviews technical analysis; considers corresponding membership request(s) and votes on Resolution to include prospective new community
- 5) EBCE updates Joint Powers Agreement and files amended Implementation Plan to CPUC before 12/31/19

2020: Community outreach in new community

- Elected official of new community entitled to seat on EBCE Board of Directors

2021: Enrollment of electricity accounts in new community



New Community Inclusion

Presenter: Alex DiGiorgio

Date: 9/18/19

New Community Inclusion

Value Proposition:

Advance EBCE's mission by including new customers & communities;

- Reduce GHGs & supply more renewable energy to more electricity accounts;
- Expand public access to competitively-priced renewable energy options and innovative policies & programs;
- Enhance EBCE's financial strength (i.e., net revenues & reserves);
- Empower local communities w/more democratic representation within CA's energy economy (i.e., before the CPUC & CA Legislature);
 - Gain more representative leverage in Sacramento (i.e., via new Assembly & Senate members);

New Community Inclusion*

Value Proposition:

Advance EBCE's mission by including new customers & communities;

- Diversify EBCE's service area (i.e., link urban/rural; affluent/low-income);
 - Account demographics (e.g., include more Ag customers);
 - Local development opportunities via local resources
- Balance EBCE's load profile (potentially);
- Inspire neighboring communities to explore CCA;
- Validate CCA movement generally; EBCE specifically

**JPA Sec. 3.1 "Addition of Parties"*

Eligible Jurisdictions

- **Tracy (San Joaquin County)**

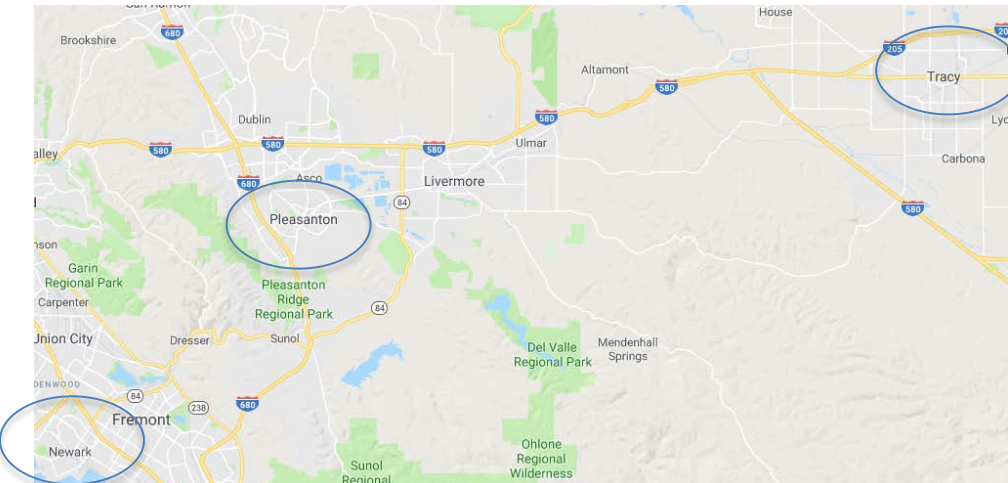
- 8/20: Unanimous City Council vote to pursue EBCE membership;
- 9/17: First Council vote on EBCE Ordinance & Resolution;
- 10/1: Second Council vote on Ordinance; JPA Signature

- **Pleasanton (AC)**

- 9/17: EBCE discussion item on Council's agenda;
- Staff recommending EBCE membership;
- Tentative October Council dates

- **Newark (AC)**

- Third-party consultant;
- No Council meetings scheduled as of 9/6/19



Inclusion Process: Required Documents

- City Manager:
 - PG&E load data request docs & non-disclosure agreement (Forms 79-1030 & 79-1031)
- City Council:
 - Ordinance, Resolution, JPA signature page
- EBCE:
 - Technical analysis; Board resolution; updated JPA & Implementation Plan
 - Analysis evaluates cost of service to new community (e.g., impact on rates & GHGs)

Inclusion Process: Order of Operations

Jurisdiction(s) must complete inclusion process before **12/31/19** to enroll w/EBCE by 2021 (CPUC Res. E-4907)

- 1) Communicate w/staff and/or local elected leaders;
 - Request PG&E forms (Forms 79-1030 & 79-1031)
 - Emphasize time-sensitivity due to CPUC Res. E-4907

- 2) Two or three presentations to Council:
 - Discussion item
 - Vote #1 on Ordinance + Resolution to join EBCE
 - Vote #2 on Ordinance **Completed by SEPT/OCT**

Inclusion Process: Order of Operations

- 3) EBCE conducts internal technical analyses;
- 4) EBCE Executive Committee/Board of Directors and Community Advisory Committee considers tech analysis and inclusion request(s) in Oct/Nov;
- 5) EBCE Board votes on Resolution to include prospective new communities in Nov;
- 6) EBCE updates JPA and files amended Implementation Plan to CPUC before **12/31/19**;
 - New communities entitled to Board seat: 2020
 - EBCE conducts community outreach: 2020
 - EBCE enrollments begin: 2021



Staff Report Item 15

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: Discuss Amendments to the Joint Powers Agreement (Action Item)

DATE: September 18, 2019

Recommendation

Discuss and recommend, if necessary, amendments to the East Bay Community Energy Joint Powers Agreement (JPA) and Direct staff to bring back proposed language relating to proposed JPA amendments.

Background and Discussion

On October 18, 2017, the EBCE Board adopted a process for considering policy and JPA amendments. The process obligates the Chief Executive Officer (CEO) to bring potential JPA amendments to the Board in September and March for discussion. A majority of the Board must indicate support for a policy amendment or JPA amendment for the proposed amendment to be noticed for Board action.

EBCE staff has not identified any amendments that need to be made and would like to seek input from the Board regarding the need for amendments to the current JPA. If there are no recommended amendments at this time, the next amendment cycle will allow for JPA amendment recommendations in March 2020. Recommended amendments will be sent to member cities and allow for a 30-day comment period prior to Board adoption.



Staff Report Item 17

TO: East Bay Community Energy Board of Directors

FROM: Dan Lieberman, Marketing Director

SUBJECT: Approve Non-Standard Pricing Rate Agreement Policy and Adopt a Resolution Authorizing CEO to Negotiate and Execute Non-Standard Pricing Rate Agreements (Action Item)

DATE: September 18, 2019

Recommendation

Approve the Non-Standard Pricing Rate Agreement Policy and delegate to Chief Executive Officer (CEO) the authority to negotiate and execute long-term, non-standard pricing rate agreements with customers in EBCE's service area that have:

1. one or more accounts on Direct Access and place those accounts on EBCE service, and/or
2. have been granted new or additional Direct Access allocation and remain on EBCE service for those accounts

In order to retain significant foundational baseline load and avoid potential increases in greenhouse gas emissions associated with the electric service to large users within member communities.

Background and Discussion

EBCE's customers can opt out anytime. That option is granted universally to all EBCE accounts, even those that consume millions of kilowatt-hours (kWh) each year. Since launching to commercial customers in June 2018, EBCE's opt out rate has remained below five percent. However, until recently, most large commercial accounts have only been able to choose between PG&E and EBCE, and EBCE offers a better value proposition (lower rates and greener power).

In October 2018, SB 237 was signed expanding electricity procurement options for some of EBCE's large customers. The law increases the annual maximum allowable

limit of the Direct Access service program, by which large customers can contract directly for the purchase of power from third-party vendors, by 4,000 gigawatt hours (GWh) for non-residential customers. There is discussion about further expansion of Direct Access beyond what SB 237 allows.

On September 10, 2019 PG&E notified EBCE of the aggregate amount of load granted the opportunity to depart EBCE to a third-party provider; that is 222 GWh. Most of that that load is from medium and large commercial and industrial accounts. There is a significant and immediate flight risk for EBCE regarding the possible departure of some of our largest customers - with both financial and environmental impacts

On August 12, 2019, PG&E notified customers on the Direct Access waitlist about their lottery status. Since then, two of EBCE's largest account holders notified us that they are considering departing EBCE for Direct Access service, unless we can offer competitive prices for long-term contracts. After further discussion and negotiation, one of those accounts notified us on September 6 that they do intend to opt out of EBCE service. The customer confirmed that EBCE's negotiated offer was competitive with those received from other Electric Service Providers, but the customer was unwilling to wait for EBCE to seek Board approval and granted the contract to another provider.

Therefore, EBCE is exposed to ongoing risk of wide swings in power consumption and revenue. Having a stable and forecastable load helps keep rates stable for all EBCE accounts and allows EBCE to allocate more funds to priority areas such as the Local Development Business Plan. The strategic operational advantage for EBCE in securing longer term commitments with our largest customers include: 1) the more certainty EBCE has in regard to load forecasting and projected energy sales, the more informed it can be in negotiating prices in energy procurement contracts, and 2) a larger energy load means EBCE can assign lower fixed costs per kWh for all customers. That allows EBCE to pass savings along to all EBCE customers.

Perhaps the most important reason for keeping customers on EBCE service rather than having them enroll in third party service is to reduce greenhouse gas (GHG) emissions, as EBCE's power mix is far cleaner than that of most Direct Access providers. EBCE staff analyzed the 2017 (most recent available) [Power Content Labels](#) of all of the 13 Electric Service Providers that provided Direct Access service to customers in EBCE's service area, and found that the average renewable energy content was 28%, and an average of 68% of their power from unspecified sources. Three of those providers delivered 0% renewable energy. Each of EBCE's service options delivered at least 41% renewable energy in 2018, with an additional ~50% from hydropower. Therefore,

customers moving from EBCE service to Direct Access would likely be purchasing power with a higher emissions factor, and vice versa.

In sum, retaining large customers is essential to achieving EBCE's goals - to provide communities with greener power at competitive rates, enable reductions in community-wide GHG emissions, and maintain a strong financial foundation. Experience shows it is possible for EBCE to retain these customers using a cost-based rate; which ensures there is no economic downside. However, losing a large customer to Direct Access has a clear economic downside for EBCE and our customers. In addition, the action of the customer departing will likely lead to increased emissions, and the lost opportunity of partnering with that customer on transformational programs.

It is worth noting that EBCE's largest accounts are not currently benefitting from a volume discount. In fact, in many cases the large accounts pay more per kilowatt-hour to EBCE than most of our residential accounts. The generation component of an E1 residential rate is \$0.08537 per kWh, while an E19-S commercial/industrial accounts pays \$0.08571 per kWh on average or and E20-P large industrial pays \$0.08799 per kWh on average.

There is precedence for allowing a load-serving entity to negotiate special rates with large customers. For example:

- Peninsula Clean Energy's Board of Directors approved a [Volume Pricing Program for Qualified Commercial and Industrial Customers](#). In order to qualify for Volume Pricing, a customer would need to consume a minimum of 10 GWh annually and would need to commit to a 3- or 5-year exclusive contract with PCE for energy services.
- Silicon Valley Clean Energy's Board of Director's approved a [Non-Standard Pricing Agreement Policy and Resolution Delegating Authority to the CEO to Negotiate Non-Standard Pricing Agreements for Eligible Large Commercial and Industrial Customers](#). This policy applies to customers on large commercial and industrial rates with an annual load greater than 10 GWh.
- Silicon Valley Power, the municipal utility that serves the City of Santa Clara, negotiates volume discounts with customers that use a large amount of power, but those rates are kept confidential.

Many of EBCE's largest accounts have expressed interest in signing longer-term agreements with EBCE in order to obtain more rate certainty. Concurrently, EBCE has recently signed seven long-term contracts for solar, wind, and battery storage. The expansion of Direct Access under SB237 will allow load to depart in January 2021. So

EBCE's temporal interests are well aligned with those of customers departing for Direct Access. If EBCE can create longer-term rate certainty for these customers, that would likely reduce opt outs and also make conditions favorable for currently non-participating accounts. This can be done without financially harming, but rather likely financially benefitting, other EBCE customers.

Non-Standard Pricing Rate Agreement

EBCE recommends offering to negotiate special long-term rates for those non-residential accounts on Direct Access or granted a Direct Access allocation. In preliminary discussions, those account holders expressed a variety of preferences: various term lengths, pricing structures, preference level for renewable energy, etc. Therefore, EBCE suggests allowing individual negotiations to occur, so long as the resulting tariff is in the interest of all EBCE customers. This would require:

- Rates that are cost-based
- Rate that do not transfer the risk of Power Charge Indifference Adjustment (PCIA) rate changes onto EBCE
- Rates designed to achieve some level of contribution to EBCE's fixed cost, reserve margin, and programs
- Provide power that is at least as low-emitting as, and with at least as much renewable energy content as, Bright Choice (or any successor service option).
- Leverage an opportunity to prevent departing load or gain load previously on Direct Access service.

Procedurally, EBCE staff would negotiate the rates, assuring that the objectives above are met. Then EBCE staff would report the rate agreement to the Board in closed session.

Fiscal Impact

On September 10, 2019 EBCE received from PG&E a preliminary report containing the aggregate hourly peak demand and hourly load data for the past year for our mutual customers who have indicated their intent to switch from EBCE to Direct Access service. The report only includes customers who have notified PG&E of their decision as of September 3, 2019, the deadline for customers to inform PG&E of their decision. The report indicates the departing load at about 222 gigawatt-hours (GWh) (or 222,000,000 kWh) annually.

Based on an earlier report from PG&E, over 80% of EBCE customers in the queue for Direct Access were on E19 or E20 rate schedules. Using the Joint Rate Comparison prepared by PG&E, we used the annualized average generation service rate for an E19 account on Bright Choice: ~\$0.08 in revenue per kWh. That figure includes demand charges.

$$222,000,000 \text{ kWh/year} \times \$0.08/\text{kWh} = \$17,760,000/\text{year}$$

Therefore, \$17.8 million is an estimate of the amount of potential lost annual revenue for EBCE from Direct Access load departure.

On February 10, 2020, PG&E will provide EBCE with a final report that includes the aggregate hourly peak demand and hourly load data for customers who have submitted an electronic switching request, the Direct Access Switching Request (DASR) as of February 3, 2020. The switch will take place on or after January 1, 2021 for customers moving onto Direct Access service.

Attachments

- A. Resolution to Adopt the Non-standard recommended rate policy
- B. Non-Standard Pricing Rate Agreement Policy

RESOLUTION NO. __

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO ADOPT THE NON-STANDARD PRICING RATE AGREEMENT POLICY AND DELEGATE AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE AGREEMENTS IN ACCORDANCE WITH THAT POLICY

THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

WHEREAS, The East Bay Community Energy Authority (“EBCE”) was formed on December 1, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all of the member jurisdictions.

WHEREAS, commercial and industrial customers make up a substantial majority of EBCE’s electric load;

WHEREAS, commercial and industrial customers are critical partners in helping EBCE and its member agencies reduce carbon emissions and meet climate action planning goals;

WHEREAS, the state of California adopted new legislation to re-open the cap for Direct Access (DA) to the wholesale markets for commercial and industrial customers under SB 237 in September 2018;

WHEREAS, in the expanded DA marketplace, current EBCE commercial and industrial customers may opt out to receive DA service under more flexible or lower-cost tariff structures;

WHEREAS, EBCE seeks to provide clean electricity services that meet customer needs, at rates that are competitive and contribute positively to EBCE’s financial position;

WHEREAS, the DA marketplace is highly competitive, requiring that EBCE structure non-standard pricing rate agreement terms in a highly responsive, time-sensitive fashion;

WHEREAS, EBCE wishes to offer non-standard pricing rate agreements to retain eligible commercial and industrial accounts, under the terms of the attached ‘Non-Standard Pricing Rate Agreement Policy’

WHEREAS, commercial and industrial accounts soliciting competitive bids for DA service may require contact signing from the supplier on the same day the bids are submitted;

WHEREAS, in order to expedite the approval of non-standard pricing rate agreements consistent with Direct Access marketplace requirements, the Board wishes to delegate to the Chief Executive Officer the authority to negotiate directly with eligible commercial and industrial accounts in accordance with the Board approved Non-Standard Pricing Rate Agreement Policy.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Board hereby adopts the Non-Standard Pricing Rate Agreement Policy attached as Exhibit A and listed as Policy #__.

Section 2. The Board hereby delegates authority to the Chief Executive Officer to negotiate and execute non-standard pricing rate agreements with eligible commercial and industrial customers, provided that the pricing agreements meet the minimum requirements set forth in the Non-Standard Pricing Rate Agreement Policy.

ADOPTED AND APPROVED this _____ day of _____, 2018.

Dan Kalb, Chair

ATTEST:

Stephanie Cabrera, Secretary

EAST BAY COMMUNITY ENERGY
NON-STANDARD PRICING RATE AGREEMENT POLICY

When offering non-standard pricing rate agreements for electric generation service to eligible customers, EBCE adheres to a defined nonstandard pricing rate agreement policy. Under this policy, the non-standard pricing rate agreement must comply with the following requirements:

1. The agreement must be with a large commercial, industrial, or agricultural customers with one or more accounts on Direct Access or granted a Direct Access allocation,
2. the agreement must be marginal cost-based and account for any volume and/or price risk, including risk associated with investor-owned utility fees,
3. the agreement must be priced to allow EBCE to cover variable costs and achieve some level of contribution to fixed cost, reserve margin, and programs,
4. the agreement must require a commitment level from the customer (e.g. volume, length of term) commensurate with the non-standard pricing rate agreement offered to the customer,
5. the agreement must provide power that is at least as low emitting as, and with at least as much renewable energy content as, the Bright Choice or other EBCE baseline standard service, and
6. the agreement must be used to leverage an opportunity to prevent departing load or gain load previously on Direct Access service.



Staff Report Item 18

TO: East Bay Community Energy Board of Directors

FROM: Howard Chang, Chief Operating Officer

SUBJECT: Raceway North, LLC and Edwards Solar II, LLC Contract Approvals (Action Item)

DATE: September 18, 2019

Recommendation

- A. Adopt two Resolutions authorizing the Chief Executive Officer to execute agreements with CA renewables Energy RFP awardees Raceway North, LLC and Edwards Solar II, LLC. Each agreement is expected to be operational in December 2022 and deliver all associated output, which includes energy, RECs and RA with pnode settled pricing:
1. 20-year 125MWac solar PV + 80MW/160MWh battery storage project based in Kern County with Raceway North, LLC, developed by sPower (“sPower Contract”); and
 2. 15-year 100MWac solar PV + virtual storage project in Kern County with Edwards Solar II, LLC, developed by Terra-Gen (“Terra-Gen Contract”).
- B. Discuss a memorandum of understanding (MOU) signed with Brookfield Renewable Partners to further discussions regarding an 80MW wind project located in Alameda County. The project was proposed into Southern California Public Power Authority’s (SCPPA) recent 2019 RFP as a competitive solicitation.

Background

The CA Renewable Energy RFP is EBCE’s first long-term renewable energy contract solicitation that was launched in June 2018. The RFP sought several hundred MWs of contracts with renewable energy projects located in CA, with a minimum of 20MWs located in Alameda County. EBCE’s objective was to drive investments in new renewable energy projects in Alameda and CA, while securing affordable resources to manage future power price risk. EBCE received a very healthy response to its first RFP both in volume and quality of projects and proposals. EBCE worked with Edison Energy to administer the RFP and complete robust analytics to determine the optimal portfolio to meet its objectives. EBCE recently received approval for three separate long-term PPAs from this RFP. sPower and Terra-Gen were both awarded as part of the CA Renewable Energy RFP and these contracts being brought forth are the 5th and 6th utility scale renewable energy projects.

The sPower Contract is for all output from a 125MWac solar PV + 80MW/160MWh battery storage project based in Kern County. It is a 20-year p-node settled contract and expected to be operational in Dec 2022. Staff is recommending a battery storage unit with a capacity of 80MW, which represents approximately 2/3 of the nameplate generation with a 2-hour duration. Under the current RA rules this would qualify the storage unit to provide 40MW of local RA in the LA Basin region. Staff is recommending a 2-hour duration with a larger capacity size because it provides optionality in the future to extend the duration. This was found to be more optimal for energy load shifting purposes. sPower is an experienced renewable energy developer with 1,650MWs of capacity operational and has extensive experience working with CCAs. The contracting entity under sPower is Raceway Solar North, LLC.

The Terra-Gen Contract is for all output from a 100MWac solar PV + virtual storage project based in Kern County. It is a 20-year p-node settled contract and expected to be operational in Dec 2022. This contract is deemed a virtual storage contract based on a unique first of its kind contract structure. EBCE will receive price protection related to negative pricing and Seller has the right to install storage and retain the charge and discharge rights. This will provide a proportion of the benefits of the storage project to EBCE and to CAISO. As part of the contract, EBCE will also have a right to procure the incremental RA associated with the storage unit. sPower is an experienced renewable energy developer with over 1,300MWs of capacity operational and has extensive experience working with CCAs. The contracting entity under Terra-Gen is Edwards Solar II, LLC.

EBCE is also bringing forward a Memorandum of Understanding (MOU) with Brookfield Renewable Partners regarding an 80MW wind project in Alameda County. The project is located in Livermore and is a repower of a former wind project that has been fully decommissioned. This was not submitted into EBCE's RFP but was separately submitted into Southern California Public Power Authority's (SCPPA) 2019 RFP. EBCE proposes utilizing SCPPA's 2019 solicitation combined with EBCE's recent RFP results to evaluate the project and feels confident it can properly assess the proposed terms. The MOU is a non-binding arrangement, which sets forth an evaluation and negotiation period. The project is awaiting additional interconnection study results for a portion of the project and anticipates submitting conditional use permit this fall. The expected Commercial Operation Date is December 2021. EBCE anticipates a potential joint procurement effort on the output.

Conclusion

EBCE staff recommends approving the 125MW solar PV plus 80MW/160MWh battery storage contract with sPower and the 100MW solar plus virtual storage contract with Terra-Gen. These two solar projects will further support EBCE to satisfy its SB350 long-term contracting requirements. EBCE will continue to move forward in evaluating additional projects and proposes moving forward in evaluating the 80MW wind project in Alameda County with Brookfield Renewable Partners.

Attachments:

- A. Resolution Approving Edwards Solar Renewable Solar Power Purchase Agreement;
- B. Resolution Approving Raceway Solar Power Purchase Agreement;
- C. sPower and Terra-Gen Overview presentation;

- D. Edwards Solar II Contract
- E. Raceway North Contract

RESOLUTION NO. __

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY APPROVING
EDWARDS SOLAR II, LLC RENEWABLE SOLAR POWER PURCHASE AGREEMENT**

THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

WHEREAS, The East Bay Community Energy Authority (“EBCE”) was formed on December 1, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all of the member jurisdictions.

WHEREAS, the EBCE issued the California Renewable Energy RFP in June 2018; and

WHEREAS, Edwards Solar II, LLC, proposed a 100MW Solar PV storage project on Edwards Air Force Base in Kern County; and

WHEREAS, the project is expected to be operational by December 31, 2022 and will remain operational for a term of fifteen years.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The material terms of the Agreement by and between Edwards Solar II, LLC and East Bay Community Energy Authority attached at Exhibit A are hereby approved.

Section 2. The CEO is hereby authorized to execute the Agreement in substantially the form attached, with any non-substantive clarifying or clerical changes proposed by the CEO and approved by the General Counsel.

ADOPTED AND APPROVED this 18 day of September, 2019.

Dan Kalb, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board

RESOLUTION NO. __

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY APPROVING
RACEWAY SOLAR I, LLC RENEWABLE SOLAR AND STORAGE AGREEMENT**

THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

WHEREAS, The East Bay Community Energy Authority (“EBCE”) was formed on December 1, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all of the member jurisdictions.

WHEREAS, the EBCE issued the California Renewable Energy RFP in June 2018; and

WHEREAS, Raceway Solar I, LLC, proposed a 125 MW photovoltaic solar project and 80MW/160MWh battery energy storage facility in Kern County and Los Angeles County;

WHEREAS, the project is expected to be operational by December 31, 2022 and will remain operational for a term of twenty years.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The material terms of the Agreement by and between Raceway Solar I, LLC and East Bay Community Energy Authority attached at Exhibit A are hereby approved.

Section 2. The CEO is hereby authorized to execute the Agreement in substantially the form attached, with any non-substantive clarifying or clerical changes proposed by the CEO and approved by the General Counsel.

ADOPTED AND APPROVED this 18 day of September, 2019.

Dan Kalb, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board



CA Renewable Energy Project Approvals

PRESENTED BY: Howard Chang

DATE: September 18, 2019



East Bay Community Energy

Goals & Objectives

- Secure a portfolio of contracts to provide EBCE customers with affordable renewable energy sources
- Meet a significant percent of SB350 long term contracting requirements, equal to 65% of RPS obligations
- Create new CA located renewable energy projects to deliver PCC1 RECs
- Drive CA and Alameda County job creation and community investment
- Contract low cost energy hedges to meet risk management goals

Actions

- Issued a broad, open, competitive solicitation to ensure wide array of opportunities considered
- Evaluated exhaustive combinations of projects to achieve desired volume targets, while optimizing project risk, location, workforce development, economics, and other characteristics
- Encouraged RFP participants to be creative and provide proposal variations on individual projects and include battery storage
- Sought CA-located projects with a preference for new-build capacity with a target a minimum of 20MW of capacity from projects located in Alameda County

Introduction

Seeking approval for two Power Purchase Agreements (PPAs) submitted into EBCE's CA Renewable Energy RFP

- 20-year 125MWac solar PV + 80MW/160MWh battery storage project based in Kern County with sPower. Expected to be operational in December 2022.
- 15-year 100MWac solar PV + virtual storage project in Kern County with Terra-Gen. Expected to be operational in December 2022.

Discussion item:

- Memorandum of Understanding (MOU) for a 80MW wind project in Alameda County with Brookfield Renewable Partners, expected to be operational in Dec 2021

sPower Project Details

- Selected via the CA Renewable Energy RFP
- 125MW Solar PV plus 80MW/160MWh battery project based in Kern County
 - 2hour battery duration optimizes energy load shifting
 - Equates to 40MW of RA and includes the ability to extend the battery duration in the future
 - Local RA (LA Basin) value in SP15 territory
- 20-year contract
- P-node settled project
- Expected Commercial Operation Date is December 2022
- Project has an executed interconnection agreement and site control. Discretionary permits in late stages.
- sPower is investing into EBCE's first Community Investment fund as part of this contract
- Committed toward utilizing union labor and prevailing wages
- The contracting entity under sPower is Raceway North, LLC

sPower Company Overview



- sPower is a leading independent power producer and renewable energy developer
 - Joint venture operating company owned by AES Corporation (“AES”) and Alberta Investment Management Corporation (“AIMCo”) Headquartered in Salt Lake City, with offices in San Francisco, Long Beach, and Richmond, VA
 - AES is a Fortune 200 global power company with a diverse portfolio of distribution businesses and generation facilities in 17 countries. AES has a workforce of 21,000 people and they own and manage \$37 billion in total assets.
 - AIMCo is one of Canada’s largest and most diversified institutional investment managers, with more than \$95 billion of assets under management.
- sPower owns and operates over 150 utility and commercial distributed electrical generation systems with a combined capacity of 1,650 MW. It has over 15,000+ MW of projects under development.
- sPower has developed and built utility-scale solar and wind projects representing over \$2.5B in investment.
- sPower has a proven track record in CA and with CCAs; Owns and operates four projects contracted with CCAs
 - Western Antelope Dry Ranch with Lancaster Choice Energy (10 MW)
 - MCE Solar One with MCE (10.5 MW)
 - Antelope Expansion 2 with MCE (105 MW)
 - San Pablo Raceway with CleanPowerSF (100 MW)

Terra-Gen Project Details

- Selected via the CA Renewable Energy RFP
- 100MW Solar PV project based in Kern County on Edwards Air Force base land
 - Project is structured as a first of its kind virtual storage contract.
 - EBCE has negative pricing protection and seller has the right to build storage and manages storage charge and discharge value.
 - EBCE has the right to procure RA in the event storage is added.
- 15-year contract; P-node settled project
- Expected Commercial Operation Date is December 2022
- Project has an executed interconnection agreement and site control. Discretionary permits in late stages.
- Terra-Gen is investing into EBCE's first Community Investment fund as part of this contract
- Terra-Gen has already executed a Project Labor Agreement (PLA) utilizing union labor
- The contracting entity under Terra-Gen is Edwards Solar II, LLC



Terra-Gen Company Overview

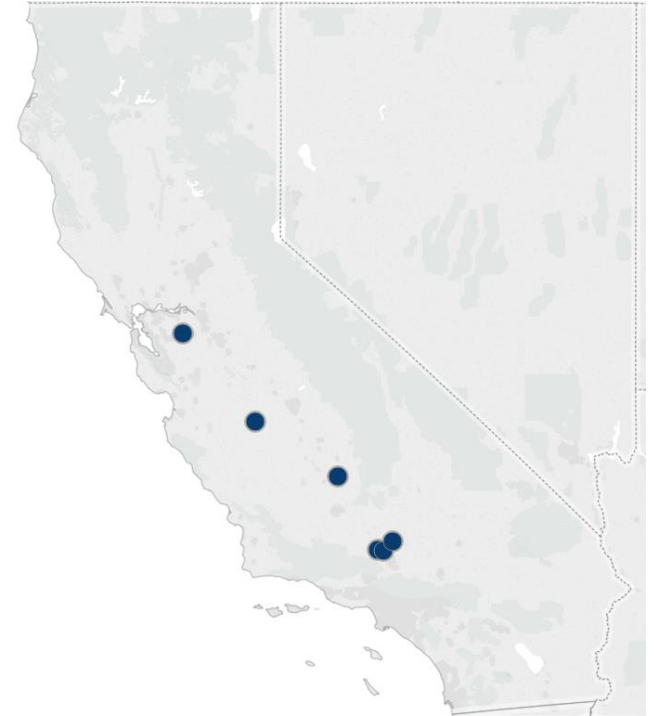
- Terra-Gen is an independent power producer focused on the development, construction and operation of power generation facilities utilizing clean energy resources such as wind, solar, geothermal and battery storage with over 1,300 MW in operations and construction and 3+ GW in development
- Terra-Gen was established in August 2007 and acquired by Energy Capital Partners (ECP) in September 2015
- Terra-Gen is comprised of a development business, an operations and maintenance (“O&M”) platform and an Operating Portfolio (~1 GW)
- Strong track records in CA and among CCAs
- Voyager Wind II – 193 MW achieved COD on January 1, 2019
 - 42 MW PPA with MCE, 21 MW PPA with CPA, 130 MW PPA with SENA (ESP)
- Preliminary construction activities on Voyager Wind II Expansion for 47 MW PPA with CPSF
- Selected by Edwards AFB as sole developer of Solar on AFB lands for approximately 600 MW total development

Brookfield Project Details

- EBCE recently signed a Memorandum of Understanding (MOU) with Brookfield Renewable Partners to further discussions on a 80 MW wind project based in Alameda County
 - Brookfield did not submit into the CA Renewable Energy RFP but was proposed into Southern California Public Power Authority's (SCPPA) 2019 RFP
 - EBCE proposes utilizing SCPPA's 2019 solicitation combined with EBCE's recent RFP results
 - MOU is a non-binding arrangement, which sets forth an evaluation and negotiation period
- Project is located in Livermore and is a repower of a former wind project that has been fully decommissioned.
- Expected Commercial Operation Date is December 2021
- Project is awaiting additional interconnection study results for a portion of the project and anticipates submitting conditional use permit this fall
- EBCE anticipates a potential joint procurement effort on the output
- Brookfield Renewable (NYSE: BEP) operates one of the world's largest publicly-traded, pure-play renewable power platforms with over 18,000 MW of hydro, wind and solar generation.
- Headquartered in New York, NY, Brookfield's North American platform owns and operates solar, wind and hydroelectric facilities in the US and Canada across 29 states and 3 provinces.
- In the United States, Brookfield Renewable owns and operates 6,288 MW in nameplate capacity and 853 MW of renewable generating capacity in California.

Portfolio Characteristics

- The final portfolio is expected to include 5-7 projects totaling approximately 500-600MWs in project capacity and up to 2,000,000MWhs per year
- Projects range from 50 to 150MWs in nameplate capacity
- Portfolio includes standalone solar PV, Solar PV + storage, and standalone wind
- Storage is expected to total between 40-60MWs of capacity with a 4hour duration
- Project maturities range from mid to late-stage development
- All projects are committed to utilizing union labor
- Projects include funds allocated towards community investment
- Projects include pnode and PG&E DLAP settled projects, 15-20year PPAs, as well as fixed and 2% escalating pricing structures
- Portfolio selection does account for project fall-out risk



Long-term Contract Portfolio Summary

Contracted Portfolio:							
Developer	Technology	Nameplate			Expected		
		MW	Storage MW	County	COD	Term	Settlement
Salka Energy	Wind	57.5	N/A	Alameda	12/1/2020	20	Pnode
Clearway Energy Group	Solar	112	N/A	Kern	12/31/2020	15	DLAP
Solar Frontier Americas	Solar	55.8	N/A	Tulare	12/31/2021	15	DLAP
EDPR Renewables North America	Solar+storage	100	30MW/120MWh	Fresno	12/31/2022	20	Pnode
Spower	Solar+storage	125	80MW/160MWh	Kern	12/31/2022	20	Pnode
Terra-Gen	Solar+virtual storage	100	TBD	Kern	12/31/2022	15	Pnode
		550					
Additional projects in consideration:							
Developer	Technology	Nameplate			Expected		
		MW	Storage MW	County	COD	Term	Settlement
Clearway Energy Group	Wind	43	N/A	Alameda	12/31/2021	15	Pnode
Brookfield Renewable Partners	Wind	80	N/A	Alameda	12/31/2021	20	Pnode
		123					
OCEI RA Contracts:							
Developer	Technology	Nameplate			Expected		
		MW	Storage MW	County	COD	Term	
Vistra Energy	IFM Storage - RA	20	20	Alameda	1/1/2022	10	
esVolta	IFM Storage - RA	7	7	Alameda	1/1/2022	10	
SunRun	BTM Storage - RA	0.5	0.5	Alameda	1/1/2022	10	
		27.5					

Next Steps

- Continue evaluation of additional Alameda County projects under consideration. Assess projects as they hit key milestones and mature further.
- Joint IRP process with multiple CCAs has been initiated. Evaluating modeling frameworks. Further engagement with board and community in fall/winter timeframe.
- EBCE RA and Peak energy Storage RFI was released on 9/6/19 and expected to close 9/27/19 <https://ebce.org/solicitations/>

DRAFT EXECUTION VERSION**RENEWABLE POWER PURCHASE AGREEMENT****COVER SHEET**

Seller: Edwards Solar II, LLC

Buyer: East Bay Community Energy Authority, a California joint powers authority

Description of Facility: 100 MW Solar PV located on Edwards Air Force Base, as further described in Exhibit A; Seller has the option to incorporate an integrated energy storage facility as described in Section 2.3

Milestones:

Milestone	Date for Completion
Evidence of Site Control	05/01/2019
CEC Pre-Certification Obtained	02/01/2022
Financing Milestone	06/01/2021
Documentation of Conditional Use Permit if required: CEQA <input checked="" type="checkbox"/> Cat Ex, <input type="checkbox"/> Neg Dec, <input type="checkbox"/> Mitigated Neg Dec, <input type="checkbox"/> EIR	02/01/2022
Seller's receipt of Phase I and Phase II Interconnection study results for Seller's Interconnection Facilities	09/01/2019
Executed Interconnection Agreement	05/01/2020
Financial Close	06/01/2022
Expected Construction Start Date	08/01/2022
Guaranteed Construction Start Date	08/01/2022
Full Capacity Deliverability Status Obtained	12/31/2022
Initial Synchronization	11/01/2022
Network Upgrades completed	11/01/2022
Expected Commercial Operation Date	12/31/2022
Guaranteed Commercial Operation Date	12/31/2022

Delivery Term: The period for Product delivery will be for fifteen (15) Contract Years.

Expected Energy:

Contract Year	Expected Energy (MWh)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	

Guaranteed Capacity: 100 MW

Contract Price:

The Contract Price of the Product shall be:

Contract Year	Contract Price
1-15	

Product:

- PV Energy
- Green Attributes (Portfolio Content Category 1)
- Generating Facility Capacity Attributes (select options below as applicable)
 - Energy Only Status
 - Full Capacity Deliverability Status and Expected FCDS Date: 12/31/2022
- Generating Facility Ancillary Services

Scheduling Coordinator: Seller/Seller Third Party

Security, Damage Payment, and Guarantor

Development Security: [REDACTED]

Performance Security: [REDACTED]

Damage Payment: [REDACTED]

Guarantor: [REDACTED]

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Exhibits:

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Exhibit E	Progress Reporting Form
Exhibit F-1	Form of Average Expected Energy Report
Exhibit F-2	Form of Monthly Available Capacity Report
Exhibit G	Guaranteed Energy Production Damages Calculation
Exhibit H	Form of Commercial Operation Date Certificate
Exhibit I	Form of Installed Capacity Certificate
Exhibit J	Form of Construction Start Date Certificate
Exhibit K	Form of Letter of Credit
Exhibit L	Form of Guaranty
Exhibit M	Form of Replacement RA Notice
Exhibit N	Notices
Exhibit O	Operating Restrictions
Exhibit P	Metering Diagram
Exhibit Q	Community Investment

RENEWABLE POWER PURCHASE AGREEMENT

This Renewable Power Purchase Agreement (“**Agreement**”) is entered into as of _____, 2019 (the “**Effective Date**”), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a “**Party**” and jointly as the “**Parties**.” All capitalized terms used in this Agreement are used with the meanings ascribed to them in Article 1 to this Agreement.

RECITALS

WHEREAS, Seller intends to develop, design, permit, construct, own, and operate the Facility, which may include an integrated energy storage facility; and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, the Product;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1 DEFINITIONS

1.1 **Contract Definitions.** The following terms, when used herein with initial capitalization, shall have the meanings set forth below:

“**AC**” means alternating current.

“**Accepted Compliance Costs**” has the meaning set forth in Section 3.12.

“**Adjusted Energy Production**” has the meaning set forth in Exhibit G.

“**Affiliate**” means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of “Permitted Transferee”, “control”, “controlled by”, and “under common control with”, as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

“**Agreement**” has the meaning set forth in the Preamble and includes any Exhibits, schedules and any written supplements hereto, the Cover Sheet, and any designated collateral, credit support or similar arrangement between the Parties.

“**Ancillary Services**” has the meaning set forth in the CAISO Tariff.

“**Available Generating Capacity**” means the capacity of the Generating Facility, expressed in whole MWs, that is mechanically available to generate Energy.

“Bankrupt” means with respect to any entity, such entity that (a) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar Law, (b) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of ninety (90) days, (c) makes an assignment or any general arrangement for the benefit of creditors, (d) otherwise becomes bankrupt or insolvent (however evidenced), (e) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (f) is generally unable to pay its debts as they fall due.

“Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday in California. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. Eastern Standard Time (EST) for the Party sending a Notice, or payment, or performing a specified action.

“Buyer” means East Bay Community Energy Authority, a California joint powers authority.

“Buyer Default” means an Event of Default of Buyer.

“Buyer’s WREGIS Account” has the meaning set forth in Section 4.8(a).

“CAISO” means the California Independent System Operator Corporation.

“CAISO Approved Meter” means a CAISO approved revenue quality meter or meters, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all Facility Energy delivered to the Delivery Point.

“CAISO Grid” has the same meaning as “CAISO Controlled Grid” as defined in the CAISO Tariff.

“CAISO Operating Order” means the “operating order” defined in Section 37.2.1.1 of the CAISO Tariff.

“CAISO Tariff” means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and approved by FERC.

“California Renewables Portfolio Standard” or **“RPS”** means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, *inter alia*, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

“Capacity Attribute” means any current or future defined characteristic, certificate, tag, credit, or accounting construct associated with the amount of power that the Facility can generate and deliver to the Delivery Point at a particular moment and that can be purchased and sold under CAISO market rules, including Resource Adequacy Benefits.

“**Capacity Damages**” has the meaning set forth in Exhibit B.

“**CEC**” means the California Energy Commission, or any successor agency performing similar statutory functions.

“**CEC Certification and Verification**” means that the CEC has certified (or, with respect to periods before the date that is one hundred eighty (180) days following the Commercial Operation Date, that the CEC has pre-certified) that the Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Facility Energy delivered to the Delivery Point qualifies as generation from an Eligible Renewable Energy Resource.

“**CEC Precertification**” means that the CEC has issued a precertification for the Facility indicating that the planned operations of the Facility would comply with applicable CEC requirements for CEC Certification and Verification.

“**CEQA**” means the California Environmental Quality Act.

“**Change of Control**” means, except in connection with public market transactions of equity interests or capital stock of Seller’s Ultimate Parent, any circumstance in which Ultimate Parent ceases to own, directly or indirectly through one or more intermediate entities, more than fifty percent (50%) of the outstanding equity interests in Seller; provided that in calculating ownership percentages for all purposes of the foregoing:

(a) any ownership interest in Seller held by Ultimate Parent indirectly through one or more intermediate entities shall not be counted towards Ultimate Parent’s ownership interest in Seller unless Ultimate Parent directly or indirectly owns more than fifty percent (50%) of the outstanding equity interests in each such intermediate entity; and

(b) ownership interests in Seller owned directly or indirectly by any Lender (including any tax equity provider) shall be excluded from the total outstanding equity interests in Seller.

“**Charging Energy**” means the as-available Energy produced by the Generating Facility that is delivered to the Storage Facility.

“**Claim**” has the meaning set forth in Section 16.2.

“**COD Certificate**” has the meaning set forth in Exhibit B.

“**Commercial Operation**” has the meaning set forth in Exhibit B.

“**Commercial Operation Date**” has the meaning set forth in Exhibit B.

“**Commercial Operation Delay Damages**”

“**Compliance Actions**” has the meaning set forth in Section 3.12.

“**Compliance Expenditure Cap**” has the meaning set forth in Section 3.12.

“**Confidential Information**” has the meaning set forth in Section 18.1.

“**Construction Start**” has the meaning set forth in Exhibit B.

“**Construction Start Date**” has the meaning set forth in Exhibit B.

“**Contract Price**” has the meaning set forth on the Cover Sheet.

“**Contract Term**” has the meaning set forth in Section 2.1.

“**Contract Year**” means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Commercial Operation Date and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.

“**Costs**” means, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace the Agreement; and all reasonable attorneys’ fees and expenses incurred by the Non-Defaulting Party in connection with terminating the Agreement.

“**Cover Sheet**” means the cover sheet to this Agreement, which is incorporated into this Agreement.

“**CPUC**” means the California Public Utilities Commission or any successor agency performing similar statutory functions.

“**Credit Rating**” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P or Moody’s. If ratings by S&P and Moody’s are not equivalent, the lower rating shall apply.

“**Curtailed Unscheduled DA Forecast Volume**” means, for each Settlement Interval, the amount of Unscheduled DA Forecast Volume for such Settlement Interval that Seller elects to curtail as described in Section 4.6(h).

“**Curtailed Order**” means any of the following:

(a) CAISO orders, directs, alerts, or provides notice to a Party, including a CAISO Operating Order, that such Party is required to curtail deliveries of Facility Energy for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO’s electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by the Participating Transmission Owner for reasons including, but not limited to, (i) any situation that affects normal function of the electric system

including, but not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Participating Transmission Owner's electric system integrity or the integrity of other systems to which the Participating Transmission Owner is connected;

(c) a curtailment ordered by CAISO or the Participating Transmission Owner due to scheduled or unscheduled maintenance on the Participating Transmission Owner's transmission facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Facility Energy to the Delivery Point; or

(d) a curtailment in accordance with Seller's obligations under its Interconnection Agreement with the Participating Transmission Owner or distribution operator.

"Curtailment Period" means the period of time, as measured using current Settlement Intervals, during which generation from the Generating Facility is reduced pursuant to a Curtailment Order; provided that the Curtailment Period shall be inclusive of the time required for the Generating Facility to ramp down and ramp up.

"DA Forecast Volume" means, for each Settlement Interval, the amount of Energy expected to be generated by the Generating Facility for such Settlement Interval as reflected in the VER forecast, its equivalent or any successor, provided by the CAISO, or such other forecast as developed by Seller and approved by Buyer (such approval not to be unreasonably withheld) for participation in the Day-Ahead Market.

"DA LMP" means the LMP applicable to the Delivery Point in the CAISO Day-Ahead Market.

"DA Price Floor" means zero dollars per MWh (\$0/MWh), or such lesser amount as specified by Buyer to Seller in writing, provided that such lesser amount specified by Buyer will not apply until the first day of the first calendar month commencing at least ten (10) Business Days after delivery of Buyer's notice. For the avoidance of doubt, the DA Price Floor will be a single value that applies for the entire calendar month.

"Daily Delay Damages"

"Damage Payment" means the amount of the Development Security.

"Day-Ahead Forecast" has the meaning set forth in Section 4.3.

"Day-Ahead Market" has the meaning set forth in the CAISO Tariff.

"Day-Ahead Schedule" has the meaning set forth in the CAISO Tariff.

"Deemed Delivered Energy" means the amount of Energy expressed in MWh that the Generating Facility would have produced and delivered to the Delivery Point or to the Storage Facility, but that is not produced by the Generating Facility during a Curtailment Period or Market

Curtailment Period, which amount shall be equal to the result of the equation provided by Seller to reasonably calculate the potential generation of the Generating Facility as a function of Available Capacity, temperature, and insolation and using relevant Facility availability, weather and other pertinent data for the period of time during the Curtailment Period or Market Curtailment Period (or other relevant period), less the amount of Curtailed Unscheduled DA Forecast Volume, PV Energy delivered to the Delivery Point, and Charging Energy delivered to the Storage Facility during the Curtailment Period or Market Curtailment Period (or other relevant period); *provided* that, if the applicable difference is negative, the Deemed Delivered Energy shall be zero (0).

“**Defaulting Party**” has the meaning set forth in Section 11.1(a).

“**Deficient Month**” has the meaning set forth in Section 4.8(e).

“**Delay Damages**” means Daily Delay Damages and Commercial Operation Delay Damages.

“**Delivery Point**” has the meaning set forth in Exhibit A.

“**Delivery Term**” shall mean the period of Contract Years set forth on the Cover Sheet beginning on the Commercial Operation Date, unless terminated earlier in accordance with the terms and conditions of this Agreement.

“**Development Cure Period**” has the meaning set forth in Exhibit B.

“**Development Security**” [REDACTED]

“**Discharging Energy**” means all Energy delivered to the Delivery Point from the Storage Facility, net of the Electrical Losses, as measured at the Storage Facility Metering Points by the Storage Facility Meter. For the avoidance of doubt, all Discharging Energy will have originally been delivered to the Storage Facility as Charging Energy.

“**Early Termination Date**” has the meaning set forth in Section 11.2(a).

“**Effective Date**” has the meaning set forth on the Preamble.

“**Effective FCDS Date**” means the date identified in Seller’s Notice to Buyer (along with a Full Capacity Deliverability Status Finding from CAISO) as the date that the Facility has attained Full Capacity Deliverability Status.

“**Electrical Losses**” means all transmission or transformation losses between the Facility and the Delivery Point, including losses associated with delivery of PV Energy or Discharging Energy, as applicable, to the Delivery Point.

“**Eligible Intermittent Resource Protocol**” or “**EIRP**” has the meaning set forth in the CAISO Tariff or a successor CAISO program for intermittent resources.

“**Eligible Renewable Energy Resource**” has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

“**Energy**” means electrical energy generated by the Generating Facility.

“**Energy Supply Bid**” has the meaning set forth in the CAISO Tariff.

“**Environmental Costs**” means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, and the Product’s and Facility’s compliance with all applicable environmental Laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product or Facility, all operating and maintenance costs for operation of pollution mitigation or control equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all emission reduction credits, marketable emission trading credits, and any costs related to greenhouse gas emissions, required by any applicable environmental Laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to a Site or the Facility.

“**Event of Default**” has the meaning set forth in Section 11.1.

“**Excess MWh**” has the meaning set forth in Exhibit C.

“**Executed Interconnection Agreement Milestone**” means the date for completion of execution of the Interconnection Agreement by Seller and the PTO as set forth on the Cover Sheet.

“**Expected Commercial Operation Date**” is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Commercial Operation.

“**Expected Construction Start Date**” is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Construction Start.

“**Expected Energy**” means the quantity of Facility Energy that Seller expects to be able to deliver to Buyer from the Facility during each Contract Year, which is the quantity specified on the Cover Sheet for each Contract Year.

“**Facility**” means the Generating Facility and, following Seller’s exercise of its option to add an integrated energy storage facility pursuant to Section 2.3, the Storage Facility.

“**Facility Energy**” means the sum of PV Energy and Discharging Energy, net of Electrical Losses and Station Use, as measured by the Facility Meter, which Facility Meter will be adjusted in accordance with CAISO meter requirements and Prudent Operating Practices to account for Electrical Losses and Station Use.

“**Facility Meter**” means the CAISO Approved Meter that will measure all Facility Energy. Without limiting Seller’s obligation to deliver Facility Energy to the Delivery Point, the Facility Meter will be located, and Facility Energy will be measured, at the low voltage or high voltage side of the main step up transformer and will be subject to adjustment in accordance with CAISO

meter requirements and Prudent Operating Practices to account for Electrical Losses and Station Use.

“**FERC**” means the Federal Energy Regulatory Commission.

“**Financial Close**” means Seller or one of its Affiliates has obtained debt or equity financing commitments from one or more Lenders sufficient to construct the Facility, including such financing commitments from Seller's owner(s).

“**Financing Milestone**” [REDACTED]

“**Force Majeure Event**” has the meaning set forth in Section 10.1.

“**Forced Facility Outage**” means an unexpected failure of one or more components of the Facility or any outage on the Transmission System that prevents Seller from generating Energy or making Facility Energy available at the Delivery Point and that is not the result of a Force Majeure Event.

“**Forward Certificate Transfers**” has the meaning set forth in Section 4.8(a).

“**Full Capacity Deliverability Status**” has the meaning set forth in the CAISO Tariff.

“**Full Capacity Deliverability Status Finding**” means a written confirmation from the CAISO that the Facility is eligible for Full Capacity Deliverability Status.

“**Future Environmental Attributes**” shall mean any and all emissions, air quality or other environmental attributes other than Green Attributes or Renewable Energy Incentives under the RPS regulations or under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now, or in the future, to the generation of electrical energy by the Facility. Future Environmental Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, or (ii) investment tax credits or production tax credits associated with the construction or operation of the Facility, or other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation.

“**Gains**” means, with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining the economic benefit to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of

which should be calculated for the remaining Contract Term, and include the value of Green Attributes and Generating Facility Capacity Attributes.

“Generating Facility” means the solar photovoltaic generating facility described on the Cover Sheet and in Exhibit A, located at the Site and including mechanical equipment and associated facilities and equipment required to deliver (i) PV Energy to the Delivery Point, and (ii) Charging Energy to the Storage Facility; provided, that the “Generating Facility” does not include the Storage Facility or the Shared Facilities.

“Generating Facility Ancillary Services” means all Ancillary Services, if any, that the Generating Facility is capable of providing without requiring a modification of the Generating Facility and that the Generating Facility would be capable of providing independently of the Storage Facility.

“Generating Facility Capacity Attributes” means any Capacity Attributes attributable to the Generating Facility that the Generating Facility would be capable of providing independently of the Storage Facility.

“Governmental Authority” means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; *provided, however*, that “Governmental Authority” shall not in any event include any Party.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility and its displacement of conventional energy generation. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Facility Energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating or air quality permits. If the Facility is a biomass or landfill gas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer

with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Facility.

“Green Tag Reporting Rights” means the right of a purchaser of renewable energy to report ownership of accumulated “green tags” in compliance with and to the extent permitted by applicable Law and include, without limitation, rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

“Guaranteed Capacity” means the amount of generating capacity of the Generating Facility, as measured in MW at the Delivery Point, set forth on the Cover Sheet, as may be modified pursuant to Exhibit A.

“Guaranteed Commercial Operation Date” means the Expected Commercial Operation Date, as such date may be extended by the Development Cure Period.

“Guaranteed Construction Start Date” means the Expected Construction Start Date, as such date may be extended by the Development Cure Period.

“Guaranteed Energy Production” [REDACTED]

“Guarantor” means, with respect to Seller, a Person that is reasonably acceptable to Buyer or any Person that (a) does not already have any material credit exposure to Buyer under any other agreements, guarantees, or other arrangements at the time its Guaranty is issued, (b) is an Affiliate of Seller, or other third party reasonably acceptable to Buyer, (c) has a Credit Rating of BBB- or better from S&P or a Credit Rating of Baa3 or better from Moody’s, (d) [REDACTED], (e) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction, and (f) executes and delivers a Guaranty for the benefit of Buyer.

“Guaranty” means a guaranty from a Guarantor provided for the benefit of Buyer substantially in the form attached as Exhibit L.

“Hazardous Substance” means, collectively, (a) any chemical, material or substance that is listed or regulated under applicable Laws as a “hazardous” or “toxic” substance or waste, or as a “contaminant” or “pollutant” or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls, and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

“Imbalance Energy” means the amount of energy in MWh, in any given Settlement Period or Settlement Interval, by which the amount of Facility Energy deviates from the amount of Scheduled Energy.

“Incremental RT Volume” means, for each Settlement Interval, the positive difference, if any, of (a) the amount of PV Energy for such Settlement Interval, minus (b) the amount equal to (i) the DA Forecast Volume for such Settlement Interval, minus (ii) the Curtailed Unscheduled DA Forecast Volume for such Settlement Interval, if any.

“Indemnifiable Loss(es)” has the meaning set forth in Section 16.1.

“Initial Synchronization” means the initial delivery of Facility Energy to the Delivery Point.

“Installed Capacity” means the actual generating capacity of the Generating Facility, as measured in MW(ac) at the Delivery Point, that achieves Commercial Operation, adjusted for ambient conditions on the date of the performance test, and as evidenced by a certificate substantially in the form attached as Exhibit I hereto.

“Interconnection Agreement” means the interconnection agreement entered into by Seller pursuant to which the Facility will be interconnected with the Transmission System, and pursuant to which Seller’s Interconnection Facilities and any other Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

“Interconnection Facilities” means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the Transmission System in accordance with the Interconnection Agreement.

“Interest Rate” has the meaning set forth in Section 8.2.

“Interim Deliverability Status” has the meaning set forth in the CAISO Tariff.

“Inter-SC Trade” or **“IST”** has the meaning set forth in the CAISO Tariff.

“Investment Grade Credit Rating” means a Credit Rating of BBB- or higher by S&P or Baa3 or higher by Moody’s.

“ITC” means the investment tax credit established pursuant to Section 48 of the United States Internal Revenue Code of 1986.

“Joint Powers Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.).

“Joint Powers Agreement” means that certain Joint Powers Agreement dated December 1, 2016, as amended from time to time, under which Buyer is organized as a Joint Powers Authority in accordance with the Joint Powers Act.

“kW” means kilowatts in alternating current, unless expressly stated in terms of direct current.

“kWh” means kilowatt-hour measured in alternating current, unless expressly stated in terms of direct current.

“**Law**” means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

“**Lender**” means, collectively, any Person (i) providing senior or subordinated construction, interim, back leverage or long-term debt, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt (including back-leverage debt), equity (including tax equity), public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any equity or tax equity investor directly or indirectly providing financing or refinancing for the Facility or purchasing equity ownership interests of Seller or its Affiliates, and any trustee or agent or similar representative acting on their behalf, (ii) providing Interest Rate or commodity protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations or (iii) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

“**Letter(s) of Credit**” means one or more irrevocable, standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least A- with an outlook designation of “stable” from S&P or A3 with an outlook designation of “stable” from Moody’s, in a form substantially similar to the letter of credit set forth in Exhibit K.

“**Licensed Professional Engineer**” means an independent, professional engineer selected by Seller and reasonably acceptable to Buyer, licensed in the State of California.

“**Local Capacity Area Resources**” has the meaning set forth in the CAISO Tariff.

“**Locational Marginal Price**” or “**LMP**” has the meaning set forth in the CAISO Tariff.

“**Losses**” means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining economic loss to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes, Generating Facility Capacity Attributes, and Renewable Energy Incentives.

“**Lost Output**” has the meaning set forth in Section 4.7.

“**Major Project Development Milestone**” has the meaning set forth in in Exhibit B.

“**Market Curtailment Period**” means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation of Energy during a Settlement Period

or Settlement Interval in which (i) the DA LMP at the Facility’s PNode for such Settlement Interval or Settlement Period is less than the DA Price Floor, or (ii) the LMP for the Real-Time Market at the Facility’s PNode for such Settlement Interval or Settlement Period is less than the RT Price Floor.

“**Master File**” has the meaning set forth in the CAISO Tariff.

“**Milestones**” means the development activities for significant permitting, interconnection, financing and construction milestones set forth on the Cover Sheet.

“**Monthly Delivery Forecast**” has the meaning set forth in Section 4.3(b).

“**Moody’s**” means Moody’s Investors Service, Inc.

“**MW**” means megawatts in alternating current, unless expressly stated in terms of direct current.

“**MWh**” means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.

“**NERC**” means the North American Electric Reliability Corporation or any successor entity performing similar functions.

“**Net Qualifying Capacity**” has the meaning set forth in the CAISO Tariff.

“**Network Upgrades**” has the meaning set forth in the CAISO Tariff.

“**Non-Defaulting Party**” has the meaning set forth in Section 11.2.

“**Notice**” shall, unless otherwise specified in the Agreement, mean written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, or electronic messaging (e-mail).

“**Notice of Claim**” has the meaning set forth in Section 16.2.

“**NP-15**” means the Existing Zone Generation Trading Hub for Existing Zone region NP15 as set forth in the CAISO Tariff.

“**On-Peak Hour**” means any hour from hour-ending 0700 to hour-ending 2200 (i.e., 6:00 AM to 9:59 PM) on Monday through Saturday, Pacific Prevailing Time, excluding North American Electric Reliability Council (NERC) holidays.

“**Operating Restrictions**” means those rules, requirements, and procedures set forth on Exhibit O.

“**Participating Transmission Owner**” or “**PTO**” means an entity that owns, operates and maintains transmission or distribution lines and associated facilities or has entitlements to use certain transmission or distribution lines and associated facilities where the Facility is

interconnected. For purposes of this Agreement, the Participating Transmission Owner is set forth in Exhibit A.

“Party” or **“Parties”** has the meaning set forth in the Preamble.

“Performance Measurement Period” means each two (2) consecutive Contract Year period during the Delivery Term.

“Performance Security” [REDACTED]

“Permitted Transferee” means any entity that satisfies, or is controlled by another Person that satisfies, the following requirements:

(a) A tangible net worth of not less than [REDACTED] or a Credit Rating of at least BBB- from S&P, BBB- from Fitch, or Baa3 from Moody’s; and

(b) At least two (2) years of experience in the ownership and operations of power generation facilities similar to the Generating Facility, or has retained a third-party with such experience to operate the Generating Facility.

“Person” means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

“Planned Outage” has the meaning set forth in Section 4.6(a).

“PNode” has the meaning set forth in the CAISO Tariff.

“Portfolio” means the single portfolio of electrical energy generating or other assets and entities, including the Facility (or the interests of Seller or Seller’s Affiliates or the interests of their respective direct or indirect parent companies), that is pledged as collateral security in connection with a Portfolio Financing.

“Portfolio Content Category” means PCC1, PCC2 or PCC3, as applicable.

“Portfolio Content Category 1” or **“PCC1”** means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

“Portfolio Content Category 2” or **“PCC2”** means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code

Section 399.16(b)(2), as may be amended from time to time or as further defined or supplemented by Law.

“Portfolio Content Category 3” or **“PCC3”** means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(3), as may be amended from time to time or as further defined or supplemented by Law.

“Portfolio Financing” means any debt incurred by an Affiliate of Seller that is secured only by a Portfolio.

“Portfolio Financing Entity” means any Affiliate of Seller that incurs debt in connection with any Portfolio Financing.

“Product” means the Facility Energy, Generating Facility capacity, Generating Facility Ancillary Services, and all products, services and/or attributes similar to the foregoing which are or can be produced by or associated with the Generating Facility, including renewable attributes, Renewable Energy Credits, Generating Facility Capacity Attributes and Green Attributes.

“Progress Report” means a progress report including the items set forth in Exhibit E.

“Prudent Operating Practice” means (a) the applicable practices, methods and acts required by or consistent with applicable Laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric utility and independent power producer industry during the relevant time period with respect to grid-interconnected, utility-scale generating facilities with integrated storage (if applicable) in the Western United States, or (b) any of the practices, methods and acts which, in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the industry with respect to grid-interconnected, utility-scale generating facilities with integrated storage (if applicable) in the Western United States. Prudent Operating Practice includes compliance with applicable Laws, applicable reliability criteria, and the criteria, rules and standards promulgated in the National Electric Safety Code and the National Electrical Code, as they may be amended or superseded from time to time, including the criteria, rules and standards of any successor organizations.

“PTC” means the production tax credit established pursuant to Section 45 of the United States Internal Revenue Code of 1986.

“PV Energy” means the as-available Energy produced by the Generating Facility that is delivered directly to the Delivery Point and is not Discharging Energy.

“Qualifying Capacity” has the meaning set forth in the CAISO Tariff.

“RA Capacity” has the meaning set forth in the CAISO Tariff.

“RA Deficiency Amount” means the liquidated damages payment that Seller shall pay to Buyer for an applicable RA Shortfall Month as calculated in accordance with Section 3.8(b).

“RA Guarantee Date” [REDACTED]

“RAR” means the resource adequacy requirements established for load serving entities by the CPUC pursuant to the Resource Adequacy Rulings, by CAISO under the CAISO Tariff, or by any other Governmental Authority having jurisdiction over resource adequacy.

“RAR Showing” means the RAR compliance showings (or similar or successor showings) a load-serving entity is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Resource Adequacy Rulings.

“RA Shortfall Month” means, for purposes of calculating an RA Deficiency Amount under Section 3.8(b), any month commencing after the RA Guarantee Date during which the Net Qualifying Capacity of the Facility for such month was less than the Stand-Alone Qualifying Capacity for such month.

“Real-Time Market” has the meaning set forth in the CAISO Tariff.

“Real-Time Price” means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff. If there is more than one applicable Real-Time Price for the same period of time, Real-Time Price shall mean the price associated with the smallest time interval.

“Remedial Action Plan” has the meaning in Section 2.4.

“Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(h), as may be amended from time to time or as further defined or supplemented by Law.

“Renewable Energy Incentives” means: (a) all federal, state, or local Tax credits or other Tax benefits associated with the construction, ownership, or production of electricity from the Facility (including credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to the Facility; and (c) any other form of incentive relating in any way to the Facility that is not a Green Attribute or a Future Environmental Attribute.

“Replacement Energy” has the meaning set forth in Exhibit G.

“Replacement RA” means Resource Adequacy Benefits, if any, equivalent to those that would have been provided by the Generating Facility with respect to the applicable month in which a RA Deficiency Amount is due to Buyer, and located within SP-15.

“Resource Adequacy Benefits” means the rights and privileges attached to the Facility that satisfy any entity’s resource adequacy obligations, as those obligations are set forth in any Resource Adequacy Rulings and includes any local, zonal or otherwise locational attributes associated with the Facility, in addition to flex attributes.

“Resource Adequacy Rulings” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024 and any other existing or subsequent ruling or decision, or any other resource adequacy Law, however described, as such decisions, rulings, Laws, rules or regulations may be amended or modified from time-to-time throughout the Delivery Term.

“RT Price Floor” means zero dollars per MWh (\$0/MWh), or such lesser amount as specified by Buyer to Seller in writing, provided that such lesser amount specified by Buyer will not apply until the first day of the first calendar month commencing at least ten (10) Business Days after delivery of Buyer’s notice. For the avoidance of doubt, the RT Price Floor will be a single value that applies for the entire calendar month.

“S&P” means the Standard & Poor’s Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.).

“Schedule” has the meaning set forth in the CAISO Tariff, and **“Scheduled”** has a corollary meaning.

“Scheduled DA Forecast Volume” means, for each Settlement Interval, the lesser of (a) the DA Forecast Volume for such Settlement Interval or (b) the volume specified in the Day-Ahead Schedule for such Settlement Interval.

“Scheduled Energy” means the Facility Energy that clears under the applicable CAISO market based on the final Day-Ahead Schedule, FMM Schedule (as defined in the CAISO Tariff), or any other financially binding Schedule, market instruction or dispatch for the Facility for a given period of time implemented in accordance with the CAISO Tariff.

“Scheduling Coordinator” or **“SC”** means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff for the purposes of undertaking the functions specified in “Responsibilities of a Scheduling Coordinator,” of the CAISO Tariff, as amended from time to time.

“Security Interest” has the meaning set forth in Section 8.9.

“Self-Schedule” has the meaning set forth in the CAISO Tariff.

“Seller” has the meaning set forth on the Cover Sheet.

“Seller’s WREGIS Account” has the meaning set forth in Section 4.8(a).

“Settlement Amount” means the Non-Defaulting Party’s Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party’s Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party’s Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars (\$0). The Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages.

“**Settlement Interval**” has the meaning set forth in the CAISO Tariff.

“**Settlement Period**” has the meaning set forth in the CAISO Tariff.

“**Shared Facilities**” means the gen-tie lines, transformers, substations, or other equipment, permits, contract rights, and other assets and property (real or personal), in each case, as necessary to enable delivery of energy from the Facility (which is excluded from Shared Facilities) to the point of interconnection, including the Interconnection Agreement itself, that are used in common with third parties.

“**Showing Month**” means the calendar month of the Delivery Term that is the subject of Buyer’s compliance with the requirements of the CPUC for Buyer’s resource adequacy requirements. For illustrative purposes only, pursuant to the applicable CPUC decisions in effect as of the Effective Date, the monthly compliance showing made in June is for the Showing Month of August.

“**Site**” means the real property on which the Facility is or will be located, as further described in Exhibit A, and as shall be updated by Seller at the time Seller provides an executed Construction Start Date certificate in the form of Exhibit J to Buyer.

“**Site Control**” means that, for the Contract Term, Seller (or, prior to the Delivery Term, its Affiliate): (a) owns or has the option to purchase the Site; (b) is the lessee or has the option to lease the Site; or (c) is the holder of an easement or an option for an easement, right-of-way grant, or similar instrument with respect to the Site.

“**SP-15**” means the Existing Zone Generation Trading Hub for Existing Zone region SP15 as set forth in the CAISO Tariff.

“**Stand-Alone Qualifying Capacity**” means the Qualifying Capacity value that would be attributed to a stand-alone (without an integrated energy storage facility) electric generating facility employing the same technology as the Generating Facility and with a nameplate generating capacity equal to the Guaranteed Capacity. By way of example, as of the Effective Date, the Stand-Alone Qualifying Capacity for each month would be obtained by multiplying the Guaranteed Capacity of 100 MW (as of the Effective Date) by the corresponding ELCC factor for such month for solar electric generating facilities as set forth in the CAISO’s “Final Net Qualifying Capacity Report for Compliance Year 2019” (as of the Effective Date, available at <http://www.caiso.com/planning/Pages/ReliabilityRequirements/Default.aspx>).

“**Station Use**” means:

(a) The Energy produced by the Facility that is used within the Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation of the Facility; and

(b) The Energy produced by the Facility that is consumed within the Facility’s electric energy distribution system as losses.

“**Storage Facility**” means, following Seller’s exercise of its option to add an integrated energy storage facility pursuant to Section 2.3, the energy storage facility described in Exhibit A (including the operational requirements of the energy storage facility), located at the Site and including mechanical equipment and associated facilities and equipment required to deliver Discharging Energy to the Delivery Point (but excluding any Shared Facilities), and as such storage facility may be expanded or otherwise modified from time to time.

“**Storage Facility Ancillary Services**” means all Ancillary Services, if any, that the Storage Facility is capable of providing.

“**Storage Facility Capacity Attributes**” means any Capacity Attributes attributable to the Storage Facility, but excluding Storage Facility Ancillary Services. For the avoidance of doubt, any Capacity Attributes attributable to the Facility in excess of the Generating Facility Capacity Attributes will be deemed to be Storage Facility Capacity Attributes.

“**Storage Facility Meter**” means the bi-directional revenue quality meter or meters (with a 0.3 accuracy class), along with a compatible data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, the amount of Charging Energy delivered to the Storage Facility Metering Points and the amount of Discharging Energy discharged from the Storage Facility at the Storage Facility Metering Points to the Delivery Point for the purpose of invoicing in accordance with Section 8.1. For clarity, the Facility will contain multiple measurement devices that will make up the Storage Facility Meter, and, unless otherwise indicated, references to the Storage Facility Meter shall mean all such measurement devices and the aggregated data of all such measurement devices, taken together.

“**Storage Facility Metering Points**” means the locations of the Storage Facility Meters shown on Exhibit P.

“**System Emergency**” means any condition that requires, as determined and declared by CAISO or the PTO, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability.

“**Tax**” or “**Taxes**” means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term, including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

“**Tax Credits**” means the PTC, ITC and any other state, local or federal production tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production of renewable energy or investments in renewable energy facilities.

“**Terminated Transaction**” has the meaning set forth in Section 11.2(a).

“**Termination Payment**” has the meaning set forth in Section 11.3.

“**Test Energy**” means Facility Energy delivered (a) commencing on the later of (i) the first date that the CAISO informs Seller in writing that Seller may deliver Facility Energy to the CAISO and (ii) the first date that the PTO informs Seller in writing that Seller has conditional or temporary permission to parallel and (b) ending upon the occurrence of the Commercial Operation Date.

“**Transmission Provider**” means any entity or entities transmitting or transporting the Facility Energy on behalf of Seller or Buyer to or from the Delivery Point.

“**Transmission System**” means the transmission facilities operated by the CAISO, now or hereafter in existence, which provide energy transmission service downstream from the Delivery Point.

“**Ultimate Parent**” means _____, a [State of organization] [Type of entity].

“**Unscheduled DA Forecast Volume**” means, for each Settlement Interval, the positive difference, if any, of (a) the DA Forecast Volume for such Settlement Interval, minus (b) the volume specified in the Day-Ahead Schedule for such Settlement Interval.

“**Variable Energy Resource**” or “**VER**” has the meaning set forth in the CAISO Tariff.

“**WREGIS**” means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

“**WREGIS Certificate Deficit**” has the meaning set forth in Section 4.8(e).

“**WREGIS Certificates**” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for complying with the California Renewables Portfolio Standard.

“**WREGIS Operating Rules**” means those operating rules and requirements adopted by WREGIS as of May 1, 2018, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.2 **Rules of Interpretation.** In this Agreement, except as expressly stated otherwise or unless the context otherwise requires:

(a) headings and the rendering of text in bold and italics are for convenience and reference purposes only and do not affect the meaning or interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders;

(c) the words “hereof”, “herein”, and “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a reference to an Article, Section, paragraph, clause, Party, or Exhibit is a reference to that Section, paragraph, clause of, or that Party or Exhibit to, this Agreement unless otherwise specified;

(e) a reference to a document or agreement, including this Agreement means such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation or modification of this Agreement, but disregarding any amendment, supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;

(f) a reference to a Person includes that Person's successors and permitted assigns;

(g) the term "including" means "including without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

(h) references to any statute, code or statutory provision are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or reenacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom unless the context otherwise requires;

(i) in the event of a conflict, a mathematical formula or other precise description of a concept or a term shall prevail over words providing a more general description of a concept or a term;

(j) references to any amount of money shall mean a reference to the amount in United States Dollars;

(k) words, phrases or expressions not otherwise defined herein that (i) have a generally accepted meaning in Prudent Operating Practice shall have such meaning in this Agreement or (ii) do not have well known and generally accepted meaning in Prudent Operating Practice but that have well known and generally accepted technical or trade meanings, shall have such recognized meanings; and

(l) each Party acknowledges that it was represented by counsel in connection with this Agreement and that it or its counsel reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

ARTICLE 2 TERM; CONDITIONS PRECEDENT

2.1 Contract Term.

(a) The term of this Agreement shall commence on the Effective Date and shall remain in full force and effect until the conclusion of the Delivery Term, subject to any early termination provisions set forth herein ("Contract Term"); provided, however, that Buyer's obligations to pay for or accept any Product are subject to Seller's completion of the conditions precedent pursuant to Section 2.2.

(b) Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. The confidentiality obligations of the Parties under Article 18 and all indemnity and audit rights shall remain in full force and effect for five (5) years following the termination of this Agreement.

2.2 **Conditions Precedent.** The Delivery Term shall not commence until Seller completes each of the following conditions:

(a) Seller has delivered to Buyer (i) a completion certificate from a Licensed Professional Engineer substantially in the form of Exhibit H and (ii) a certificate from a Licensed Professional Engineer substantially in the form of Exhibit I setting forth the Installed Capacity on the Commercial Operation Date;

(b) A Participating Generator Agreement and a Meter Service Agreement between Seller and CAISO shall have been executed and delivered and be in full force and effect, and a copy of each such agreement delivered to Buyer;

(c) An Interconnection Agreement between Seller and the PTO shall have been executed and delivered and be in full force and effect and a copy of the Interconnection Agreement delivered to Buyer;

(d) All applicable regulatory authorizations, approvals and permits for the operation of the Facility have been obtained (or if not obtained, applied for and reasonably expected to be received within 90 days) and all conditions thereof that are capable of being satisfied on the Commercial Operation Date have been satisfied and shall be in full force and effect;

(e) Seller has received CEC Precertification of the Facility (and reasonably expects to receive final CEC Certification and Verification for the Facility in no more than one hundred eighty (180) days from the Commercial Operation Date);

(f) Seller (with the reasonable participation of Buyer) shall have completed all applicable WREGIS registration requirements, including the completion and submittal of all applicable registration forms and supporting documentation, which may include applicable interconnection agreements, informational surveys related to the Facility, QRE service agreements, and other appropriate documentation required to effect Facility registration with WREGIS and to enable Renewable Energy Credit transfers related to the Facility within the WREGIS system;

(g) Seller has delivered the Performance Security to Buyer in accordance with Section 8.8; and

(h) Seller has paid Buyer for all amounts owing under this Agreement as of the Commercial Operation Date, if any, including Daily Delay Damages, and Commercial Operation Delay Damages.

2.3 **Development; Construction; Progress Reports.** Within fifteen (15) days after the close of (i) each calendar quarter from the first calendar quarter following the Effective Date

until the Construction Start Date, and (ii) each calendar month from the first calendar month following the Construction Start Date until the Commercial Operation Date, Seller shall provide to Buyer a Progress Report and agree to regularly scheduled meetings between representatives of Buyer and Seller to review such monthly reports and discuss Seller's construction progress. The form of the Progress Report is set forth in Exhibit E. Seller shall also provide Buyer with any reasonable requested documentation (subject to confidentiality restrictions) directly related to the achievement of Milestones within ten (10) Business Days of receipt of such request by Seller. For the avoidance of doubt, Seller is solely responsible for the design and construction of the Facility, including the location of the Site, obtaining all permits and approvals to build the Facility, the Facility layout, and the selection and procurement of the equipment comprising the Facility. Seller has the right, but not the obligation, in its sole discretion, to incorporate an integrated energy storage facility into the Facility. Prior to commencing construction on the Storage Facility, Seller will provide notice to Buyer with a revised Exhibit A and a revised Exhibit P reflecting the addition of the Storage Facility and the Storage Facility Meter, which will automatically supersede the prior version of Exhibit A and Exhibit P.

2.4 **Remedial Action Plan**. If Seller misses three (3) or more Milestones, or misses any one (1) by more than ninety (90) days, except as the result of a Force Majeure Event or Buyer Default, Seller shall submit to Buyer, within ten (10) Business Days of such missed Milestone completion date (or the ninetieth (90th) day after the missed Milestone completion date, as applicable), a remedial action plan ("**Remedial Action Plan**"), which will describe in detail any delays (actual or anticipated) beyond the scheduled Milestone dates, including the cause of the delay (e.g., governmental approvals, financing, property acquisition, design activities, equipment procurement, project construction, interconnection, or any other factor), Seller's detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the Guaranteed Commercial Operation Date; provided, that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement. Subject to the provisions of Exhibit B, so long as Seller complies with its obligations under this Section 2.4, Seller shall not be considered in default of its obligations under this Agreement solely as a result of missing any Milestone.

ARTICLE 3 PURCHASE AND SALE

3.1 **Purchase and Sale of Product**.

(a) Subject to the terms and conditions of this Agreement, during the Delivery Term, Buyer will purchase and receive all the Product produced by or associated with the Facility at the Contract Price and in accordance with Exhibit C, and Seller shall supply and deliver to Buyer all the Product produced by or associated with the Facility. At its sole discretion, Buyer may during the Delivery Term re-sell or use for another purpose all or a portion of the Product, provided that no such re-sale or use shall relieve Buyer of any obligations hereunder. During the Delivery Term, Buyer will have exclusive rights to offer, bid, or otherwise submit the Product, or any component thereof but excluding Facility Energy, from the Facility after the Delivery Point for resale in the market or to any third party, and retain and receive any and all related revenues. Without limiting Buyer's obligation to make payments based on Charging Energy volume as described in Exhibit

C, Buyer has no obligation to purchase from Seller any Product for which the associated Facility Energy is not or cannot be delivered to the Delivery Point as a result of an outage of the Facility, a Force Majeure Event, or a Curtailment Order. For the avoidance of doubt, the Product does not include any products, including Storage Facility Capacity Attributes and Storage Facility Ancillary Services, associated with the Storage Facility, except for the Discharging Energy and associated Green Attributes and except as provided in Section 3.7(e).

(b) In addition to the Parties' rights and obligations under this Agreement with respect to the Facility, Seller agrees to sell and deliver and Buyer agrees to purchase and receive energy and associated environmental attributes (the "**Portfolio Product**") from one or more wind energy or solar photovoltaic electricity generating facilities (each, a "**Project**" and, collectively, the "**Portfolio**") in accordance with the following terms and conditions:

- (i) The "**Portfolio Product Delivery Term**" shall commence on [REDACTED] or the termination of this Agreement in accordance with its terms (the "**Delivery Cessation Date**"); provided that the Portfolio Product Delivery Term shall be extended solely for the purpose of transferring the WREGIS Certificates associated with the energy and environmental attributes delivered to Buyer prior to the Delivery Cessation Date, and such WREGIS Certificate transfers shall occur no later than April 15, 2023.
- (ii) The "**Contract Quantity of Portfolio Product**" is equal to the amount set forth in the table below for each applicable calendar year.

Contract Quantity of Portfolio Product	2020 (GWh)	2021 (GWh)	2022 (GWh)
	■	■	■

- (iii) The "**Contract Price for Portfolio Product**" is equal to \$ [REDACTED].
- (iv) If the aggregate Portfolio Product delivered by Seller for a calendar year in the Portfolio Product Delivery Term is less than the Contract Quantity of Portfolio Product for such calendar year, then Seller will pay Buyer liquidated damages in an amount equal to [REDACTED].
- (v) Other terms and conditions regarding the Portfolio Product:

- A. The Portfolio Product shall meet the RPS compliance requirements for Category 1 as set forth in California Public Utilities Code Section

399.16(b)(1)(A) and California Public Utilities Commission (“CPUC”) Decision 11-12-052.

- B. Each Project in the Portfolio shall be either a wind energy or solar photovoltaic electricity generating facility, and each Project either;
1. has a first point of interconnection with a California balancing authority; or
 2. has its first point of interconnection with distribution facilities used to serve end users within a California balancing authority area; or
 3. the generation from the Project is scheduled into a California balancing authority without substituting electricity from any other source, provided that, if another source provides real-time ancillary services required to maintain an hourly or subhourly import schedule into the California balancing authority only the fraction of the schedule actually generated by the Project from which the electricity is procured may count toward this Portfolio Product; or
 4. the generation from the Project is scheduled into a California balancing authority pursuant to a dynamic transfer agreement between the balancing authority where the Project is located and the California balancing authority into which the generation is scheduled.
- C. The Parties acknowledge and agree that the Portfolio consists of a pool of Projects and that Seller will, in its sole discretion, utilize one or more of the Projects in order to satisfy its obligations hereunder during the Portfolio Product Delivery Term. The Parties further acknowledge and agree that, during the Portfolio Product Delivery Term, Portfolio Product shall solely be limited to the actual Portfolio Product identified in advance by Seller in accordance with this paragraph, generated by the Portfolio, and delivered by Seller to satisfy the Contract Quantity of Portfolio Product, and that Buyer is not entitled to any additional energy and associated environmental attributes or other products produced by the Portfolio above and beyond the Contract Quantity of Portfolio Product or prior to or after the Portfolio Product Delivery Term. During the Portfolio Product Delivery Term, Seller will deliver (I) the energy to the CAISO on Buyer’s behalf at the CAISO interconnection point applicable to the Project from which the Portfolio Product is being delivered, and (II) the associated environmental attributes to Buyer through the transfer of WREGIS Certificates through WREGIS in accordance with Section 4.8. On a day ahead basis, Seller shall provide a notice via e-mail to Buyer at [Buyer email] identifying the volume of Portfolio Product to be provided by each Project comprising the Portfolio for the following day, which may be expressed as a percentage of the applicable Project’s output for such

day.

- D. Seller has not sold the Renewable Energy Credits originally associated with the Portfolio Product to any other person or entity;
- E. Seller receives compensation directly from the CAISO for energy associated with the Portfolio Product that is imported or scheduled to the CAISO in real-time on Buyer's behalf, and Buyer acknowledges and agrees that Seller is entitled to retain all such CAISO compensation;
- F. If and to the extent that the Portfolio Product sold by Seller is a resale of part or all of a contract between Seller and one or more third parties, Seller represents, warrants and covenants that the resale complies with the following conditions in (1) through (5) throughout the Portfolio Product Delivery Term:
 - 1. The original upstream third-party contract(s) through which Seller acquires the Portfolio Product resold to Buyer meets the criteria of California Public Utilities Code Section 399.16(b)(1);
 - 2. This Agreement transfers only electricity and Renewable Energy Credits that have not yet been generated prior to the Effective Date;
 - 3. The electricity transferred by this Agreement is transferred to Buyer in real time;
 - 4. If the Product is scheduled from a Project that is not interconnected to a California balancing authority into a California balancing authority without substituting electricity from another source, the original hourly or subhourly schedule is maintained, and the three preceding conditions are met; and
 - 5. If the Project has an agreement to dynamically transfer electricity to a California balancing authority, the transactions implemented under this Agreement are not contrary to any condition imposed by a balancing authority participating in the dynamic transfer arrangement.
- G. Seller, or its designated scheduling coordinator, will perform all scheduling requirements applicable to the Portfolio Product. All scheduling shall be performed consistent with all applicable CAISO and WECC prevailing protocols.
- H. For each month during the Portfolio Product Delivery Term, Buyer will pay Seller an amount equal to the Contract Price for Portfolio Product as multiplied by the portion of the Contract Quantity of Portfolio Product, as evidenced by WREGIS Certificates, transferred from Seller to Buyer through WREGIS in such month. Invoicing and payment for Portfolio

Product shall be in accordance with Article 8.

3.2 **Sale of Green Attributes.** During the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase and receive from Seller, all Green Attributes attributable to the Facility Energy generated by the Facility.

3.3 **Imbalance Energy.** During the Delivery Term, CAISO payments and charges arising from Imbalance Energy shall be for the account of Seller.

3.4 **Ownership of Renewable Energy Incentives.** Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller's sole expense, in Seller's efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.5 **Future Environmental Attributes.**

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes sold under this Agreement are restricted to Green Attributes; however, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. Subject to the final sentence of this Section 3.5, and Sections 3.5(b) and 3.12, in such event, Buyer shall bear all costs associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller's receipt of Notice from Buyer of Buyer's intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation to alter the Facility or the operation of the Facility unless the Parties have agreed on all necessary terms and conditions relating to such alteration or change in operation and Buyer has agreed to reimburse Seller for all costs, losses, and liabilities associated with such alteration or change in operation.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.5, the Parties agree to negotiate in good faith with respect to the development of further agreements and documentation necessary to effectuate the transfer of such Future Environmental Attributes, including agreement with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) appropriate allocation of any additional costs to Buyer, as set forth above; *provided*, that the Parties acknowledge and agree that such terms are not intended to alter the other material terms of this Agreement.

3.6 **Test Energy.** Except to the extent that Seller elects, in its sole discretion to deliver Test Energy as part of the Portfolio Product, prior to the Commercial Operation Date, Buyer will have no obligation to purchase and Seller will have the right to sell all or any portion of the Product, including any Test Energy, to one or more third parties and retain all resulting revenue.

3.7 **Capacity Attributes.** Seller shall request Full Capacity Deliverability Status in the CAISO generator interconnection process. As between Buyer and Seller, Seller shall be responsible for the cost and installation of any Network Upgrades associated with obtaining such Full Capacity Deliverability Status.

(a) Throughout the Delivery Term, subject to Section 3.12, Seller grants, pledges, assigns and otherwise commits to Buyer all the Generating Facility Capacity Attributes from the Generating Facility.

(b) Throughout the Delivery Term, Seller shall use commercially reasonable efforts to maintain eligibility for Full Capacity Deliverability Status or Interim Deliverability Status for the Facility from the CAISO and shall perform all actions necessary to ensure that the Facility qualifies to provide Resource Adequacy Benefits to Seller.

(c) Throughout the Delivery Term, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits and other Generating Facility Capacity Attributes associated with the Generating Facility to Buyer.

(d) For the duration of the Delivery Term, Seller shall take all reasonable actions, including complying with all applicable registration and reporting requirements, and execute all documents or instruments necessary to enable Buyer to use all of the Generating Facility Capacity Attributes committed by Seller to Buyer pursuant to this Agreement.

(e) No later than one (1) year prior to the Guaranteed Commercial Operation Date, Seller will provide notice to Buyer (the “**Storage Facility Capacity Notice**”) describing the expected discharge capacity (in MW) of the Storage Facility that can be sustained for four (4) hours (“**Storage Capacity**”), if any. For the avoidance of doubt, Seller has no obligation to develop a Storage Facility, and the expected Storage Capacity specified by Seller in the Storage Facility Capacity Notice may be zero (0) MW. Following Seller’s delivery of the Storage Facility Capacity Notice, Buyer will have the right for ninety (90) days to elect to purchase the Resource Adequacy Benefits and other Storage Facility Capacity Attributes associated with the Storage Facility at a price (“**Storage Facility RA Capacity Price**”) and corresponding delivery term (“**Storage Facility RA Capacity Delivery Term**”)

The Storage Facility RA Capacity Price shall be multiplied by the amount of RA Capacity associated with the Storage Facility that Buyer can claim in its RAR Showing for the applicable Showing Month (“**Monthly Storage Facility RA Payment**”), and such payment will be made by Buyer to Seller in arrears following the Showing Month. If Buyer elects to purchase the Resource Adequacy Benefits and other Storage Facility Capacity Attributes associated with the Storage Facility, Buyer must exercise this right by providing written notice of such election to Seller (“**Buyer Exercise Notice**”) no later than ninety (90) days after Seller delivers the Storage Facility Capacity Notice, which Buyer Exercise Notice must specify the Storage Facility Capacity Price and corresponding Storage Facility Capacity Delivery Term selected by Buyer. If Buyer does not deliver its Buyer Exercise Notice to Seller within ninety (90) days after Seller delivers the Storage Facility Capacity Notice, then Buyer will be deemed to have declined to purchase the Resource

Adequacy Benefits and other Storage Facility Capacity Attributes associated with the Storage Facility and Seller will no longer have any obligation to offer or sell such Resource Adequacy Benefits and other Storage Facility Capacity Attributes associated with the Storage Facility to Buyer. If Buyer timely delivers a valid Buyer Exercise Notice in accordance with this Section 3.7(e), then:

- i. Prior to the start of the Storage Facility Capacity Delivery Term, Seller will deliver to Buyer a certificate from a Licensed Professional Engineer stating the actual tested Storage Capacity of the Storage Facility (“Initial Storage Capacity”).
- ii. Throughout the Storage Facility Capacity Delivery Term, subject to Section 3.12, Seller grants, pledges, assigns and otherwise commits to Buyer all the Storage Facility Capacity Attributes from the Storage Facility. Buyer acknowledges that the amount of RA Capacity associated with the Storage Facility may change over time, and Seller’s obligation to provide RA Capacity from the Storage Facility for any Showing Month is limited to the amount of RA Capacity associated with the Storage Facility that is available for such Showing Month.
- iii. Throughout the Storage Facility Capacity Delivery Term, Seller shall use commercially reasonable efforts to maintain eligibility for Full Capacity Deliverability Status or Interim Deliverability Status for the Facility from the CAISO and shall perform all actions necessary to ensure that the Facility qualifies to provide Resource Adequacy Benefits to Seller.
- iv. Throughout the Storage Facility Capacity Delivery Term, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits and other Storage Facility Capacity Attributes associated with the Storage Facility to Buyer.
- v. For the duration of the Storage Facility Capacity Delivery Term, Seller shall take all reasonable actions, including complying with all applicable registration and reporting requirements, and execute all documents or instruments necessary to enable Buyer to use all of the Storage Facility Capacity Attributes committed by Seller to Buyer pursuant to this Agreement.
- vi. For each month of the Storage Facility Capacity Delivery Term, Buyer will pay Seller the Monthly Storage Facility RA Payment. Invoicing and payment for the Monthly Storage Facility RA Payment shall be in accordance with Article 8.
- vii. To the extent necessary to implement this Section 3.7(e), the Parties will work in good faith to negotiate a separate agreement or addendum for the purchase and sale of Resource Adequacy Benefits and other Storage Facility Capacity Attributes associated with capacity from the Storage Facility.

3.8 **Resource Adequacy Failure.**

(a) **RA Deficiency Determination.** For each RA Shortfall Month, Seller shall pay to Buyer the RA Deficiency Amount as liquidated damages or provide Replacement RA, in each case, as the sole and exclusive remedy for the Generating Facility Capacity Attributes Seller failed to convey to Buyer.

(b) **RA Deficiency Amount Calculation.** Commencing on the Commercial Operation Date, for each RA Shortfall Month, Seller shall pay to Buyer an amount (the “**RA Deficiency Amount**”) equal to the product of the difference, expressed in kW, of (i) the Stand-Alone Qualifying Capacity for such month, minus (ii) the Net Qualifying Capacity of the Facility for such month, [REDACTED]

[REDACTED] *provided* that Seller may, as an alternative to paying RA Deficiency Amounts, provide Replacement RA in the amount of (X) the Stand-Alone Qualifying Capacity with respect to such month, minus (Y) the Net Qualifying Capacity of the Facility with respect to such month, provided that any Replacement RA capacity is communicated by Seller to Buyer with Replacement RA product information in a written notice substantially in the form of Exhibit M at least seventy-five (75) days before the applicable CPUC operating month for the purpose of monthly RA reporting.

3.9 **CEC Certification and Verification.** Subject to Section 3.12, Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Facility throughout the Delivery Term, including compliance with all applicable requirements for certified facilities set forth in the current version of the *RPS Eligibility Guidebook* (or its successor). Seller shall obtain CEC Precertification by the Commercial Operation Date. Within thirty (30) days after the Commercial Operation Date, Seller shall apply with the CEC for final CEC Certification and Verification. Subject to Section 3.12, within one hundred eighty (180) days after the Commercial Operation Date, Seller shall obtain and maintain throughout the remainder of the Delivery Term the final CEC Certification and Verification. Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller’s application for CEC Certification and Verification for the Facility.

3.10 **Eligibility.** Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Facility qualifies and is certified by the CEC as an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Facility’s output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. The term “commercially reasonable efforts” as used in this Section 3.10 means efforts consistent with and subject to Section 3.12.

3.11 **California Renewables Portfolio Standard.** Subject to Section 3.12, Seller shall also take all other actions necessary to ensure that the Facility Energy is tracked for purposes of satisfying the California Renewables Portfolio Standard requirements, as may be amended or supplemented by the CPUC or CEC from time to time.

3.12 **Compliance Expenditure Cap.** If a change in Laws occurring after the Effective Date has increased Seller's known or reasonably expected costs to comply with Seller's obligations under this Agreement with respect to obtaining, maintaining, conveying or effectuating Buyer's use of (as applicable) any Product (including any obligations set forth in Section, 4.3 or 4.4, 4.5), then the Parties agree that the maximum aggregate amount of out-of-pocket costs and expenses ("**Compliance Costs**") Seller shall be required to bear during the Delivery Term to comply with all of such obligations shall be capped at [REDACTED] ("**Compliance Expenditure Cap**"). Seller's internal administrative costs associated with obtaining, maintaining, conveying or effectuating Buyer's use of (as applicable) any Product are excluded from the Compliance Expenditure Cap.

Any actions required for Seller to comply with its obligations set forth in the first paragraph above, the Compliance Costs of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the "**Compliance Actions**."

If Seller reasonably anticipates the need to incur Compliance Costs in excess of the Compliance Expenditure Cap in order to take any Compliance Action Seller shall provide Notice to Buyer of such anticipated Compliance Costs.

Buyer will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the Compliance Costs that exceed the Compliance Expenditure Cap (such Buyer-agreed upon costs, the "**Accepted Compliance Costs**"), or (2) waive Seller's obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller. If Buyer does not respond to a Notice given by Seller under this Section 3.12 within sixty (60) days after Buyer's receipt of same, Buyer shall be deemed to have waived its rights to require Seller to take the Compliance Actions that are the subject of the Notice, and Seller shall have no further obligation to take, and no liability for any failure to take, these Compliance Actions for the remainder of the Term.

If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by the Parties and Buyer shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller.

ARTICLE 4 OBLIGATIONS AND DELIVERIES

4.1 **Delivery.**

(a) **Energy.** Subject to the provisions of this Agreement, commencing on the Commercial Operation Date and through the end of the Contract Term, Seller shall supply and deliver the Product to Buyer at the Delivery Point, and Buyer shall take delivery of the Product at the Delivery Point in accordance with the terms of this Agreement. Seller will be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Facility Energy to the Delivery Point, including without limitation, Station Use, Electrical Losses,

and any operation and maintenance charges imposed on Seller by the Transmission Provider directly relating to the Facility's operations. Buyer shall be responsible for all costs, charges and penalties, if any, imposed in connection with the delivery of Facility Energy at and after the Delivery Point, including without limitation transmission costs and transmission line losses. The Facility Energy will be scheduled with the CAISO by Seller (or Seller's designated Scheduling Coordinator for the Facility) in accordance with Exhibit D.

(b) Green Attributes. All Green Attributes associated with the Facility during the Delivery Term are exclusively dedicated to and will be conveyed to Buyer. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

4.2 Title and Risk of Loss.

(a) Energy. Title to and risk of loss related to the Facility Energy, shall pass and transfer from Seller to Buyer at the Delivery Point. Seller warrants that all Product delivered to Buyer is free and clear of all liens, security interests, claims and encumbrances of any kind.

(b) Green Attributes. Title to and risk of loss related to the Green Attributes shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS.

4.3 Forecasting. Seller shall provide the forecasts described below at its sole expense and in a format acceptable to Buyer (or Buyer's designee). Seller shall use reasonable efforts to provide forecasts that are accurate and, to the extent not inconsistent with the requirements of this Agreement, shall prepare such forecasts, or cause such forecasts to be prepared, in accordance with Prudent Operating Practices.

(a) Annual Forecast of Energy. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) at the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of each month's average-day expected Energy and Facility Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit F-1, or as reasonably requested by Buyer.

(b) Monthly Forecast of Energy and Available Generating Capacity. No less than thirty (30) days before the Commercial Operation Date, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly expected Energy, Facility Energy, and Available Generating Capacity for each day of the following month in a form substantially similar to the table found in Exhibit F-2 ("Monthly Delivery Forecast").

(c) Day-Ahead Forecast. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, or as otherwise specified by Buyer consistent with Prudent Operating Practice, Seller shall provide Buyer with a non-binding forecast of (i) Available Generating Capacity and (ii) hourly expected Energy, in each case, for each hour of the immediately succeeding day ("Day-Ahead Forecast"). A Day-Ahead Forecast provided in a

day prior to any non-Business Day(s) shall include non-binding forecasts for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller's non-binding best estimate of (i) the Available Generating Capacity and (ii) the hourly expected Energy.

4.4 **Reserved.**

4.5 **Reserved.**

4.6 **Reduction in Delivery Obligation.** For the avoidance of doubt, and in no way limiting Section 3.1 or Exhibit G:

(a) **Facility Maintenance.** Seller shall be permitted to reduce deliveries of Product during any period of scheduled maintenance on the Facility, provided that, Seller shall provide Buyer one-hundred twenty (120) days' prior Notice of any scheduled maintenance and, between June 1st and September 30th, Seller shall not schedule non-emergency maintenance that reduces the Energy generation of the Facility by more than ten percent (10%), in each case, unless (i) such outage is required to avoid damage to the Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled outside the period of June 1st to September 30th, (iii) such outage is required in accordance with prudent electrical practices, or (iv) the Parties agree otherwise in writing (each of the foregoing, a "**Planned Outage**").

(b) **Forced Facility Outage.** Seller shall be permitted to reduce deliveries of Product during any Forced Facility Outage. Seller shall provide Buyer with Notice and expected duration (if known) of any Forced Facility Outage.

(c) **System Emergencies and other Interconnection Events.** Seller shall be permitted to reduce deliveries of Product during any period of System Emergency or upon Notice of a Curtailment Order pursuant to the terms of this Agreement, the Interconnection Agreement or applicable tariff.

(d) **Force Majeure Event.** Seller shall be permitted to reduce deliveries of Product during any Force Majeure Event.

(e) **Buyer Default.** Seller shall be permitted to reduce deliveries of Product during any period in which there is Buyer Default.

(f) **Market Curtailment Period.**

(g) **Charging Energy.** Seller shall be permitted, but not obligated, in its sole discretion to reduce deliveries of PV Energy in order to provide Charging Energy to the Storage Facility; provided, however, that if Seller is required to reduce Facility Energy pursuant to a Curtailment Order or because the total Facility Energy output would otherwise exceed the capacity

limits of the Interconnection Facilities, Seller shall not allow Discharging Energy to displace PV Energy.

(h) Unscheduled DA Forecast Volume. 



(i) Health and Safety. Seller shall be permitted to reduce deliveries of Product as necessary to maintain health and safety pursuant to Section 6.2.

4.7 Guaranteed Energy Production. Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production in each Performance Measurement Period. Seller shall be excused from achieving the Guaranteed Energy Production during any Performance Measurement Period only to the extent of any Force Majeure Events, System Emergency, Buyer's Default or other failure to perform, Curtailment Periods, or Market Curtailment Periods. For purposes of determining whether Seller has achieved the Guaranteed Energy Production, in addition to the Facility Energy and Replacement Energy delivered by Seller during the applicable Performance Measurement Period, Seller shall be deemed to have delivered to Buyer (1) any Deemed Delivered Energy, (2) Energy in the amount it could reasonably have delivered to Buyer but was prevented from delivering to Buyer by reason of any Force Majeure Events, System Emergency, Buyer's Default or other failure to perform, or Curtailment Periods ("Lost Output") during the applicable Performance Measurement Period, and (3) the amount of Energy during such Performance Measurement Period with respect to which Seller has already paid liquidated damages in accordance with Exhibit G. If Seller fails to achieve the Guaranteed Energy Production amount in any Performance Measurement Period, Seller shall pay Buyer damages calculated in accordance with Exhibit G.

4.8 WREGIS. Seller shall, at its sole expense, but subject to Section 3.12, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Facility Energy are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer's sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. Seller shall be deemed to have satisfied the warranty in Section 4.8(g), provided that Seller fulfills its obligations under Sections 4.8(a) through 4.8(g) below. In addition:

(a) Prior to the Commercial Operation Date, Seller shall register the Facility with WREGIS and establish an account with WREGIS ("Seller's WREGIS Account"), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using "Forward Certificate Transfers" (as described in the WREGIS Operating Rules) from Seller's WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of

a designee that Buyer identifies by Notice to Seller (“**Buyer’s WREGIS Account**”). Seller shall be responsible for all expenses associated with registering the Facility with WREGIS, establishing and maintaining Seller’s WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller’s WREGIS Account to Buyer’s WREGIS Account.

(b) Seller shall cause Forward Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Facility Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate.

(c) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Facility Energy for such calendar month as evidenced by the Facility’s metered data.

(d) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.8. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A “**WREGIS Certificate Deficit**” means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Facility Energy for the same calendar month (“**Deficient Month**”) caused by an error or omission of Seller. If any WREGIS Certificate Deficit is caused, or the result of any action or inaction by Seller, then the amount of PV Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for purposes of (i) calculating Buyer’s payment to Seller under Article 8, which shall result in a credit to Buyer equal to the product of the WREGIS Certificate Deficit multiplied by the Contract Price, and (ii) the Guaranteed Energy Production for the applicable Contract Year; provided, however, that such adjustment shall not apply to the extent that Seller either (x) resolves the WREGIS Certificate Deficit as to such Deficient Month so that it takes effect for the calendar year during which Deficient Month occurred, but no later than May 1 of the following calendar year, or (y) provides Replacement Energy including associated WREGIS Certificates within the same calendar year during which the Deficient Month occurred, and such WREGIS Certificates are delivered to Buyer no later than May 1 of the following calendar year. Without limiting Seller’s obligations under this Section 4.8, if a WREGIS Certificate Deficit is caused solely by an error or omission of WREGIS, the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(f) If WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.8 after the Effective Date, the Parties promptly shall modify this Section 4.8 as reasonably required to cause and enable Seller to transfer to Buyer’s WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Facility Energy in the same calendar month.

(g) Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. The term “commercially reasonable efforts” as used in this Section 4.8(g) means efforts consistent with and subject to Section 3.12.

(h) Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in WREGIS will be taken prior to the first delivery under this Agreement.

4.9 **Green-e Certification.** Seller shall, at its sole expense, but subject to Section 3.12, take all actions and execute all documents or instruments necessary to ensure that the Facility is eligible for Green-e certification.

ARTICLE 5 TAXES

5.1 **Allocation of Taxes and Charges.** Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and making available of Product to Buyer, that are imposed on Product prior to its delivery to Buyer at the time and place contemplated under this Agreement. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of Product that are imposed on Product at and after its delivery to Buyer at the time and place contemplated under this Agreement (other than withholding or other Taxes imposed on Seller’s income, revenue, receipts or employees), if any. If a Party is required to remit or pay Taxes that are the other Party’s responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. In the event any sale of Product hereunder is exempt from or not subject to any particular Tax, Buyer shall provide Seller with all necessary documentation within thirty (30) days after the Effective Date to evidence such exemption or exclusion. If Buyer does not provide such documentation, then Buyer shall indemnify, defend, and hold Seller harmless from any liability with respect to Taxes from which Buyer claims it is exempt.

5.2 **Cooperation.** Each Party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the Parties to minimize all Taxes, so long as no Party is materially adversely affected by such efforts. The Parties shall cooperate to minimize Tax exposure; *provided, however,* that neither Party shall be obligated to incur any financial or operational burden to reduce Taxes for which the other Party is responsible hereunder without receiving due compensation therefor from the other Party. All Product delivered by Seller to Buyer hereunder shall be a sale made at wholesale, with Buyer reselling such Product.

ARTICLE 6 MAINTENANCE OF THE FACILITY

6.1 **Maintenance of the Facility.** Seller shall comply with Law and Prudent Operating Practice relating to the operation and maintenance of the Facility and the generation and sale of Product.

6.2 **Maintenance of Health and Safety.** Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person's property, Seller shall take prompt action to prevent such damage or injury and shall give Notice to Buyer's emergency contact identified on Exhibit N of such condition. Such action may include, to the extent reasonably necessary, disconnecting and removing all or a portion of the Facility, or suspending the supply of Facility Energy to Buyer.

6.3 **Shared Facilities.** The Parties acknowledge and agree that certain of the Shared Facilities and Interconnection Facilities, and Seller's rights and obligations under the Interconnection Agreement, may be subject to certain shared facilities or co-tenancy agreements to be entered into among Seller, the Participating Transmission Owner, Seller's Affiliates, or third parties pursuant to which certain Interconnection Facilities may be subject to joint ownership and shared maintenance and operation arrangements; *provided* that such agreements (i) shall permit Seller to perform or satisfy, and shall not purport to limit, its obligations hereunder and (ii) provide for separate metering of the Facility.

ARTICLE 7 METERING

7.1 **Metering.** Seller shall measure the amount of Facility Energy using the Facility Meter, which will be subject to adjustment in accordance with applicable CAISO meter requirements and Prudent Operating Practices, including to account for Electrical Losses and Station Use. Seller shall measure the Charging Energy and the Discharging Energy using the Storage Facility Meters. All meters will be operated pursuant to applicable CAISO-approved calculation methodologies and maintained as Seller's cost. Subject to meeting any applicable CAISO requirements, the meters shall be programmed to adjust for all losses from such meter to the Delivery Point in a manner subject to Buyer's prior written approval, not to be unreasonably withheld. Metering will be consistent with the Metering Diagram set forth as Exhibit P, as such exhibit may be updated from time to time by Seller subject to Buyer's prior written approval, not to be unreasonably withheld. Each meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the CAISO meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Seller and Buyer, or Buyer's Scheduling Coordinator, shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Operational Meter Analysis and Reporting (OMAR) web or directly from the CAISO meter(s) at the Facility.

7.2 **Meter Verification.** Annually, if Seller has reason to believe there may be a meter

malfunction, or upon Buyer's reasonable request, Seller shall test the meter. The tests shall be conducted by independent third parties qualified to conduct such tests. Buyer shall be notified seven (7) days in advance of such tests and have a right to be present during such tests. If a meter is inaccurate it shall be promptly repaired or replaced.

ARTICLE 8 INVOICING AND PAYMENT; CREDIT

8.1 **Invoicing.** Seller shall make good faith efforts to deliver an invoice to Buyer within ten (10) Business Days after the end of the prior monthly delivery period. Each invoice shall reflect (a) records of metered data, including CAISO metering and transaction data sufficient to document and verify the amount of Product delivered by the Facility, or the amount of Portfolio Product or Replacement Energy, as applicable, for any Settlement Period during the preceding month, including the amount of PV Energy delivered from the Generating Facility, Charging Energy supplied to the Storage Facility from the Generating Facility (if applicable), and the amount of Discharging Energy delivered from the Storage Facility (if applicable), the amount of Portfolio Product, Replacement RA and Replacement Energy delivered to Buyer (if any), the calculation of Deemed Delivered Energy, Lost Output, and Adjusted Energy Production, the LMP prices at the Delivery Point for each Settlement Interval, and the Contract Price applicable to such Product in accordance with Exhibit C, the Contract Price for Portfolio Product applicable to the Portfolio Product in accordance with Section 3.1(b), or the Replacement Green Attributes Price applicable to Replacement Green Attributes in accordance with Exhibit G; (b) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount; and (c) be in a format reasonably specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement. Buyer shall, and shall cause its Scheduling Coordinator to, provide Seller with all reasonable access (including, in real time, to the maximum extent reasonably possible) to any records, including invoices or settlement data from the CAISO, forecast data and other information, all as may be necessary from time to time for Seller to prepare and verify the accuracy of all invoices.

8.2 **Payment.** Buyer shall make payment to Seller for Product by wire transfer or ACH payment to the bank account provided on each monthly invoice. Buyer shall pay undisputed invoice amounts within forty-five (45) days after receipt of the invoice, or the end of the prior monthly delivery period, whichever is later. If such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one Party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on the 3-Month LIBOR rate published on the date of the invoice in The Wall Street Journal (or, if The Wall Street Journal is not published on that day, the next succeeding date of publication), plus two percent (2%) (the "**Interest Rate**"). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 **Books and Records.** To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least three (3) years or as otherwise required by Law.

Upon five (5) Business Days' Notice to the other Party, either Party shall be granted access to the accounting books and records within the possession or control of the other Party pertaining to all invoices generated pursuant to this Agreement. Seller acknowledges that in accordance with California Government Code Section 8546.7, Seller may be subject to audit by the California State Auditor with regard to Seller's performance of this Agreement because the compensation under this Agreement exceeds \$10,000.

8.4 **Payment Adjustments; Billing Errors.** Payment adjustments shall be made if Buyer or Seller discovers there have been good faith inaccuracies in invoicing that are not otherwise disputed under Section 8.5 or an adjustment to an amount previously invoiced or paid is required due to a correction of data by the CAISO; provided, that there shall be no adjustments to prior invoices based upon meter inaccuracies that are corrected more than one (1) calendar year after the end of the period subject to correction. If the required adjustment is in favor of Buyer, Buyer's next monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer's next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until settled in full, in accordance with Section 8.2, accruing from the date on which the adjusted amount should have been due.

8.5 **Billing Disputes.** A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within five (5) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned via adjustments in accordance with Section 8.4. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 **Netting of Payments.** The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts owed by each Party to the other Party for the purchase and sale of Product during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Exhibit B, interest, and payments or credits, shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

8.7 **Seller's Development Security.** [REDACTED]

[REDACTED] Upon the earlier of (i) Seller's delivery of the Performance Security, or (ii) sixty (60) days after termination of this Agreement, Buyer shall return the Development Security to Seller, less the amounts drawn in accordance with this Agreement. If the Development Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain the minimum Credit Rating specified in the definition of Letter of Credit, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the Commercial Operation Date, or (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit that meets the requirements set forth in the definition of Development Security.

8.8 **Seller's Performance Security.** To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date. If the Performance Security is not in the form of cash or Letter of Credit, it shall be substantially in the form set forth in Exhibit L. Seller shall maintain the Performance Security in full force and effect, subject to any draws made by Buyer in accordance with this Agreement, until the following have occurred: (A) the Delivery Term has expired or terminated early; and (B) all payment obligations of Seller then due and payable under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). Following the occurrence of both events, Buyer shall promptly return to Seller the unused portion of the Performance Security. If the Performance Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain the minimum Credit Rating set forth in the definition of Letter of Credit, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the Commercial Operation Date, or (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit that meets the requirements set forth in the definition of Performance Security.

8.9 **First Priority Security Interest in Cash or Cash Equivalent Collateral.** To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest ("**Security Interest**") in, and lien on (and right to net against), and assignment of the Development Security, Performance Security, any other cash collateral and cash equivalent collateral posted pursuant to Sections 8.7 and 8.8 and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer's Security Interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to

the final sentence of this Section 8.9):

(a) Exercise any of its rights and remedies with respect to the Development Security and Performance Security, including any such rights and remedies under Law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security; and

(c) Liquidate all Development Security or Performance Security (as applicable) then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement (Seller remains liable for any amounts owing to Buyer after such application), subject to Buyer's obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

8.10 **Financial Statements.** In the event a Guaranty is provided as Performance Security in lieu of cash or a Letter of Credit, Seller shall provide to Buyer, or cause the Guarantor to provide to Buyer, unaudited quarterly and annual audited financial statements of the Guarantor (including a balance sheet and statements of income and cash flows), all prepared in accordance with generally accepted accounting principles in the United States, consistently applied.

ARTICLE 9 NOTICES

9.1 **Addresses for the Delivery of Notices** Any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the address set forth on Exhibit N or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 **Acceptable Means of Delivering Notice.** Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including electronic mail or other electronic means) and if concurrently with the transmittal of such electronic communication the sending Party provides a copy of such electronic Notice by hand delivery or express courier, at the time indicated by the time stamp upon delivery; or (d) if delivered in person, upon receipt by the receiving Party. Notwithstanding the foregoing, Notices of outages or other scheduling or dispatch information or requests, may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission.

ARTICLE 10 FORCE MAJEURE

10.1 Definition.

(a) “**Force Majeure Event**” means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from complying with all or a portion of the conditions under this Agreement if such act or event, despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic; landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance; or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.

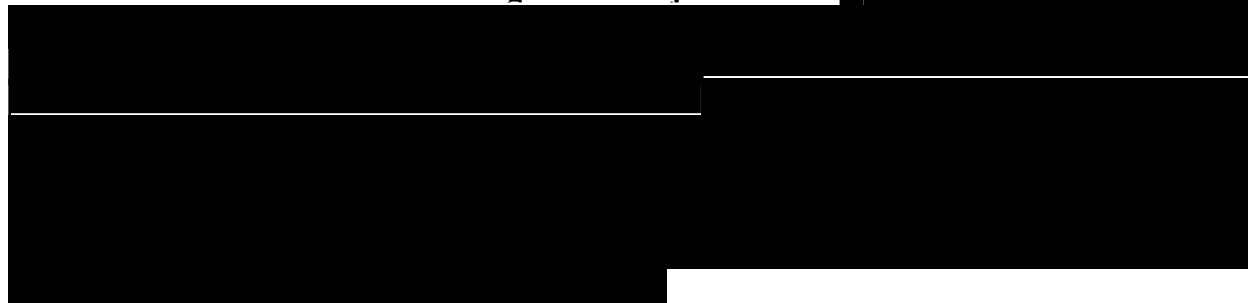
(c) Notwithstanding the foregoing, the term “**Force Majeure Event**” does not include (i) economic conditions that render a Party’s performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including an increase in component costs for any reason, including foreign or domestic tariffs, Buyer’s ability to buy electric energy at a lower price, or Seller’s ability to sell the Product, or any component thereof, at a higher price, than under this Agreement); (ii) Seller’s inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above that disables physical or electronic facilities necessary to transfer funds to the payee Party; (iv) a Curtailment Order; (v) Seller’s inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) any equipment failure except if such equipment failure is caused by a Force Majeure Event; or (vii) Seller’s inability to achieve Construction Start of the Facility following the Guaranteed Construction Start Date or achieve Commercial Operation following the Guaranteed Commercial Operation Date; it being understood and agreed, for the avoidance of doubt, that the occurrence of a Force Majeure Event may give rise to a Development Cure Period.

10.2 **No Liability If a Force Majeure Event Occurs.** Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to promptly remove such inability. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. Neither Party shall be considered in breach or

default of this Agreement if and to the extent that any failure or delay in the Party's performance of one or more of its obligations hereunder is caused by a Force Majeure Event. Notwithstanding the foregoing, the occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of a Party to make any payments due hereunder, (b) suspend or excuse the obligation of Seller to achieve the Guaranteed Construction Start Date or the Guaranteed Commercial Operation Date beyond the extensions provided in a Development Cure Period, or (c) limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(ii) or (iv) and receive a Damage Payment upon exercise of Buyer's rights pursuant to Section 11.2.

10.3 **Notice.** In the event of any delay or nonperformance resulting from a Force Majeure Event, the Party suffering the Force Majeure Event shall (a) promptly notify the other Party in writing of the nature, cause, estimated date of commencement thereof, and the anticipated extent of any delay or interruption in performance, and (b) promptly notify the other Party in writing of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected Party; *provided, however*, that a Party's failure to give timely Notice shall not affect such Party's ability to assert that a Force Majeure Event has occurred unless the delay in giving Notice materially prejudices the other Party.

10.4 Termination Following Force Majeure Event.



ARTICLE 11 DEFAULTS; REMEDIES; TERMINATION

11.1 **Events of Default.** An "**Event of Default**" shall mean,

(a) with respect to a Party (the "**Defaulting Party**") that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within ten (10) Business Days after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional sixty (60) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) days period despite exercising commercially reasonable efforts);

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default

set forth in this Section 11.1; and except for (1) a Portfolio Product shortfall, the exclusive remedies for which are set forth in Section 3.1(b)(iv), (2) the occurrence of an RA Shortfall Month, the exclusive remedies for which are set forth in Section 3.8, and (3) failures to achieve the Guaranteed Energy Production that do not trigger the provisions of Section 11.1(b)(iii), the exclusive remedies for which are set forth in Section 4.8) and such failure is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional ninety (90) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) days period despite exercising commercially reasonable efforts);

(iv) such Party becomes Bankrupt;

(v) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Section 14.2 or 14.3, as applicable; or

(vi) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) if at any time during the Delivery Term, Seller delivers or attempts to deliver electric energy to the Delivery Point for sale under this Agreement that was not generated or discharged by the Facility, except for Replacement Energy;

(ii)

;

(iii) if not remedied within ten (10) days after Notice thereof, the failure by Seller to deliver a Remedial Action Plan prepared in accordance with Prudent Operating Practices, as required under Section 2.4;

(iv)

;

(v)

(vi) 

(vii) failure by Seller to satisfy the collateral requirements pursuant to Sections 8.7 or 8.8 after Notice and expiration of the cure periods set forth therein, including the failure to replenish the Development Security or Performance Security amount in accordance with this Agreement in the event Buyer draws against either for any reason other than to satisfy a Damage Payment or a Termination Payment;

(viii) with respect to any Guaranty provided for the benefit of Buyer, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a replacement Guaranty from a different Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a replacement Letter of Credit from an issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within ten (10) Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) if any representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof;

(B) the failure of the Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty;

(C) the Guarantor becomes Bankrupt;

(D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in the definition of Guarantor;

(E) the failure of the Guaranty to be in full force and effect (other than in accordance with its terms) prior to the indefeasible satisfaction of all obligations of Seller hereunder; or

(F) the Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty.

(ix) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash, or (2) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit, in

each case, in the amount required hereunder within five (5) Business Days after Seller receives Notice of the occurrence of any of the following events:

- (A) the issuer of the outstanding Letter of Credit shall fail to maintain a Credit Rating of at least A- by S&P or A3 by Moody's;
- (B) the issuer of such Letter of Credit becomes Bankrupt;
- (C) the issuer of the outstanding Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit and such failure shall be continuing after the lapse of any applicable grace period permitted under such Letter of Credit;
- (D) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;
- (E) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;
- (F) such Letter of Credit fails or ceases to be in full force and effect at any time; or
- (G) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than sixty (60) days prior to the expiration of the outstanding Letter of Credit.

11.2 **Remedies; Declaration of Early Termination Date.** If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the following rights:

- (a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") that terminates this Agreement (the "**Terminated Transaction**") and ends the Delivery Term effective as of the Early Termination Date;
- (b) to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment (in the case of an Event of Default by Seller occurring before the Commercial Operation Date, including an Event of Default under Section 11.1(b)(ii)) or (ii) the Termination Payment calculated in accordance with Section 11.3 below (in the case of any other Event of Default by either Party);
- (c) to withhold any payments due to the Defaulting Party under this Agreement;
- (d) to suspend performance; or

(e) to exercise any other right or remedy available at law or in equity, including specific performance or injunctive relief, except to the extent such remedies are expressly limited under this Agreement;

provided, that payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party's sole and exclusive remedy for any Terminated Transaction and the Event of Default related thereto.

11.3 **Termination Payment.** The Termination Payment ("**Termination Payment**") for a Terminated Transaction shall be the aggregate of all Settlement Amounts plus any or all other amounts due to or from the Non-Defaulting Party (as of the Early Termination Date) netted into a single amount. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with a Terminated Transaction would be difficult or impossible to predict with certainty, (b) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is a reasonable and appropriate approximation of such damages, and (c) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is the exclusive remedy of the Non-Defaulting Party in connection with a Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 **Notice of Payment of Termination Payment.** As soon as practicable after a Terminated Transaction, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Damage Payment or Termination Payment, as applicable, and whether the Termination Payment, if applicable, is due to or from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to or from the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 **Disputes With Respect to Termination Payment.** If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with Article 15.

11.6 **Rights And Remedies Are Cumulative.** Except where an express and exclusive remedy or measure of damages is provided, the rights and remedies of a Party pursuant to this

Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

ARTICLE 12
LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES.

12.1 **No Consequential Damages.** EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN, OR PART OF AN ARTICLE 16 INDEMNITY CLAIM, OR INCLUDED IN A LIQUIDATED DAMAGES CALCULATION, OR ARISING FROM FRAUD OR INTENTIONAL MISREPRESENTATION, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOSSES OR DAMAGES FOR LOST REVENUE OR LOST PROFITS, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT.

12.2 **Waiver and Exclusion of Other Damages.** EXCEPT AS EXPRESSLY SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. ALL LIMITATIONS OF LIABILITY CONTAINED IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE PERTAINING TO SELLER'S LIMITATION OF LIABILITY AND THE PARTIES' WAIVER OF CONSEQUENTIAL DAMAGES, SHALL APPLY EVEN IF THE REMEDIES FOR BREACH OF WARRANTY PROVIDED IN THIS AGREEMENT ARE DEEMED TO "FAIL OF THEIR ESSENTIAL PURPOSE" OR ARE OTHERWISE HELD TO BE INVALID OR UNENFORCEABLE.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS AND EXCLUSIVE REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, INCLUDING UNDER SECTIONS 3.1(b)(iv), 3.8, 4.7, 4.8, 11.2 AND 11.3, AND AS PROVIDED IN EXHIBIT B AND EXHIBIT G THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE ANTICIPATED HARM OR LOSS. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT

OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES HEREBY WAIVE ANY RIGHT TO CONTEST SUCH PAYMENTS AS AN UNREASONABLE PENALTY.

THE PARTIES ACKNOWLEDGE AND AGREE THAT MONEY DAMAGES AND THE EXPRESS REMEDIES PROVIDED FOR HEREIN ARE AN ADEQUATE REMEDY FOR THE BREACH BY THE OTHER OF THE TERMS OF THIS AGREEMENT, AND EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO SPECIFIC PERFORMANCE WITH RESPECT TO ANY OBLIGATION OF THE OTHER PARTY UNDER THIS AGREEMENT.

ARTICLE 13 REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 **Seller's Representations and Warranties.** As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and is qualified to conduct business in the state of California and each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary limited liability company action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller, subject to any permits that have not yet been obtained by Seller, the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) The Facility is located in the State of California.

(f) Seller will be responsible for obtaining all permits necessary to construct and operate the Facility and Seller will be the applicant on any CEQA documents.

13.2 **Buyer's Representations and Warranties.** As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a joint powers authority and a validly existing community choice aggregator, duly organized, validly existing and in good standing under the laws of the State of California and the rules, regulations and orders of the California Public Utilities Commission, and is qualified to conduct business in each jurisdiction of the Joint Powers Agreement members. All Persons making up the governing body of Buyer are the elected or appointed incumbents in their positions and hold their positions in good standing in accordance with the Joint Powers Agreement and other Law.

(b) Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer's performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) Buyer warrants and covenants that with respect to its contractual obligations under this Agreement, it will not claim immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (1) suit, (2) jurisdiction of court (provided that such court is located within a venue permitted in law and under the Agreement), (3) relief by way of injunction, order for specific performance or recovery of property, (4) attachment of assets, or (5) execution or enforcement of any judgment; provided, however that nothing in this Agreement shall waive the obligations or rights set forth in the California Tort Claims Act (Government Code Section 810 et seq.).

(f) Buyer is a "local public entity" as defined in Section 900.4 of the Government Code of the State of California.

13.3 **General Covenants.** Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and to be qualified to conduct business in

California and each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

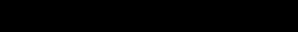
(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

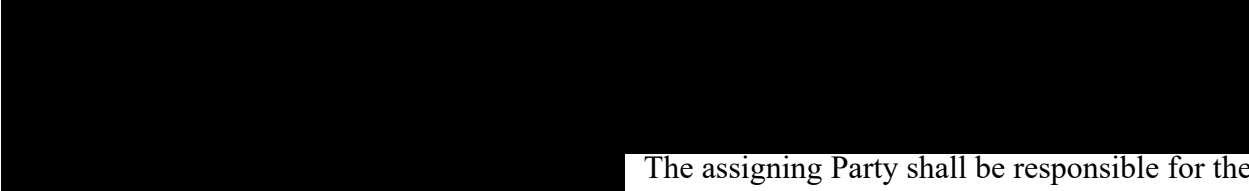
(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and in material compliance with any Law.

13.4 **Prevailing Wage**. Seller shall use reasonable efforts to ensure that all employees hired by Seller, and its contractors and subcontractors, that will perform construction work or provide services at the Site related to construction of the Facility are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by applicable California law, if any (“**Prevailing Wage Requirement**”). Nothing herein shall require Seller, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of any California labor laws. Buyer agrees that Seller’s obligations under this Section 13.4 will be satisfied upon the execution of a project labor agreement related to construction of the Facility.

13.5 **Community Investment**. Seller shall perform the obligations related to community investment set forth in Exhibit Q.

ARTICLE 14 ASSIGNMENT

14.1 **General Prohibition on Assignments**. Except as provided in Section 14.2 and Section 14.3 below, neither Party may voluntarily assign this Agreement or its rights or obligations under this Agreement, without the prior written consent of the other Party, 

 The assigning Party shall be responsible for the other Party’s reasonable costs associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement by the assigning Party, including without limitation reasonable attorneys’ fees.

14.2 **Collateral Assignment**. Subject to the provisions of this Section 14.2, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Facility.

In connection with any financing or refinancing of the Facility, Buyer shall in good faith work with Seller and Lender to agree upon a consent to collateral assignment of this Agreement (“**Collateral Assignment Agreement**”). The Collateral Assignment Agreement must be in form and substance agreed to by Buyer, Seller and Lender including with respect to the provisions set forth below, with such agreement not to be unreasonably withheld, and must include, among others, the following provisions:

(a) Buyer shall give Notice of an Event of Default by Seller to the Person(s) to be specified by Lender in the Collateral Assignment Agreement, before exercising its right to terminate this Agreement as a result of such Event of Default; provided that such notice shall be provided to Lender at the time such notice is provided to Seller and any additional cure period of Lender agreed to in the Collateral Assignment Agreement shall not commence until Lender has received notice of such Event of Default;

(b) Following an Event of Default by Seller under this Agreement, Buyer may require Seller or Lender to provide to Buyer a report concerning:

(i) The status of efforts by Seller or Lender to develop a plan to cure the Event of Default;

(ii) Impediments to the cure plan or its development;

(iii) If a cure plan has been adopted, the status of the cure plan's implementation (including any modifications to the plan as well as the expected timeframe within which any cure is expected to be implemented); and

(iv) Any other information which Buyer may reasonably require related to the development, implementation and timetable of the cure plan.

Seller or Lender must provide the report to Buyer within ten (10) Business Days after Notice from Buyer requesting the report. Buyer will have no further right to require the report with respect to a particular Event of Default after that Event of Default has been cured;

(c) Lender will have the right to cure an Event of Default on behalf of Seller, only if Lender sends a written notice to Buyer before the later of (i) the expiration of any cure period, and (ii) five (5) Business Days after Lender's receipt of notice of such Event of Default from Buyer, indicating Lender's intention to cure. Lender must remedy or cure the Event of Default within the cure period under this Agreement and any additional cure periods agreed in the Collateral Assignment Agreement up to a maximum of ninety (90) days (or one hundred eighty (180) days in the event of bankruptcy of Seller or any foreclosure or similar proceeding if required by Lender to cure any Event of Default);

(d) Lender will have the right to consent before any termination of this Agreement which does not arise out of an Event of Default;

(e) Lender will receive prior Notice of and the right to approve material amendments to this Agreement, which approval will not be unreasonably withheld, delayed or conditioned;

(f) If Lender, directly or indirectly, takes possession of, or title to the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), Lender must assume all of Seller's obligations arising under this Agreement and all related agreements (subject to such limits on liability as are mutually agreed to by Seller, Buyer and Lender as set forth in the Collateral Assignment Agreement); *provided*, before such assumption, if Buyer advises

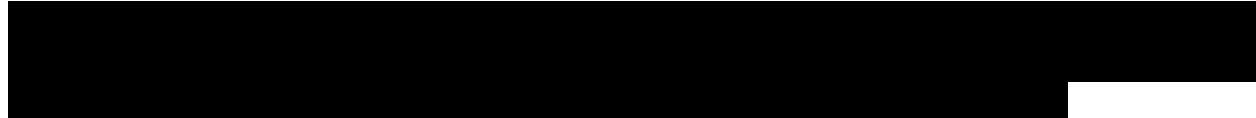
Lender that Buyer will require that Lender cure (or cause to be cured) any Event of Default existing as of the possession date and capable of cure in order to avoid the exercise by Buyer (in its sole discretion) of Buyer's right to terminate this Agreement with respect to such Event of Default, then Lender at its option, and in its sole discretion, may elect to either:

- (i) Cause such Event of Default to be cured, or
- (ii) Not assume this Agreement;

(g) If Lender elects to sell or transfer the Facility (after Lender directly or indirectly, takes possession of, or title to the Facility), or sale of the Facility occurs through the actions of Lender (for example, a foreclosure sale where a third party is the buyer, or otherwise), then Lender must cause the transferee or buyer to assume all of Seller's obligations arising under this Agreement and all related agreements as a condition of the sale or transfer. Such sale or transfer may be made only to an entity that (i) meets the definition of Permitted Transferee and (ii) is an entity that Buyer is permitted to contract with under applicable Law; and

(h) Subject to Lender's cure of any Events of Defaults under the Agreement in accordance with Section 14.2(f), if (i) this Agreement is rejected in Seller's Bankruptcy or otherwise terminated in connection therewith Lender shall have the right to elect within forty-five (45) days after such rejection or termination, to enter into a replacement agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, and, promptly after Lender's written request, Buyer must enter into such replacement agreement with Lender or Lender's designee, or (ii) if Lender or its designee, directly or indirectly, takes possession of, or title to, the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure) after any such rejection or termination of this Agreement, promptly after Buyer's written request which must be made within forty-five (45) days after Buyer receives notice of such rejection or termination, Lender must itself or must cause its designee to promptly enter into a new agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, provided that in the event a designee of Lender, directly or indirectly, takes possession of, or title to, the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), such designee must meet the definition of Permitted Transferee.

14.3 Permitted Assignment by Seller.



14.4 **Shared Facilities; Portfolio Financing** Without limiting Section 14.2, Buyer agrees and acknowledges that Seller may elect to finance all or any portion of the Facility or the Interconnection Facilities or the Shared Facilities (1) utilizing tax equity investment, or (2) through a Portfolio Financing, which may include cross-collateralization or similar arrangements. In connection with any financing or refinancing of the Facility, the Interconnection Facilities or the Shared Facilities by Seller or any Portfolio Financing, Buyer, Seller, Portfolio Financing Entity (if any), and Lender shall execute and deliver such further consents, approvals and acknowledgments as may be reasonable and necessary to facilitate such transactions provided, however, that Buyer shall not be required to agree to any terms or conditions which are reasonably expected to have a material adverse effect on Buyer and all reasonable attorney's fees incurred by Buyer in connection therewith shall be borne by Seller.

ARTICLE 15 DISPUTE RESOLUTION

15.1 **Governing Law.** This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. The Parties agree that any suit, action or other legal proceeding by or against any Party with respect to or arising out of this Agreement shall be brought in the federal courts of the United States or the courts of the State of California sitting in the County of Alameda, California.

15.2 **Dispute Resolution.** In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a written Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, the Parties shall submit the dispute to mediation prior to seeking any and all remedies available to it at Law in or equity. The Parties will cooperate in selecting a qualified neutral mediator selected from a panel of neutrals and in scheduling the time and place of the mediation as soon as reasonably possible, but in no event later than thirty (30) days after the request for mediation is made. The Parties agree to participate in the mediation in good faith and to share the costs of the mediation, including the mediator's fee, equally, but such shared costs shall not include each Party's own attorneys' fees and costs, which shall be borne solely by such Party. If the mediation is unsuccessful, then either Party may seek any and all remedies available to it at

law or in equity, subject to the limitations set forth in this Agreement.

ARTICLE 16 INDEMNIFICATION

16.1 **Mutual Indemnity.** Each Party (the “**Indemnifying Party**”) shall defend, indemnify and hold harmless the other Party (the “**Indemnified Party**”), its directors, officers, agents, attorneys, employees and representatives (collectively, the “**Indemnified Group**”) from and against all third party claims, demands, losses, liabilities, penalties, and expenses, including reasonable attorneys’ and expert witness fees, however described, which arise out of or relate to or are in any way connected with a violation of applicable Laws, negligent or tortious acts, errors, or omissions, or intentional acts or willful misconduct, in any of the foregoing cases, of the Indemnifying Party, its Affiliates, its or their directors, officers, employees, or agents, excepting only such losses, to the extent caused by the willful misconduct or gross negligence of a member of the Indemnified Group (collectively, “**Indemnifiable Losses**”).

16.2 **Notice of Claim.**

(a) Notice of Claim. Subject to the terms of this Agreement and upon obtaining knowledge of an Indemnifiable Loss for which it is entitled to indemnity under this Article 16, the Party seeking indemnification hereunder (the “**Indemnitee**”) will promptly Notify the Party against whom indemnification is sought (the “**Indemnitor**”) in writing of any damage, claim, loss, liability or expense which the Indemnitee has determined has given or could give rise to an Indemnifiable Loss under Section 16.1 (“**Claim**”). The Notice is referred to as a “**Notice of Claim**”. A Notice of Claim will specify, in reasonable detail, the facts known to the Indemnitee regarding the Indemnifiable Loss.

(b) Failure to Provide Notice. A failure to give timely Notice or to include any specified information in any Notice as provided in this Section 16.2 will not affect the rights or obligations of any Party hereunder except and only to the extent that, as a result of such failure, any Party which was entitled to receive such Notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially damaged as a direct result of such failure and, provided further, the Indemnitor is not obligated to indemnify the Indemnitee for the increased amount of any Indemnifiable Loss which would otherwise have been payable to the extent that the increase resulted from the failure to deliver timely a Notice of Claim.

16.3 **Defense of Claims.** If, within ten (10) days after giving a Notice of Claim regarding a Claim to the Indemnitor pursuant to Section 16.2(b), the Indemnitee receives Notice from such Indemnitor that the Indemnitor has elected to assume the defense of such Claim as provided in the last sentence of Section 16.2(b), the Indemnitor will not be liable for any legal expenses subsequently incurred by the Indemnitee in connection with the defense thereof; provided, however, that if the Indemnitor fails to take reasonable steps necessary to defend diligently such Claim within ten (10) days after receiving Notice from the Indemnitee that the Indemnitee believes the Indemnitor has failed to take such steps, or if the Indemnitor has not undertaken fully to indemnify the Indemnitee in respect of all Indemnifiable Losses relating to the matter, the Indemnitee may assume its own defense, and the Indemnitor will be liable for all reasonable costs or expenses, including attorneys’ fees, paid or incurred in connection therewith.

Without the prior written consent of the Indemnitee, the Indemnitor will not enter into any settlement of any Claim which would lead to liability or create any financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification hereunder; provided, however, that the Indemnitor may accept any settlement without the consent of the Indemnitee if such settlement provides a full release to the Indemnitee and no requirement that the Indemnitee acknowledge fault or culpability. If a firm offer is made to settle a Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification hereunder and the Indemnitor desires to accept and agrees to such offer, the Indemnitor will give Notice to the Indemnitee to that effect. If the Indemnitee fails to consent to such firm offer within ten (10) calendar days after its receipt of such Notice, the Indemnitee may continue to contest or defend such Claim and, in such event, the maximum liability of the Indemnitor to such Claim will be the amount of such settlement offer, plus reasonable costs and expenses paid or incurred by the Indemnitee up to the date of such Notice.

16.4 **Subrogation of Rights.** Upon making any indemnity payment, the Indemnitor will, to the extent of such indemnity payment, be subrogated to all rights of the Indemnitee against any third party in respect of the Indemnifiable Loss to which the indemnity payment relates; provided that (a) the Indemnitor is in compliance with its obligations under this Agreement in respect of such Indemnifiable Loss, and (b) until the Indemnitee recovers full payment of its Indemnifiable Loss, any and all claims of the Indemnitor against any such Third Party on account of said indemnity payment are hereby made expressly subordinated and subjected in right of payment to the Indemnitee's rights against such Third Party. Without limiting the generality or effect of any other provision hereof, the Indemnitee and Indemnitor shall execute upon request all instruments reasonably necessary to evidence and perfect the above-described subrogation and subordination rights.

16.5 **Rights and Remedies are Cumulative.** Except for express remedies already provided in this Agreement, the rights and remedies of a Party pursuant to this Article 16 are cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

ARTICLE 17 INSURANCE

17.1 **Insurance.**

(a) **General Liability.** Seller shall maintain, or cause to be maintained at its sole expense, commercial general liability insurance, including products and completed operations and personal injury insurance, in a minimum amount of Two Million Dollars (\$2,000,000) per occurrence, and an annual aggregate of not less than Five Million Dollars (\$5,000,000), endorsed to provide contractual liability in said amount, specifically covering Seller's obligations under this Agreement and including Buyer as an additional insured. Defense costs shall be provided as an additional benefit and not included within the limits of liability. Such insurance shall contain standard cross-liability and severability of interest provisions.

(b) **Employer's Liability Insurance.** Employers' Liability insurance shall not be less than One Million Dollars (\$1,000,000) for injury or death occurring as a result of each

accident. With regard to bodily injury by disease, the One Million Dollar (\$1,000,000) policy limit will apply to each employee.

(c) Workers Compensation Insurance. Seller, if it has employees, shall also maintain at all times during the Contract Term workers' compensation and employers' liability insurance coverage in accordance with applicable requirements of California Law.

(d) Business Auto Insurance. Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of One Million Dollars (\$1,000,000) per occurrence. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement.

(e) Umbrella Liability Insurance. Seller shall maintain umbrella liability insurance with limits of Five Million Dollars (\$5,000,000) per occurrence and in the aggregate. Such insurance shall respond excess to insurance identified in Sections 17.1(a), 17.1(b) and 17.1(d) above.

(f) Construction All-Risk Insurance. Seller shall maintain or cause to be maintained during the construction of the Facility prior to the Commercial Operation Date, construction all-risk form property insurance covering the Facility during such construction periods, and naming Seller (and Lender if any) as the loss payee.

(g) Contractor's Pollution Liability. Seller shall maintain or cause to be maintained during the construction of the Facility prior to the Commercial Operation Date, pollution liability insurance in the amount of Two Million Dollars (\$2,000,000) per occurrence and in the aggregate, including Seller (and Lender if any) as additional insureds. Such insurance may be procured as a stand-alone policy or as Sudden and Accidental coverage endorsed onto the General Liability policy.

(h) Subcontractor Insurance. Seller shall require all of its subcontractors to carry the same levels of insurance as Seller, provided that Buyer may permit subcontractors to obtain and maintain insurance coverage with lower limits to the extent that such lower limits are customary for contractors providing work of the type and scope to be provided and are consistent with Prudent Operating Practices. All subcontractors shall include Seller as an additional insured to (i) comprehensive general liability insurance; (ii) employers' liability coverage; and (iii) business auto insurance for bodily injury and property damage. During construction, Seller shall request that subcontractors provide a primary endorsement and a waiver of subrogation to Seller for the required coverage pursuant to this Section 17.1(h).

(i) Evidence of Insurance. Within ten (10) days after execution of the Agreement and upon annual renewal thereafter, Seller shall deliver to Buyer certificates of insurance evidencing such coverage. These certificates shall specify that Buyer shall be given at least thirty (30) days' prior Notice by Seller in the event of any material modification, cancellation or termination of coverage with the exception of non-payment of premium, in which case notice shall be ten (10) days. Such insurance shall be primary coverage without right of contribution from

any insurance of Buyer. Any other insurance maintained by Seller is for the exclusive benefit of Seller and shall not in any manner inure to the benefit of Buyer.

ARTICLE 18 CONFIDENTIAL INFORMATION

18.1 **Definition of Confidential Information.** The following constitutes “**Confidential Information**,” whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller including: (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, and (b) information that either Seller or Buyer stamps or otherwise identifies as “confidential” or “proprietary” before disclosing it to the other. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; and (iv) information that the recipient independently developed without a violation of this Agreement.

18.2 **Duty to Maintain Confidentiality.** Confidential Information will retain its character as Confidential Information but may be disclosed by the recipient (the “**Receiving Party**”) if and to the extent such disclosure is required (a) to be made by any requirements of Law, (b) pursuant to an order of a court or (c) in order to enforce this Agreement. If the Receiving Party becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable law, order, regulation, ruling, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator request or rule) to disclose any Confidential Information of the disclosing Party (the “**Disclosing Party**”), Receiving Party shall provide Disclosing Party with prompt notice so that Disclosing Party, at its sole expense, may seek an appropriate protective order or other appropriate remedy. If the Disclosing Party takes no such action after receiving the foregoing notice from the Receiving Party, the Receiving Party is not required to defend against such request and shall be permitted to disclose such Confidential Information of the Disclosing Party, with no liability for any damages that arise from such disclosure. Each Party hereto acknowledges and agrees that information and documentation provided in connection with this Agreement may be subject to the California Public Records Act (Government Code Section 6250 et seq.).

18.3 **Irreparable Injury; Remedies.** Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth in this Article 18. Accordingly, Receiving Party acknowledges that any such breach or threatened breach will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Article 18 or the continuation of any such breach, without the necessity of proving actual damages.

18.4 **Disclosure to Lenders, Etc.** Notwithstanding anything to the contrary in this Article 18, Confidential Information may be disclosed by Seller to any actual or potential Lender or investor or any of its Affiliates, and Seller's actual or potential agents, consultants, contractors, or trustees, so long as the Person to whom Confidential Information is disclosed agrees in writing to be bound by the confidentiality provisions of this Article 18 to the same extent as if it were a Party.

18.5 **Press Releases.** Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

ARTICLE 19 MISCELLANEOUS

19.1 **Entire Agreement; Integration; Exhibits.** This Agreement, together with the Cover Sheet and Exhibits attached hereto constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes only. In the event of a conflict between the provisions of this Agreement and those of the Cover Sheet or any Exhibit, the provisions of first the Cover Sheet, and then this Agreement shall prevail, and such Exhibit shall be corrected accordingly.

19.2 **Amendments.** This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

19.3 **No Waiver.** Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

19.4 **No Agency, Partnership, Joint Venture or Lease.** Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement) or, to the extent set forth herein, any Lender.

19.5 **Severability.** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

19.6 **Mobile-Sierra.** Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the “public interest” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under applicable law.

19.7 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.

19.8 **Facsimile or Electronic Delivery.** This Agreement may be duly executed and delivered by a Party by execution and facsimile or electronic format (including portable document format (.pdf)) delivery of the signature page of a counterpart to the other Party, and, if delivery is made by facsimile or other electronic format, the executing Party shall promptly deliver, via overnight delivery, a complete original counterpart that it has executed to the other Party, but this Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original counterpart.

19.9 **Binding Effect.** This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

19.10 **No Recourse to Members of Buyer.** Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer’s constituent members, or the employees, directors, officers, consultants or advisors or Buyer or its constituent members, in connection with this Agreement.

19.11 **Forward Contract.** The Parties acknowledge and agree that this Agreement constitutes a “forward contract” within the meaning of the U.S. Bankruptcy Code, and Buyer and Seller are “forward contract merchants” within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

19.12 **Further Assurances.** Each of the Parties hereto agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be

necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

EDWARDS SOLAR II, LLC

By: _____
Name: _____
Title: _____

**EAST BAY COMMUNITY ENERGY
AUTHORITY, a California joint powers
authority**

By: _____
Name: _____
Title: _____

Approved as to form:

By: _____
Name: _____
Title: _____

EXHIBIT A
FACILITY DESCRIPTION

Site Name: Edwards Solar II

Site includes all or some of the following APNs: 430-011-01, 430-011-02, 430-011-03, 244-250-01, 244-250-02, 244-250-03, 244-250-04, 430-011-06, 431-010-03, 430-011-05, 430-011-04, 244-250-08, 244-250-07, 244-250-06.

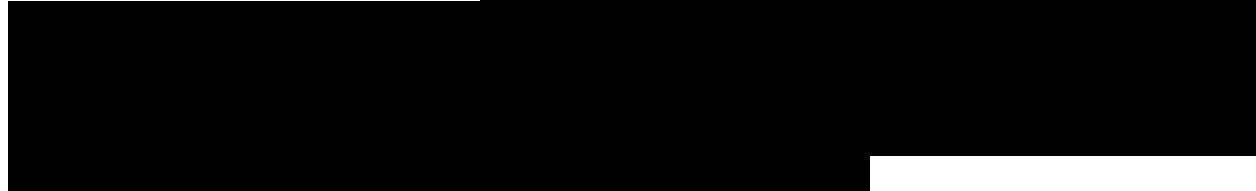
County: Kern

CEQA Lead Agency: Kern County

Type of Generating Facility: Solar PV

Operating Characteristics of Generating Facility:

Guaranteed Capacity: 100 MW.



Delivery Point: Windhub 230 kV



P-node: Windhub 230 kV

Participating Transmission Owner: Southern California Edison Company

EXHIBIT B**MAJOR PROJECT DEVELOPMENT MILESTONES AND COMMERCIAL OPERATION****1. Major Project Development Milestones.**

- a. **“Construction Start”** will occur upon Seller’s acquisition of all applicable regulatory authorizations, approvals and permits for the construction of the Generating Facility, has engaged all contractors and ordered all essential equipment and supplies as, in each case, can reasonably be considered necessary so that physical construction of the Generating Facility may begin and proceed to completion without foreseeable interruption of material duration, and has executed an engineering, procurement, and construction contract and issued thereunder a notice to proceed that authorizes the contractor to mobilize to Site and begin physical construction (including, at a minimum, excavation for foundations or the installation or erection of improvements) at the Site. The date of Construction Start will be evidenced by and subject to Seller’s delivery to Buyer of a certificate substantially in the form attached as Exhibit J hereto, and the date certified therein shall be the **“Construction Start Date.”** Seller shall cause the Construction Start Date to occur no later than the Guaranteed Construction Start Date.

- b. **“Major Project Development Milestone”** means either the Guaranteed Construction Start Date or the Executed Interconnection Agreement Milestone. If Construction Start is not achieved by the Guaranteed Construction Start Date, or the Interconnection Agreement is not signed by Seller and the PTO on or before the Executed Interconnection Agreement Milestone, Seller shall pay Daily Delay Damages to Buyer for each day for which a Major Project Development Milestone has not been completed. Daily Delay Damages will be calculated separately and accrue independently for each Major Project Development Milestone. Daily Delay Damages shall be payable to Buyer by Seller until Seller completes both Major Project Development Milestone; provided that in no event shall Seller be obligated to pay aggregate Daily Delay Damages in excess of the Development Security amount required hereunder. On or before the tenth (10th) day of each month, Buyer shall invoice Seller for Daily Delay Damages, if any, accrued during the prior month and, within ten (10) Business Days following Seller’s receipt of such invoice, Seller shall pay Buyer the amount of the Daily Delay Damages set forth in such invoice. Daily Delay Damages shall be refundable to Seller pursuant to Section 2(b) of this Exhibit B. The Parties agree that Buyer’s receipt of Daily Delay Damages shall be Buyer’s sole and exclusive remedy for Seller’s unexcused delay in achieving the Major Project Development Milestones, but shall (x) not be construed as Buyer’s declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer’s right to declare an Event of Default pursuant to Section 11.1(b)(ii) and receive a Damage Payment upon exercise of Buyer’s default right pursuant to Section 11.2.

2. **Commercial Operation of the Facility.** “**Commercial Operation**” means the condition existing when (i) Seller has fulfilled all of the conditions precedent in Section 2.2 of the Agreement and provided to Buyer a completion certificate from a Licensed Professional Engineer substantially in the form of Exhibit H (the “**COD Certificate**”) and (ii) Seller has notified Buyer in writing that it has provided the required documentation to Buyer and met the conditions for achieving Commercial Operation. The “**Commercial Operation Date**” shall be the later of (x) Expected Commercial Operation Date, or (y) the date on which Commercial Operation is achieved.
- a. Seller shall cause Commercial Operation for the Facility to occur by the Expected Commercial Operation Date (as such date may be extended by the Development Cure Period (defined below), the “**Guaranteed Commercial Operation Date**”). Seller shall notify Buyer that it intends to achieve Commercial Operation at least sixty (60) days before the anticipated Commercial Operation Date.
 - b. If Seller achieves the Commercial Operation Date by the Guaranteed Commercial Operation Date, all Daily Delay Damages paid by Seller shall be refunded to Seller. Seller shall include a request for refund of the Daily Delay Damages with the first invoice to Buyer after Commercial Operation.
 - c. If Seller does not achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date, Seller shall owe Commercial Operation Delay Damages to Buyer for each day after the Guaranteed Commercial Operation Date until the Commercial Operation Date. Commercial Operation Delay Damages, if any, shall be payable to Buyer by Seller until the Commercial Operation Date. On or before the tenth (10th) day of each month, Buyer shall invoice Seller for Commercial Operation Delay Damages, if any, accrued during the prior month. The Parties agree that Buyer’s receipt of Commercial Operation Delay Damages shall be Buyer’s sole and exclusive remedy for the first sixty (60) days of delay in achieving the Commercial Operation Date on or before the Guaranteed Commercial Operation Date, but shall (x) not be construed as Buyer’s declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer’s right to receive a Damage Payment upon exercise of Buyer’s default right pursuant to Section 11.2.
3. **Termination for Failure to Achieve Commercial Operation.** 

4. **Extension of the Guaranteed Dates.** The Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date shall, subject to notice and documentation requirements set forth below, be automatically extended on a day-for-day basis (the “**Development Cure Period**”) for the duration of any and all delays arising out of the following circumstances:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Upon request from Buyer, Seller shall provide documentation demonstrating to Buyer's reasonable satisfaction that the delays described above did not result from Seller's actions or failure to take reasonable actions.

5. **Failure to Reach Guaranteed Capacity.** If, at Commercial Operation, the Installed Capacity is less than one hundred percent (100%) of the Guaranteed Capacity, [REDACTED]

[REDACTED]

If Seller fails to construct the Guaranteed Capacity by such date, Seller shall pay "Capacity Damages" to Buyer, [REDACTED]

[REDACTED]

6. **Buyer's Right to Draw on Development Security.** If Seller fails to timely pay any Daily Delay Damages or Commercial Operation Delay Damages, Buyer may draw upon the Development Security to satisfy Seller's payment obligation thereof and Buyer shall replenish the Development Security to its full amount within five (5) Business Days after such draw.

EXHIBIT C
COMPENSATION

Compensation.

1. Buyer shall compensate Seller for the Product in accordance with this Exhibit C.

(a) Contract Price. During the Delivery Term, Buyer shall pay Seller the following amounts for each MWh of PV Energy and Charging Energy during a Contract Year [REDACTED] of the amount of Expected Energy for such Contract Year:

(i)

[REDACTED]

[REDACTED]

[REDACTED]

(b) Excess Contract Year Deliveries Over 115%. During the Delivery Term, Buyer shall pay Seller the following amounts for each MWh of PV Energy and Charging Energy

[REDACTED]

(i) For each MWh of PV Energy in each Settlement Interval, zero dollars per MWh (\$0/MWh); and

(ii) For each MWh of Charging Energy in each Settlement Interval, zero dollars per MWh (\$0/MWh).

(c) Excess Settlement Interval Deliveries. During the Delivery Term, if during any Settlement Interval, Seller delivers Product amounts, as measured by the amount of PV Energy, in excess of the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours ("Excess MWh"), then the price applicable to all such Excess MWh in such Settlement Interval shall be zero dollars (\$0).

(d)



(e) Curtailment Payments. Seller shall receive no compensation from Buyer for Deemed Delivered Energy.

(f) CAISO Costs and CAISO Revenues. In addition to the compensation described in this Exhibit C, Seller is responsible for CAISO costs and is entitled to retain all CAISO revenues in respect of the Facility as further described in Exhibit D.

(g) Tax Credits. The Parties agree that the Contract Price is not subject to adjustment or amendment if Seller fails to receive any Tax Credits, or if any Tax Credits expire, are repealed or otherwise cease to apply to Seller or the Facility in whole or in part, or Seller or its investors are unable to benefit from any Tax Credits. Seller shall bear all risks, financial and otherwise, throughout the Contract Term, associated with Seller's or the Facility's eligibility to receive Tax Credits or to qualify for accelerated depreciation for Seller's accounting, reporting or Tax purposes. The obligations of the Parties hereunder, including those obligations set forth herein regarding the purchase and price for and Seller's obligation to deliver Facility Energy and Product, shall be effective regardless of whether the sale of Facility Energy is eligible for, or receives Tax Credits during the Contract Term.

EXHIBIT D**SCHEDULING COORDINATOR RESPONSIBILITIES****Scheduling Coordinator Responsibilities.**

(a) Seller to be Scheduling Coordinator. During the Delivery Term, Seller shall be its own Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO to Schedule and deliver the Product to the Delivery Point, and Buyer shall be its own Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO. Each Party shall perform all scheduling and transmission activities in compliance with (i) the CAISO Tariff, (ii) WECC scheduling practices, and (iii) Prudent Operating Practice. The Parties agree to communicate and cooperate as necessary in order to address any scheduling or settlement issues as they may arise, and to work together in good faith to resolve them in a manner consistent with the terms of the Agreement.

(b) CAISO Market Participation. During the Delivery Term, Seller, as the party responsible for all Scheduling Coordinator activities and Imbalance Energy risk with respect to the Facility, shall (i) have the right, but not the obligation, in its sole discretion to submit Energy Supply Bids or Self-Schedules into the Day-Ahead Market, (ii) schedule in the Real-Time Market with a volume based on the VER forecast, its equivalent or any successor, provided by the CAISO, or such other forecast as developed by Seller and approved by Buyer, such approval not to be unreasonably withheld, provided, however, that Seller will have the right to elect in its sole discretion to submit either Energy Supply Bids or Self-Schedules or any combination thereof in the Real-Time Market with respect to such volume. Seller's Day-Ahead Market and Real-Time Market participation will be conducted in accordance with this Agreement and the CAISO Tariff, including any requirements to remain in the VER program, its equivalent or any successor, and to the extent not inconsistent with the foregoing, Prudent Operating Practice. Without in any way limiting Seller's obligations under Section 4.7 with respect to the Guaranteed Energy Production, Seller retains sole discretion to determine when the Storage Facility will accept Charging Energy and deliver Discharging Energy, except as provided in Section 4.6(g).

(c) CAISO Costs and CAISO Revenues. Seller (as Scheduling Coordinator for the Facility) shall be responsible for CAISO costs (including penalties, Imbalance Energy charges, and other charges) and shall be entitled to all CAISO revenues (including credits, Imbalance Energy payments, and other payments), including revenues associated with CAISO dispatches, bid cost recovery, Inter-SC Trade credits, or other credits in respect of the Product Scheduled or delivered from the Facility; provided, that, any net costs or charges assessed by the CAISO which are due to a failure of Buyer to perform its obligations hereunder shall be Buyer's responsibility. The Parties agree that any Availability Incentive Payments are for the benefit of the Seller and for Seller's account and that any Non-Availability Charges are the responsibility of the Seller and for Seller's account. In addition, if during the Delivery Term the CAISO implements or has implemented any sanction or penalty related to scheduling, outage reporting, or generator operation, the cost of such sanctions or penalties arising from the scheduling, outage reporting, or generator operation of the Facility shall be the Seller's responsibility.

EXHIBIT E
PROGRESS REPORTING FORM
[UNDER REVIEW]

Each Progress Report must include the following items:

1. Facility description.
2. Site plan of the Facility.
3. Description of any material planned changes to the Facility or the site.
4. Summary of material activities during the previous calendar quarter or month, as applicable, including any OSHA labor hour reports.
5. Forecast of material activities scheduled for the current calendar quarter.
6. List of issues that are likely to potentially affect Seller's Milestones.
7. A status report of material start-up activities including a forecast of material activities ongoing and after start-up, a report on Facility performance including performance projections for the next twelve (12) months.
8. [Prevailing wage reports as required by Law.]
9. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Facility, the interconnection into the Transmission System and all other interconnection utility services.
10. Supplier Diversity Reporting (if applicable). Format to be provided by Buyer.
11. Any other documentation reasonably requested by Buyer.

EXHIBIT F-1**AVERAGE EXPECTED ENERGY**

[Average Expected Energy (in MWh)]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00	
JAN																									
FEB																									
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SEP																									
OCT																									
NOV																									
DEC																									

The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

EXHIBIT F-2**AVAILABLE CAPACITY**

[Available Generating Capacity (in MW)] – [Insert Month]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00	
Day 1																									
Day 2																									
Day 3																									
Day 4																									
Day 5																									
[insert additional rows for each day in the month]																									
Day 29																									
Day 30																									
Day 31																									

The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

EXHIBIT G

GUARANTEED ENERGY PRODUCTION DAMAGES CALCULATION

In accordance with Section 4.7, if Seller fails to achieve the Guaranteed Energy Production during any Performance Measurement Period, a liquidated damages payment shall be due from Seller to Buyer, calculated as follows:

$$[(A - B) * (C - D)]$$

where:

A = the Guaranteed Energy Production amount for the Performance Measurement Period, in MWh

B = the Adjusted Energy Production amount for the Performance Measurement Period, in MWh

C = Replacement price for the Performance Measurement Period, in \$/MWh, which is the sum of (a) the simple average of the Integrated Forward Market hourly price for hour-ending 0800 through hour-ending 1700 for all days in the Performance Measurement Period, as published by the CAISO, for the Existing Zone Generation Trading Hub (as defined in the CAISO Tariff) for the Delivery Point, [REDACTED] provided, however, that if Seller delivers Replacement Green Attributes pursuant to Section 2 of this Exhibit G, then the amount in clause (b) above shall be deemed to be \$0.00/MWh for the portion of (A – B) above for which Seller delivered Replacement Green Attributes pursuant to this Exhibit G

D = the Contract Price for the Performance Measurement Period, in \$/MWh

1. Definitions.

“**Adjusted Energy Production**” shall mean the sum of the following: Facility Energy + Deemed Delivered Energy + Lost Output + Replacement Energy.

“**Lost Output**” has the meaning given in Section 4.7 of the Agreement. The Lost Output shall be calculated in the same manner as Deemed Delivered Energy is calculated, in accordance with the definition thereof.

“**Replacement Energy**” means energy produced by a facility other than the Facility that, at the time delivered to Buyer, qualifies under Public Utilities Code 399.16(b)(1), and has Green Attributes that have the same or comparable value, including with respect to the timeframe for retirement of such Green Attributes, if any, as the Green Attributes that would have been generated by the Facility during the Contract Year for which the Replacement Energy is being provided.

“**Replacement Green Attributes**” means Renewable Energy Credits of the same Portfolio Content Category (i.e., PCC1) as the Green Attributes portion of the Product and, unless otherwise

agreed by the Parties, of the same timeframe for retirement as the Renewable Energy Credits that would have been generated by the Facility during the Performance Measurement Period for which the Replacement Green Attributes are being provided.

“**Replacement Green Attributes Price**” means Index + \$0.00/MWh, where “**Index**” means the CAISO LMP applicable to the energy delivered by the electric generating facility providing the Replacement Green Attributes.

2. **Delivery of Replacement Green Attributes.** For any Performance Measurement Period in which Seller reasonably expects the calculation of (A – B) above to be greater than zero (0), Seller shall have the right to deliver Replacement Green Attributes to Buyer, and Buyer will pay Seller the Replacement Green Attributes Price for such Replacement Green Attributes, provided that such Replacement Green Attributes are generated during the applicable Performance Measurement Period and the associated WREGIS Certificates are delivered to Buyer within one hundred (100) days after the end of such Performance Measurement Period. In addition, subject to the prior written consent of Buyer, Seller may deliver Replacement Green Attributes generated after the end of the applicable Performance Measurement Period within ninety (90) days after the applicable Performance Measurement Period, or such other time frame as agreed by the Parties. Seller, or the Scheduling Coordinator for the electric generating facility providing the Replacement Green Attributes, will receive compensation directly from the CAISO for energy associated with the Replacement Green Attributes that is scheduled to the CAISO in real-time on Buyer’s behalf, and the Parties acknowledge and agree that Seller is entitled to retain all such CAISO compensation as full payment for the Index component of the Green Attributes Replacement Price.

3. No payment shall be due if the calculation of (A - B) or (C - D) yields a negative number.

4. Within sixty (60) days after each Contract Year, Buyer will send Seller Notice of the amount of damages owing, if any, which shall be payable to Buyer before the later of (a) thirty (30) days of such Notice and (b) ninety (90) days after each Performance Measurement Period, provided that the amount of damages owing shall be adjusted to account for Replacement Energy and Replacement Green Attributes, if any, delivered after each applicable Performance Measurement Period.

EXHIBIT H

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification (“**Certification**”) of Commercial Operation is delivered by _____ [*licensed professional engineer*] (“**Engineer**”) to East Bay Community Energy Authority, a California joint powers authority (“**Buyer**”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ (“**Agreement**”) by and between [*Seller*] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of _____[DATE]_____, Engineer hereby certifies and represents to Buyer the following:

1. The Generating Facility is fully operational, reliable and interconnected, fully integrated and synchronized with the Transmission System.
2. Seller has installed equipment for the Generating Facility with a nameplate capacity of no less than ninety percent (90%) of the Guaranteed Capacity.
3. Seller has commissioned all equipment in accordance with its respective manufacturer’s specifications.
4. The Generating Facility’s testing included a performance test demonstrating peak electrical output of no less than ninety percent (90%) of the Guaranteed Capacity for the Generating Facility at the Delivery Point, as adjusted for ambient conditions on the date of the Facility testing, and such peak electrical output, as adjusted, was [peak output in MW].
5. Authorization to parallel the Generating Facility was obtained by the Participating Transmission Provider, [Name of Participating Transmission Owner as appropriate] on ___[DATE]_____.
6. The Transmission Provider has provided documentation supporting full unrestricted release for Commercial Operation by [Name of Participating Transmission Owner as appropriate] on _____[DATE]_____.
7. The CAISO has provided notification supporting Commercial Operation, in accordance with the CAISO Tariff on _____[DATE]_____.

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this _____ day of _____, 20__.

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Its: _____

Date: _____

EXHIBIT I**FORM OF INSTALLED CAPACITY CERTIFICATE**

This certification ("**Certification**") of Installed Capacity is delivered by [licensed professional engineer] ("**Engineer**") to East Bay Community Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ ("**Agreement**") by and between [*SELLER ENTITY*] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

I hereby certify the following:

The performance test for the Generating Facility demonstrated peak electrical output of ____ MW AC at the Delivery Point, as adjusted for ambient conditions on the date of the performance test ("**Installed Capacity**").

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this _____ day of _____, 20__.

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Its: _____

Date: _____

EXHIBIT J

FORM OF CONSTRUCTION START DATE CERTIFICATE

This certification of Construction Start Date (“**Certification**”) is delivered by [SELLER ENTITY] (“**Seller**”) to East Bay Community Energy Authority, a California joint powers authority (“**Buyer**”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ (“**Agreement**”) by and between Seller and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Seller hereby certifies and represents to Buyer the following:

- (1) Construction Start (as defined in Exhibit B of the Agreement) has occurred, and a copy of the notice to proceed that Seller issued to its contractor as part of Construction Start is attached hereto;
- (2) the Construction Start Date occurred on _____ (the “**Construction Start Date**”);
and
- (3) the precise Site on which the Facility is located is, which must be within the boundaries of the previously identified Site:

_____.

IN WITNESS WHEREOF, the undersigned has executed this Certification on behalf of Seller as of the ___ day of _____.

[SELLER ENTITY]

By: _____

Its: _____

Date: _____

EXHIBIT K
FORM OF LETTER OF CREDIT

[Issuing Bank Letterhead and Address]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [XXXXXXXX]

Date:
Bank Ref.:
Amount: US\$[XXXXXXXXXX]
Expiry Date:

Beneficiary:

East Bay Community Energy Authority, a California joint powers authority
1111 Broadway, Suite 300
Oakland, CA 94607

Ladies and Gentlemen:

By the order of _____ (“Applicant”), we, [insert bank name and address] (“Issuer”) hereby issue our Irrevocable Standby Letter of Credit No. [XXXXXXXX] (the “Letter of Credit”) in favor of East Bay Community Energy Authority, a California joint powers authority (“Beneficiary”), 1111 Broadway, Suite 300, Oakland, CA 94607, for an amount not to exceed the aggregate sum of U.S. \$[XXXXXXXX] (United States Dollars [XXXXXX] and 00/100), pursuant to that certain Renewable Power Purchase Agreement dated as of _____ and as amended (the “Agreement”) between Applicant and Beneficiary. This Letter of Credit shall become effective immediately and shall expire on December 31, 2024 (the “Expiration Date”).

Funds under this Letter of Credit are available to Beneficiary by presentation on or before the Expiration Date of a dated statement purportedly signed by your duly authorized representative, in the form attached hereto as Exhibit A, containing one of the two alternative paragraphs set forth in paragraph 2 therein, referencing our Letter of Credit No. [XXXXXXXX] (“Drawing Certificate”).

The Drawing Certificate may be presented by (a) physical delivery, (b) as a PDF attachment to an e-mail to [bank email address] or (c) facsimile to [bank fax number [XXX-XXX-XXXX]] confirmed by [e-mail to [bank email address]]. Transmittal by facsimile or email shall be deemed delivered when received.

The original of this Letter of Credit (and all amendments, if any) is not required to be presented in connection with any presentment of a Drawing Certificate by Beneficiary hereunder in order to receive payment.

We hereby agree with the Beneficiary that documents presented under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation to the Issuer on or before the Expiration Date. All payments made under this Letter of Credit shall be made with Issuer's own immediately available funds by means of wire transfer in immediately available United States dollars to Beneficiary's account as indicated by Beneficiary in its Drawing Certificate or in a communication accompanying its Drawing Certificate.

Partial draws are permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance.

It is a condition of this Letter of Credit that the Expiration Date shall be deemed automatically extended without an amendment for a one year period beginning on the present Expiration Date hereof and upon each anniversary for such date, unless at least one hundred twenty (120) days prior to any such Expiration Date we have sent to you written notice by overnight courier service that we elect not to extend this Letter of Credit, in which case it will expire on the date specified in such notice. No presentation made under this Letter of Credit after such Expiration Date will be honored.

Notwithstanding any reference in this Letter of Credit to any other documents, instruments or agreements, this Letter of Credit contains the entire agreement between Beneficiary and Issuer relating to the obligations of Issuer hereunder.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Publication No. 600 (the "UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. In the event of an act of God, riot, civil commotion, insurrection, war or any other cause beyond Issuer's control (as defined in Article 36 of the UCP) that interrupts Issuer's business and causes the place for presentation of the Letter of Credit to be closed for business on the last day for presentation, the Expiration Date of the Letter of Credit will be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

Please address all correspondence regarding this Letter of Credit to the attention of the Letter of Credit Department at [*insert bank address information*], referring specifically to Issuer's Letter of Credit No. [XXXXXXXX]. For telephone assistance, please contact Issuer's Standby Letter of Credit Department at [XXX-XXX-XXXX] and have this Letter of Credit available.

All notices to Beneficiary shall be in writing and are required to be sent by certified letter, overnight courier, or delivered in person to: East Bay Community Energy Authority, Chief Operating Officer, 1111 Broadway, Suite 300, Oakland, CA 94607. Only notices to Beneficiary meeting the requirements of this paragraph shall be considered valid. Any notice to Beneficiary which is not in accordance with this paragraph shall be void and of no force or effect.

[Bank Name]

[Insert officer name]

[Insert officer title]

(DRAW REQUEST SHOULD BE ON BENEFICIARY’S LETTERHEAD)

Drawing Certificate

[Insert Bank Name and Address]

Ladies and Gentlemen:

The undersigned, a duly authorized representative of East Bay Community Energy Authority, a California joint powers authority, 1111 Broadway, Suite 300, Oakland, CA 94607, as beneficiary (the “Beneficiary”) of the Irrevocable Letter of Credit No. [XXXXXXXX] (the “Letter of Credit”) issued by [insert bank name] (the “Bank”) by order of _____ (the “Applicant”), hereby certifies to the Bank as follows:

1. Applicant and Beneficiary are party to that certain Renewable Power Purchase Agreement dated as of _____, 20__ (the “Agreement”).
2. Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. \$_____ because a Seller Event of Default (as such term is defined in the Agreement) or other occasion provided for in the Agreement where Beneficiary is authorized to draw on the letter of credit has occurred.

OR

Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. \$_____, which equals the full available amount under the Letter of Credit, because Applicant is required to maintain the Letter of Credit in force and effect beyond the Expiration Date of the Letter of Credit but has failed to provide Beneficiary with a replacement Letter of Credit or other acceptable instrument within thirty (30) days prior to such Expiration Date.

3. The undersigned is a duly authorized representative of East Bay Community Energy Authority, a California joint powers authority and is authorized to execute and deliver this Drawing Certificate on behalf of Beneficiary.

You are hereby directed to make payment of the requested amount to East Bay Community Energy Authority, a California joint powers authority by wire transfer in immediately available funds to the following account:

[Specify account information]

East Bay Community Energy Authority

Name and Title of Authorized Representative

Date_____

EXHIBIT L

FORM OF GUARANTY

This Guaranty (this “Guaranty”) is entered into as of [_____] (the “Effective Date”) by and between [_____] a [_____] (“Guarantor”), and East Bay Community Energy Authority, a California joint powers authority (together with its successors and permitted assigns, “Buyer”).

Recitals

- A. Buyer and [*SELLER ENTITY*], a _____ (“Seller”), entered into that certain Renewable Power Purchase Agreement (as amended, restated or otherwise modified from time to time, the “PPA”) dated as of [_____] 20__.
- B. Guarantor is entering into this Guaranty as Performance Security to secure Seller’s obligations under the PPA, as required by Section 8.8 of the PPA.
- C. It is in the best interest of Guarantor to execute this Guaranty inasmuch as Guarantor will derive substantial direct and indirect benefits from the execution and delivery of the PPA.
- D. Initially capitalized terms used but not defined herein have the meaning set forth in the PPA.

Agreement

1. Guaranty. For value received, Guarantor does hereby unconditionally, absolutely and irrevocably guarantee, as primary obligor and not as a surety, to Buyer the full, complete and prompt payment by Seller of any and all amounts and payment obligations now or hereafter owing from Seller to Buyer under the PPA, including, without limitation, compensation for penalties, the Termination Payment, indemnification payments or other damages, as and when required pursuant to the terms of the PPA (the “Guaranteed Amount”), provided, that Guarantor’s aggregate liability under or arising out of this Guaranty shall not exceed _____ Dollars (\$_____). The Parties understand and agree that any payment by Guarantor or Seller of any portion of the Guaranteed Amount shall thereafter reduce Guarantor’s maximum aggregate liability hereunder on a dollar-for-dollar basis. This Guaranty is an irrevocable, absolute, unconditional and continuing guarantee of the full and punctual payment and performance, and not of collection, of the Guaranteed Amount and, except as otherwise expressly addressed herein, is in no way conditioned upon any requirement that Buyer first attempt to collect the payment of the Guaranteed Amount from Seller, any other guarantor of the Guaranteed Amount or any other Person or entity or resort to any other means of obtaining payment of the Guaranteed Amount. In the event Seller shall fail to duly, completely or punctually pay any Guaranteed Amount as required pursuant to the PPA, Guarantor shall promptly pay such amount as required herein.

2. Demand Notice. For avoidance of doubt, a payment shall be due for purposes of this Guaranty only when and if a payment is due and payable by Seller to Buyer under the terms and conditions of the Agreement. If Seller fails to pay any Guaranteed Amount as required pursuant to the PPA for five (5) Business Days following Seller’s receipt of Buyer’s written notice of such failure (the “Demand Notice”), then Buyer may elect to exercise its rights under this Guaranty and may make a demand upon Guarantor (a “Payment Demand”) for such unpaid Guaranteed Amount.

A Payment Demand shall be in writing and shall reasonably specify in what manner and what amount Seller has failed to pay and an explanation of why such payment is due and owing, with a specific statement that Buyer is requesting that Guarantor pay under this Guaranty. Guarantor shall, within five (5) Business Days following its receipt of the Payment Demand, pay the Guaranteed Amount to Buyer.

3. Scope and Duration of Guaranty. This Guaranty applies only to the Guaranteed Amount. This Guaranty shall continue in full force and effect from the Effective Date until the earlier of the following: (x) all Guaranteed Amounts have been paid in full (whether directly or indirectly through set-off or netting of amounts owed by Buyer to Seller), or (y) replacement Performance Security is provided in an amount and form required by the terms of the PPA. Further, this Guaranty (a) shall remain in full force and effect without regard to, and shall not be affected or impaired by any invalidity, irregularity or unenforceability in whole or in part of this Guaranty, and (b) subject to the preceding sentence, shall be discharged only by complete performance of the undertakings herein. Without limiting the generality of the foregoing, the obligations of the Guarantor hereunder shall not be released, discharged, or otherwise affected and this Guaranty shall not be invalidated or impaired or otherwise affected for the following reasons:

- (i) the extension of time for the payment of any Guaranteed Amount, or
- (ii) any amendment, modification or other alteration of the PPA, or
- (iii) any indemnity agreement Seller may have from any party, or
- (iv) any insurance that may be available to cover any loss, except to the extent insurance proceeds are used to satisfy the Guaranteed Amount, or
- (v) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, Seller or any of its assets, including but not limited to any rejection or other discharge of Seller's obligations under the PPA imposed by any court, trustee or custodian or any similar official or imposed by any law, statute or regulation, in each such event in any such proceeding, or
- (vi) the release, modification, waiver or failure to pursue or seek relief with respect to any other guaranty, pledge or security device whatsoever, or
- (vii) any payment to Buyer by Seller that Buyer subsequently returns to Seller pursuant to court order in any bankruptcy or other debtor-relief proceeding, or
- (viii) those defenses based upon (A) the legal incapacity or lack of power or authority of any Person, including Seller and any representative of Seller to enter into the PPA or perform its obligations thereunder, (B) lack of due execution, delivery, validity or enforceability, including of the PPA, or (C) Seller's inability to pay any Guaranteed Amount or perform its obligations under the PPA, or
- (ix) any other event or circumstance that may now or hereafter constitute a defense to payment of the Guaranteed Amount, including, without limitation, statute of frauds and accord and satisfaction;

provided that Guarantor reserves the right to assert for itself any defenses, setoffs or counterclaims that Seller is or may be entitled to assert against Buyer (except for such defenses, setoffs or counterclaims that may be asserted by Seller with respect to the PPA, but that are expressly waived under any provision of this Guaranty).

4. Waivers by Guarantor. Guarantor hereby unconditionally waives as a condition precedent to the performance of its obligations hereunder, with the exception of the requirements in Paragraph 2, (a) notice of acceptance, presentment or protest with respect to the Guaranteed Amounts and this Guaranty, (b) notice of any action taken or omitted to be taken by Buyer in reliance hereon, (c) any requirement that Buyer exhaust any right, power or remedy or proceed against Seller under the PPA, and (d) any event, occurrence or other circumstance which might otherwise constitute a legal or equitable discharge of a surety. Without limiting the generality of the foregoing waiver of surety defenses, it is agreed that the occurrence of any one or more of the following shall not affect the liability of Guarantor hereunder:

(i) at any time or from time to time, without notice to Guarantor, the time for payment of any Guaranteed Amount shall be extended, or such performance or compliance shall be waived;

(ii) the obligation to pay any Guaranteed Amount shall be modified, supplemented or amended in any respect in accordance with the terms of the PPA;

(iii) subject to Section 10, any (a) sale, transfer or consolidation of Seller into or with any other entity, (b) sale of substantial assets by, or restructuring of the corporate existence of, Seller or (c) change in ownership of any membership interests of, or other ownership interests in, Seller; or

(iv) the failure by Buyer or any other Person to create, preserve, validate, perfect or protect any security interest granted to, or in favor of, Buyer or any Person.

5. Subrogation. Notwithstanding any payments that may be made hereunder by the Guarantor, Guarantor hereby agrees that until the earlier of payment in full of all Guaranteed Amounts or expiration of the Guaranty in accordance with Section 3, it shall not be entitled to, nor shall it seek to, exercise any right or remedy arising by reason of its payment of any Guaranteed Amount under this Guaranty, whether by subrogation or otherwise, against Seller or seek contribution or reimbursement of such payments from Seller.

6. Representations and Warranties. Guarantor hereby represents and warrants that (a) it has all necessary and appropriate [*limited liability company*][*corporate*] powers and authority and the legal right to execute and deliver, and perform its obligations under, this Guaranty, (b) this Guaranty constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting enforcement of creditors' rights or general principles of equity, (c) the execution, delivery and performance of this Guaranty does not and will not contravene Guarantor's organizational documents, any applicable Law or any contractual provisions binding on or affecting Guarantor, (d) there are no actions, suits or proceedings pending before any court, governmental agency or arbitrator, or, to the knowledge of the Guarantor, threatened, against or affecting Guarantor or any of its properties or revenues which may, in any one case or in the

aggregate, adversely affect the ability of Guarantor to enter into or perform its obligations under this Guaranty, and (e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or Governmental Authority, and no consent of any other Person (including, any stockholder or creditor of the Guarantor), that has not heretofore been obtained is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty by Guarantor.

7. Notices. Notices under this Guaranty shall be deemed received if sent to the address specified below: (i) on the day received if served by overnight express delivery, and (ii) four Business Days after mailing if sent by certified, first class mail, return receipt requested. If transmitted by facsimile, such notice shall be deemed received when the confirmation of transmission thereof is received by the party giving the notice. Any party may change its address or facsimile to which notice is given hereunder by providing notice of the same in accordance with this Paragraph 8.

If delivered to Buyer, to it at
 Attn:
 Fax:

If delivered to Guarantor, to it at
 Attn:
 Fax:

8. Governing Law and Forum Selection. This Guaranty shall be governed by, and interpreted and construed in accordance with, the laws of the United States and the State of California, excluding choice of law rules. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Guaranty shall be brought in the federal courts of the United States or the courts of the State of California sitting in the City and County of Alameda, California.

9. Miscellaneous. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Buyer and its successors and permitted assigns pursuant to the PPA. No provision of this Guaranty may be amended or waived except by a written instrument executed by Guarantor and Buyer. This Guaranty is not assignable by Guarantor without the prior written consent of Buyer. No provision of this Guaranty confers, nor is any provision intended to confer, upon any third party (other than Buyer's successors and permitted assigns) any benefit or right enforceable at the option of that third party. This Guaranty embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings of the parties hereto, verbal or written, relating to the subject matter hereof. If any provision of this Guaranty is determined to be illegal or unenforceable (i) such provision shall be deemed restated in accordance with applicable Laws to reflect, as nearly as possible, the original intention of the parties hereto and (ii) such determination shall not affect any other provision of this Guaranty and all other provisions shall remain in full force and effect. This Guaranty may be executed in any number of separate counterparts, each of which when so executed shall be deemed an original, and all of said counterparts taken together shall be

deemed to constitute one and the same instrument. This Guaranty may be executed and delivered by electronic means with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

[Signature on next page]

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be duly executed and delivered by its duly authorized representative on the date first above written.

GUARANTOR:

[_____]

By: _____

Printed Name: _____

Title: _____

BUYER:

[_____]

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

EXHIBIT M

FORM OF REPLACEMENT RA NOTICE

This Replacement RA Notice (this “**Notice**”) is delivered by [*SELLER ENTITY*] (“**Seller**”) to East Bay Community Energy Authority, a California joint powers authority (“**Buyer**”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ (“**Agreement**”) by and between Seller and Buyer. All capitalized terms used in this Notice but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Pursuant to Section 3.8(b) of the Agreement, Seller hereby provides the below Replacement RA product information:

Unit Information¹

Name	
Location	
CAISO Resource ID	
Unit SCID	
Prorated Percentage of Unit Factor	
Resource Type	
Point of Interconnection with the CAISO Controlled Grid (“substation or transmission line”)	
Path 26 (North or South)	
LCR Area (if any)	
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	
Run Hour Restrictions	
Delivery Period	

Month	Unit CAISO NQC (MW)	Unit Contract Quantity (MW)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

¹ To be repeated for each unit if more than one.

[*SELLER ENTITY*]

By: _____

Its: _____

Date: _____

EXHIBIT N

NOTICES

<i>[SELLER'S NAME]</i> ("Seller")	EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority ("Buyer")
All Notices: Street: City: Attn: Phone: Facsimile: Email:	All Notices: Street: 1111 Broadway, Suite 300 City: Oakland, CA 94607 Attn: Howard Chang, Chief Operating Officer Phone: (510) 809-7458 Email: hchang@ebce.org With a copy to: EBCE General Counsel 1111 Broadway, Suite 300 Oakland, CA 94607 Email: legal@ebce.org With an additional copy to: Hall Energy Law PC Attn: Stephen Hall Phone: (503) 313-0755 Email: steve@hallenergylaw.com
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: ██████████ Federal Tax ID Number: ██████████
Invoices: Attn: Phone: Facsimile: E-mail:	Invoices: Attn: Power Resources Phone: E-mail: powerresources@ebce.org ; ap@ebce.org
Scheduling: Attn: Phone: Facsimile: Email:	Scheduling: Attn: NCPA c/o Ken Goeke, Manager, Portfolio and Administration Phone: (916) 781-4290 Email: ken.goeke@ncpa.com

<p><i>[SELLER'S NAME]</i> ("Seller")</p>	<p>EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority ("Buyer")</p>
<p>Confirmations: Attn: Phone: Facsimile: Email:</p>	<p>Confirmations: Attn: Power Resources Phone: E-mail: powerresources@ebce.org</p>
<p>Payments: Attn: Phone: Facsimile: E-mail:</p>	<p>Payments: Attn: Jason Bartlett, Finance Manager Phone: 510-650-7584 E-mail: AP@ebce.org; jbartlett@ebce.org</p>
<p>Wire Transfer: BNK: ABA: ACCT:</p>	<p>Wire Transfer: BNK: River City Bank ABA: 121133416 ACCT: *****3199</p>
<p>With additional Notices of an Event of Default to: Attn: Phone: Facsimile: E-mail:</p>	<p>With additional Notices of an Event of Default to: Howard Chang, Chief Operating Officer 1111 Broadway, Suite 300 Oakland, CA 94607 Phone: (510) 809-7458 Email: hchang@ebce.org With a copy to: EBCE, General Counsel 1111 Broadway, Suite 300 Oakland, CA 94607 Phone: (510) 838-5266 Email: legal@ebce.org</p>
<p>Emergency Contact: Attn: Phone: Facsimile: Email:</p>	<p>Emergency Contact: Attn: Howard Chang, Chief Operating Officer Phone: (510) 809-7458 E-mail: hchang@ebce.org</p>

EXHIBIT O

OPERATING RESTRICTIONS

The Parties will develop and finalize the Operating Restrictions prior to the Commercial Operation Date, provided that the Operating Restrictions will, at a minimum, include the rules, requirements and procedures set forth in this Exhibit O.

1. XXXX
2. XXXX

EXHIBIT P
METERING DIAGRAM

EXHIBIT Q
COMMUNITY INVESTMENT

Seller agrees to fund a “Community Investment Fund” (“CI Fund”) through a [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

Seller’s Affiliate has engaged D.H. Blattner & Sons, Inc. (“Primary Employer”) to construct the Facility. Primary Employer entered into that certain Project Labor Agreement with Operating Engineers Local 12, Southwest Regional Council of Carpenters, Southern California District Council of Laborers and its affiliated Laborers Local 220, IBEW Local 428, and Ironworkers Locals 416 and 433 on April 8, 2018.

DRAFT EXECUTION VERSION**RENEWABLE POWER PURCHASE AGREEMENT****COVER SHEET**

Seller: Raceway Solar 1, LLC, a Delaware limited liability company

Buyer: East Bay Community Energy Authority, a California joint powers authority

Description of Facility: A 125 MW AC photovoltaic solar project, which includes a 80MW/160MWh battery energy storage facility, located in Kern County and Los Angeles County, in the State of California

Milestones:

Milestone	Date for Completion
Evidence of Site Control	Complete
CEC Pre-Certification Obtained	Complete
Financing Milestone	12/31/2019
Documentation of Conditional Use Permit if required: CEQA [] Cat Ex, []Neg Dec, []Mitigated Neg Dec, [X] EIR	12/31/2020
Seller's receipt of Phase I and Phase II Interconnection study results for Seller's Interconnection Facilities	Complete
Executed Interconnection Agreement	Complete
Financial Close	06/01/2022
Expected Construction Start Date	12/31/2021
Full Capacity Deliverability Status Obtained	03/31/2023
Initial Synchronization	12/01/2022
Network Upgrades completed	12/31/2020
Expected Commercial Operation Date	12/31/2022

Delivery Term: The period for Product delivery will be for 20 Contract Years.

Expected Energy:

Contract Year	Expected Energy (MWh)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	

Guaranteed Capacity: 125 MW**Storage Contract Capacity:** 80 MW**Storage Contract Output:** 160 MWh**Storage Facility Loss Factor:** ■**Contract Price**

The Renewable Rate shall be:

Contract Year	Renewable Rate
1 – 20	[REDACTED]

The Storage Rate shall be:

Contract Year	Storage Rate
1 – 20	[REDACTED]

Product:

- PV Energy
- Discharging Energy
- Green Attributes (Portfolio Content Category 1)
- Storage Capacity
- Capacity Attributes (select options below as applicable)
 - Energy Only Status
 - Full Capacity Deliverability Status on and after the RA Guarantee Date
- Ancillary Services

Scheduling Coordinator: Buyer/Buyer's agent

Security

Generating Facility Development Security: [REDACTED]


Storage Facility Development Security: [REDACTED]

Generating Facility Performance Security: [REDACTED]

Storage Facility Performance Security: [REDACTED]

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RENEWABLE POWER PURCHASE AGREEMENT

This Renewable Power Purchase Agreement (“**Agreement**”) is entered into as of _____, 2019 (the “**Effective Date**”), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a “**Party**” and jointly as the “**Parties**.” All capitalized terms used in this Agreement are used with the meanings ascribed to them in Article 1 to this Agreement.

RECITALS

WHEREAS, Seller intends to develop, design, permit, construct, own, control and operate the Facility; and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, the Product;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1 DEFINITIONS

1.1 **Contract Definitions.** The following terms, when used herein with initial capitalization, shall have the meanings set forth below:

“**AC**” means alternating current.

“**Accepted Compliance Costs**” has the meaning set forth in Section 3.12.

“**Adjusted Energy Production**” has the meaning set forth in Exhibit G.

“**Adjusted Facility Energy**” means, for the applicable period, the sum of (a) the total Facility Energy for such period, plus (b) the result of subtracting (i) the total Discharging Energy for such period from (ii) the total Discharging Energy for such period divided by the Storage Facility Loss Factor.

“**Affiliate**” means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of “Permitted Transferee”, “control”, “controlled by”, and “under common control with”, as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

“**Agreement**” has the meaning set forth in the Preamble and includes any Exhibits, schedules and any written supplements hereto, the Cover Sheet, and any designated collateral, credit support or similar arrangement between the Parties.

“**Ancillary Services**” means all ancillary services, products and other attributes, if any, associated with the Facility.

“**Approved Forecast Vendor**” means (x) CAISO or (y) any other vendor reasonably acceptable to both Buyer and Seller for the purposes of providing or verifying the forecasts under Sections 4.3(c) and 4.3(d).

“**Automated Dispatch System**” or “**ADS**” has the meaning set forth in the CAISO Tariff.

“**Availability Adjusted Storage Contract Capacity**” has the meaning set forth in Exhibit P.

“**Availability Adjustment**” or “**AA**” has the meaning set forth in Exhibit P.

“**Available Generating Capacity**” means the capacity of the Generating Facility, expressed in whole MWs, that is mechanically available to generate Energy.

“**Bankrupt**” means with respect to any entity, such entity that (a) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar Law, (b) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of ninety (90) days, (c) makes an assignment or any general arrangement for the benefit of creditors, (d) otherwise becomes bankrupt or insolvent (however evidenced), (e) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (f) is generally unable to pay its debts as they fall due.

“**Business Day**” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday in California. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. Eastern Standard Time (EST) for the Party sending a Notice, or payment, or performing a specified action.

“**Buyer**” means East Bay Community Energy Authority, a California joint powers authority.

“**Buyer Bid Curtailment**” means the occurrence of all of the following:

(a) the CAISO provides notice to a Party or the Scheduling Coordinator for the Facility, requiring the Party to deliver less Facility Energy from the Facility than the full amount of energy forecasted to be produced from the Facility for a period of time; and

(b) for the same time period as referenced in (a), the notice referenced in (a) results from the manner in which Buyer or the SC schedules or bids the Facility, Facility Energy or Ancillary Services, including where the Buyer or the SC for the Facility:

- (i) did not submit a Self-Schedule or an Energy Supply Bid for the MW subject to the reduction; or
- (ii) submitted an Energy Supply Bid and the CAISO notice referenced in (a) is solely a result of CAISO implementing the Energy Supply Bid; or
- (iii) submitted a Self-Schedule for less than the full amount of Facility Energy forecasted to be generated or discharged by or delivered from the Facility.

If the Facility is subject to a Planned Outage, Forced Facility Outage, Force Majeure Event or a Curtailment Period during the same time period as referenced in (a), then the calculation of Deemed Delivered Energy during such period shall not include any Facility Energy that was not generated or stored due to such Planned Outage, Forced Facility Outage, Force Majeure Event or Curtailment Period.

“Buyer Curtailment Order” means (i) the instruction from Buyer to Seller to reduce Facility Energy from the Facility by the amount, and for the period of time set forth in such instruction, for reasons unrelated to a Planned Outage, Forced Facility Outage, Force Majeure Event or Curtailment Order, (ii) a reduction of Facility Energy directed by CAISO during Settlement Intervals with a Negative LMP, (iii) a reduction of Facility Energy due to Buyer’s participation in the Ancillary Services market and (iv) a reduction in PV Energy due to Buyer’s issuance of Charging Notices or Discharging Notices in violation of the Operating Procedures.

“Buyer Curtailment Period” means the period of time, as measured using current Settlement Intervals, during which Seller reduces Facility Energy from the Facility pursuant to or as a result of (a) Buyer Bid Curtailment or (b) a Buyer Curtailment Order; provided, that the duration of any Buyer Curtailment Period shall be inclusive of the time required for the Facility to ramp down and ramp up.

“Buyer’s Default” means an Event of Default of Buyer.

“Buyer’s WREGIS Account” has the meaning set forth in Section 4.10(a).

“CAISO” means the California Independent System Operator Corporation.

“CAISO Approved Meter” means a CAISO approved revenue quality meter or meters, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all Facility Energy delivered to the Delivery Point.

“CAISO Charges Invoice” has the meaning set forth in Exhibit D.

“CAISO Grid” has the same meaning as “CAISO Controlled Grid” as defined in the CAISO Tariff.

“CAISO Operating Order” means the “operating order” defined in Section 37.2.1.1 of the CAISO Tariff.

“**CAISO Tariff**” means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and approved by FERC.

“**CAISO VER Forecast**” means the forecast of output provided by CAISO pursuant to Section 4.8.2.1.2 and Appendix Q of the CAISO Tariff, as such provisions may be modified or amended from time to time.

“**California Renewables Portfolio Standard**” or “**RPS**” means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, *inter alia*, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

“**Capacity Attribute**” means any current or future defined characteristic, certificate, tag, credit, or accounting construct associated with the amount of power that the Facility can generate and deliver to the Delivery Point at a particular moment and that can be purchased and sold under CAISO market rules, including Resource Adequacy Benefits.

“**Capacity Damages**” has the meaning set forth in Exhibit B.

“**CEC**” means the California Energy Commission, or any successor agency performing similar statutory functions.

“**CEC Certification and Verification**” means that the CEC has certified (or, with respect to periods before the date that is one hundred eighty (180) days following the Commercial Operation Date, that the CEC has pre-certified) that the Generating Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Facility Energy delivered to the Delivery Point qualifies as generation from an Eligible Renewable Energy Resource.

“**CEC Precertification**” means that the CEC has issued a precertification for the Facility indicating that the planned operations of the Facility would comply with applicable CEC requirements for CEC Certification and Verification.

“**CEQA**” means the California Environmental Quality Act.

“**Change of Control**” means any circumstance in which Ultimate Parent ceases to own, directly or indirectly through one or more intermediate entities, more than fifty percent (50%) of the outstanding equity interests in Seller or otherwise ceases to retain the ability to control the decision making of Seller; provided that in calculating ownership percentages for all purposes of the foregoing:

(a) any ownership interest in Seller held by Ultimate Parent indirectly through one or more intermediate entities shall not be counted towards Ultimate Parent’s ownership interest in Seller unless Ultimate Parent directly or indirectly owns more than fifty percent (50%) of the outstanding equity interests in each such intermediate entity; and

(b) ownership interests in Seller owned directly or indirectly by any Lender (including any tax equity provider) shall be excluded from the total outstanding equity interests in Seller.

“**Charging Energy**” means the as-available Energy produced by the Generating Facility, less transformation and transmission losses, if any, delivered to the Storage Facility pursuant to a Charging Notice or in connection with a Storage Capacity Test. All Charging Energy shall be used solely to charge the Storage Facility, and all Charging Energy shall be generated solely by the Generating Facility.

“**Charging Notice**” means the operating instruction, and any subsequent updates, given by Buyer to Seller, directing the Storage Facility to charge at a specific MW rate to a specified Stored Energy Level, including in connection with a Storage Capacity Test, provided that any such operating instruction shall be in accordance with the Operating Procedures. For the avoidance of doubt, any Charging Notice shall not constitute a Buyer Bid Curtailment, Buyer Curtailment Order or Curtailment Order.

“**Claim**” has the meaning set forth in Section 16.2(a).

“**COD Certificate**” has the meaning set forth in Exhibit B.

“**Collateral Assignment Agreement**” has the meaning set forth in Section 14.2.

“**Commercial Operation**” has the meaning set forth in Exhibit B.

“**Commercial Operation Date**” has the meaning set forth in Exhibit B.

“**Commercial Operation Delay Damages**”

“**Compliance Actions**” has the meaning set forth in Section 3.12.

“**Compliance Expenditure Cap**” has the meaning set forth in Section 3.12.

“**Confidential Information**” has the meaning set forth in Section 18.1.

“**Construction Start**” has the meaning set forth in Exhibit B.

“**Construction Start Date**” has the meaning set forth in Exhibit B.

“**Contract Price**” has the meaning set forth on the Cover Sheet. To be clear, the Contract Price is each of the Renewable Rate and the Storage Rate.

“**Contract Term**” has the meaning set forth in Section 2.1(a).

“**Contract Year**” means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Commercial Operation Date and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.

“**Costs**” means, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace the Agreement; and all reasonable attorneys’ fees and expenses incurred by the Non-Defaulting Party in connection with terminating the Agreement.

“**Cover Sheet**” means the cover sheet to this Agreement, which is incorporated into this Agreement.

“**CPM Capacity**” has the meaning set forth in the CAISO Tariff.

“**CPUC**” means the California Public Utilities Commission or any successor agency performing similar statutory functions.

“**Credit Rating**” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third-party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P or Moody’s. If ratings by S&P and Moody’s are not equivalent, the lower rating shall apply.

“**Curtailment Cap**” [REDACTED]

“**Curtailment Order**” means any of the following:

(a) CAISO orders, directs, alerts, or provides notice to a Party, including through the ADS or a CAISO Operating Order, to curtail deliveries of Facility Energy for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO’s electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by the Participating Transmission Owner for reasons including, but not limited to, (i) any situation that affects normal function of the electric system including, but not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Participating Transmission Owner’s electric system integrity or the integrity of other systems to which the Participating Transmission Owner is connected;

(c) a curtailment ordered by CAISO or the Participating Transmission Owner due to scheduled or unscheduled maintenance on the Participating Transmission Owner’s transmission facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Facility Energy to the Delivery Point; or

(d) a curtailment in accordance with Seller’s obligations under its Interconnection Agreement with the Participating Transmission Owner or distribution operator.

“**Curtailment Period**” means the period of time, as measured using current Settlement Intervals, during which generation from the Facility is reduced pursuant to a Curtailment Order; provided that the Curtailment Period shall be inclusive of the time required for the Facility to ramp down and ramp up.

“**Daily Delay Damages**” [REDACTED]

“**Damage Payment**” means the amount of the aggregate Development Security.

“**Day-Ahead Forecast**” has the meaning set forth in Section 4.3(c).

“**Day-Ahead Market**” has the meaning set forth in the CAISO Tariff.

“**Day-Ahead Schedule**” has the meaning set forth in the CAISO Tariff.

“**Deemed Delivered Energy**” means the amount of Energy expressed in MWh that the Generating Facility would have produced and delivered to the Storage Facility or the Delivery Point, but that is not produced by the Generating Facility during a Buyer Curtailment Period or Buyer’s unexcused failure to take delivery of the Product, which amount shall be calculated using an industry-standard methodology agreed to by Buyer and Seller that utilizes meteorological conditions on Site as input for the period of time during the Buyer Curtailment Period (or other relevant period).

“**Defaulting Party**” has the meaning set forth in Section 11.1(a).

“**Deficient Month**” has the meaning set forth in Section 4.10(e).

“**Delivery Point**” has the meaning set forth in Exhibit A.

“**Delivery Term**” shall mean the period of Contract Years set forth on the Cover Sheet beginning on the Commercial Operation Date, unless terminated earlier in accordance with the terms and conditions of this Agreement.

“**Development Cure Period**” has the meaning set forth in Exhibit B.

“**Development Security**” [REDACTED]

“**Discharging Energy**” means all Energy delivered to the Delivery Point from the Storage Facility, as measured at the Storage Facility Metering Points by the Storage Facility Meter. For the avoidance of doubt, all Discharging Energy will have originally been delivered to the Storage Facility as Charging Energy.

“**Discharging Notice**” means the operating instruction, and any subsequent updates, given by Buyer to Seller, directing the Storage Facility to discharge Discharging Energy at a specific MW rate to a specified Stored Energy Level, provided that any such operating instruction or

updates shall be in accordance with the Operating Procedures. For the avoidance of doubt, any Discharging Notice shall not constitute a Buyer Bid Curtailment, Buyer Curtailment Order or Curtailment Order.

“**Disclosing Party**” has the meaning set forth in Section 18.2.

“**Early Termination Date**” has the meaning set forth in Section 11.2(a).

“**Effective Date**” has the meaning set forth on the Preamble.

“**Electrical Losses**” means all transmission or transformation losses between the Facility and the Delivery Point, including losses associated with (i) delivery of PV Energy to the Delivery Point, (ii) delivery of Charging Energy to the Storage Facility, (iii) conversion of Charging Energy into Discharging Energy, and (iv) delivery of Discharging Energy to the Delivery Point.

“**Eligible Renewable Energy Resource**” has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

“**Energy**” means electrical energy generated by the Generating Facility.

“**Energy Supply Bid**” has the meaning set forth in the CAISO Tariff.

“**Event of Default**” has the meaning set forth in Section 11.1.

“**Excess MWh**” has the meaning set forth in Exhibit C.

“**Executed Interconnection Agreement Milestone**” means the date for completion of execution of the Interconnection Agreement by Seller and the PTO as set forth on the Cover Sheet.

“**Expected Commercial Operation Date**” is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Commercial Operation.

“**Expected Construction Start Date**” is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Construction Start.

“**Expected Energy**” means the quantity of Energy that Seller expects to be able to deliver to Buyer or as Charging Energy to the Storage Facility from the Generating Facility during each Contract Year in the quantity specified on the Cover Sheet.

“**Facility**” means the Generating Facility and the Storage Facility.

“**Facility Energy**” means the sum of PV Energy and Discharging Energy during any Settlement Interval or Settlement Period, net of Electrical Losses and Station Use, as measured by the Facility Meter, which Facility Meter will be adjusted in accordance with CAISO meter requirements and Prudent Operating Practices to account for Electrical Losses and Station Use.

“**Facility Meter**” means the CAISO Approved Meter that will measure all Facility Energy. Without limiting Seller’s obligation to deliver Facility Energy to the Delivery Point, the Facility

Meter will be located, and Facility Energy will be measured, at the low voltage side of the main step up transformer and will be subject to adjustment in accordance with CAISO meter requirements and Prudent Operating Practices to account for Electrical Losses and Station Use, as it impacts delivered energy.

“**FERC**” means the Federal Energy Regulatory Commission.

“**Financial Close**” means Seller or one of its Affiliates has obtained debt or equity financing commitments from one or more Lenders sufficient to construct the Facility, including such financing commitments from Seller's owner(s).

“**Financing Milestone**”

“**Force Majeure Event**” has the meaning set forth in Section 10.1(a).

“**Forced Facility Outage**” means an unexpected failure of one or more components of the Facility or any outage on the Transmission System that prevents Seller from generating Energy or making Facility Energy available at the Delivery Point and that is not the result of a Force Majeure Event.

“**Forecasting Penalty**” means for each hour as to which Seller is required to provide a notification to Buyer as required in Section 4.3(e) and does not provide such notification and Buyer incurs a loss or penalty resulting from its scheduling activities in such hour with respect to Energy due to such failure of Seller to provide such notification, the product of (A) the absolute difference (if any) between (i) the expected Energy for such hour (which, for the avoidance of doubt, assumes no Charging Energy or Discharging Energy in such hour) set forth in the Monthly Delivery Forecast, and (ii) the actual Energy produced by the Generating Facility (absent any Charging Energy and Discharging Energy), multiplied by (B) the Real-Time Price (if greater than zero dollars (\$0)) in such hour.

“**Forward Certificate Transfers**” has the meaning set forth in Section 4.10(a).

“**Full Capacity Deliverability Status**” has the meaning set forth in the CAISO Tariff.

“**Future Environmental Attributes**” shall mean any and all generation attributes other than Green Attributes or Renewable Energy Incentives under the RPS regulations or under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now, or in the future, to the generation of electrical energy by the Facility. Future Environmental Attributes do not include investment tax credits or production tax credits associated with the construction or operation of the Facility, or other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation.

“Gains” means, with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining the economic benefit to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term, and include the value of Green Attributes and Capacity Attributes.

“Generating Facility” means the solar photovoltaic generating facility described on the Cover Sheet and in Exhibit A, located at the Site and including mechanical equipment and associated facilities and equipment required to deliver (i) PV Energy to the Delivery Point, (ii) Charging Energy to the Storage Facility and (iii) Discharging Energy to the Delivery Point; provided, that the “Generating Facility” does not include the Storage Facility or the Shared Facilities.

“Generating Facility Development Security” means Development Security in the amount set forth as “Generating Facility Development Security” on the Cover Sheet.

“Generating Facility Performance Security” means Performance Security in the amount set forth as “Generating Facility Performance Security” on the Cover Sheet.

“Governmental Authority” means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; *provided, however*, that “Governmental Authority” shall not in any event include any Party.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility and its displacement of conventional energy generation. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Facility Energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or

“tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating or air quality permits. If the Facility is a biomass or landfill gas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Facility.

“**Green Tag Reporting Rights**” means the right of a purchaser of renewable energy to report ownership of accumulated “green tags” in compliance with and to the extent permitted by applicable Law and include, without limitation, rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

“**Guaranteed Capacity**” means the amount of generating capacity of the Generating Facility, as measured in MW at the Delivery Point, set forth on the Cover Sheet.

“**Guaranteed Commercial Operation Date**” means the Expected Commercial Operation Date, as such date may be extended by the Development Cure Period.

“**Guaranteed Construction Start Date**” means the Expected Construction Start Date, as such date may be extended by the Development Cure Period.

“**Guaranteed Energy Production**”

“**Guaranteed Storage Availability**” has the meaning set forth in Section 4.8(a).

“**Guarantor**” means, with respect to Seller, any Person that (a) Buyer does not already have any material credit exposure to under any other agreements, guarantees, or other arrangements at the time its Guaranty is issued, (b) is an Affiliate of Seller, or other third party reasonably acceptable to Buyer, (c) has a Credit Rating of BBB- or better from S&P or a Credit Rating of Baa3 or better from Moody’s, (d) [REDACTED] (e) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction, and (f) executes and delivers a Guaranty for the benefit of Buyer.

“**Guaranty**” means a guaranty from a Guarantor provided for the benefit of Buyer substantially in the form attached as Exhibit L.

“**Imbalance Energy**” means the amount of energy in MWh, in any given Settlement Period or Settlement Interval, by which the amount of Facility Energy deviates from the amount of Scheduled Energy.

“**Indemnifiable Loss(es)**” has the meaning set forth in Section 16.1.

“**Indemnified Party**” has the meaning set forth in Section 16.1.

“**Indemnifying Party**” has the meaning set forth in Section 16.1.

“**Initial Synchronization**” means the initial delivery of Facility Energy to the Delivery Point.

“**Installed Battery Capacity**” means the maximum dependable operating capability of the Storage Facility to discharge electric energy, as measured in MW at the Storage Facility Meter, that achieves Commercial Operation, adjusted for ambient conditions on the date of the performance test, and as evidenced by a certificate substantially in the form attached as Exhibit I-2 hereto.

“**Installed PV Capacity**” means the actual generating capacity of the Generating Facility, as measured in MW at the Delivery Point, that achieves Commercial Operation, adjusted for ambient conditions on the date of the performance test, and as evidenced by a certificate substantially in the form attached as Exhibit I-1 hereto.

“**Interconnection Agreement**” means the interconnection agreement entered into by Seller pursuant to which the Facility will be interconnected with the Transmission System, and pursuant to which Seller’s Interconnection Facilities and any other Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

“**Interconnection Facilities**” means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the Transmission System in accordance with the Interconnection Agreement.

“**Interest Rate**” has the meaning set forth in Section 8.2.

“**Interim Deliverability Status**” has the meaning set forth in the CAISO Tariff.

“**Inter-SC Trade**” or “**IST**” has the meaning set forth in the CAISO Tariff.

“**ITC**” means the investment tax credit established pursuant to Section 48 of the United States Internal Revenue Code of 1986.

“**Joint Powers Act**” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.).

“**Joint Powers Agreement**” means that certain Joint Powers Agreement dated December 1, 2016, as amended from time to time, under which Buyer is organized as a Joint Powers Authority in accordance with the Joint Powers Act.

“**Law**” means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

“Lender” means, collectively, any Person (i) providing senior or subordinated construction, interim, back leverage or long-term debt, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt (including back-leverage debt), equity (including tax equity), public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any equity or tax equity investor directly or indirectly providing financing or refinancing for the Facility or purchasing equity ownership interests of Seller or its Affiliates, and any trustee or agent or similar representative acting on their behalf, (ii) providing interest rate or commodity protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations or (iii) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

“Letter(s) of Credit” means one or more irrevocable, standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least A- with an outlook designation of “stable” from S&P or A3 with an outlook designation of “stable” from Moody’s, in a form substantially similar to the letter of credit set forth in Exhibit K.

“Licensed Professional Engineer” means an independent, professional engineer selected by Seller and reasonably acceptable to Buyer, licensed in the State of California.

“Local Capacity Area Resources” has the meaning set forth in the CAISO Tariff.

“Locational Marginal Price” or **“LMP”** has the meaning set forth in the CAISO Tariff.

“Losses” means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining economic loss to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes, Capacity Attributes, and Renewable Energy Incentives.

“Lost Output” has the meaning set forth in Section 4.7.

“Major Project Development Milestone” has the meaning set forth in in Exhibit B.

“Master File” has the meaning set forth in the CAISO Tariff.

“Milestones” means the development activities for significant permitting, interconnection, financing and construction milestones set forth on the Cover Sheet.

“Monthly Delivery Forecast” has the meaning set forth in Section 4.3(b).

“**Monthly Storage Availability**” has the meaning set forth in Exhibit P.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**MW**” means megawatts in alternating current, unless expressly stated in terms of direct current.

“**MWh**” means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.

“**Negative LMP**” means, in any Settlement Period or Settlement Interval, the LMP at the Facility’s PNode is less than Zero dollars (\$0).

“**NERC**” means the North American Electric Reliability Corporation or any successor entity performing similar functions.

“**Net Qualifying Capacity**” has the meaning set forth in the CAISO Tariff.

“**Network Upgrades**” has the meaning set forth in the CAISO Tariff.

“**Non-Defaulting Party**” has the meaning set forth in Section 11.2.

“**Notice**” shall, unless otherwise specified in the Agreement, mean written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, or electronic messaging (e-mail).

“**Notice of Claim**” has the meaning set forth in Section 16.2(a).

“**NP-15**” means the Existing Zone Generation Trading Hub for Existing Zone region NP15 as set forth in the CAISO Tariff.

“**On-Peak Hour**” means any hour from hour-ending 0700 to hour-ending 2200 (i.e., 6:00 AM to 9:59 PM) on Monday through Saturday, Pacific Prevailing Time, excluding North American Electric Reliability Council (NERC) holidays.

“**Operating Procedures**” or “**Operating Restrictions**” means those rules, requirements, and procedures set forth on Exhibit Q.

“**Participating Transmission Owner**” or “**PTO**” means an entity that owns, operates and maintains transmission or distribution lines and associated facilities or has entitlements to use certain transmission or distribution lines and associated facilities where the Facility is interconnected. For purposes of this Agreement, the Participating Transmission Owner is set forth in Exhibit A.

“**Party**” or “**Parties**” has the meaning set forth in the Preamble.

“**Performance Measurement Period**” means each two (2) consecutive Contract Year period during the Delivery Term.

“Performance Security” [REDACTED]

“**Permitted Transferee**” means (i) any Affiliate of Seller or (ii) any entity that satisfies, or is controlled by another Person that satisfies, the following requirements:

(a) A tangible net worth of not less than [REDACTED] or a Credit Rating of at least BBB- from S&P, BBB- from Fitch, or Baa3 from Moody’s; and

(b) At least two (2) years of experience in the ownership and operations of power generation facilities similar to the Facility, or has retained a third-party with such experience to operate the Facility;

provided that in the case of (i) or (ii) no such transfer will cause Buyer to be in violation of the Political Reform Act, (Cal. Gov. Code section 81000 et seq.) or the regulations thereto, Cal. Government Code section 1090, Buyer’s Conflict of Interest Code/Policy or any other conflict of interest Law.

“**Person**” means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

“**Planned Outage**” has the meaning set forth in Section 4.6(a).

“**PNode**” has the meaning set forth in the CAISO Tariff.

“**Portfolio**” means the single portfolio of electrical energy generating or other assets and entities, including the Facility (or the interests of Seller or Seller’s Affiliates or the interests of their respective direct or indirect parent companies), that is pledged as collateral security in connection with a Portfolio Financing.

“**Portfolio Content Category**” means PCC1, PCC2 or PCC3, as applicable.

“**Portfolio Content Category 1**” or “**PCC1**” means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

“**Portfolio Content Category 2**” or “**PCC2**” means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(2), as may be amended from time to time or as further defined or supplemented by Law.

“Portfolio Content Category 3” or **“PCC3”** means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(3), as may be amended from time to time or as further defined or supplemented by Law.

“Portfolio Financing” means any debt incurred by an Affiliate of Seller that is secured only by a Portfolio.

“Portfolio Financing Entity” means any Affiliate of Seller that incurs debt in connection with any Portfolio Financing.

“Product” has the meaning set forth on the Cover Sheet.

“Progress Report” means a progress report including the items set forth in Exhibit E.

“Prudent Operating Practice” means (a) the applicable practices, methods and acts required by or consistent with applicable Laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric utility industry during the relevant time period with respect to grid-interconnected, utility-scale generating facilities with integrated storage in the Western United States, or (b) any of the practices, methods and acts which, in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the industry with respect to grid-interconnected, utility-scale generating facilities with integrated storage in the Western United States. Prudent Operating Practice includes compliance with applicable Laws, applicable reliability criteria, and the criteria, rules and standards promulgated in the National Electric Safety Code and the National Electrical Code, as they may be amended or superseded from time to time, including the criteria, rules and standards of any successor organizations.

“PTC” means the production tax credit established pursuant to Section 45 of the United States Internal Revenue Code of 1986.

“PV Energy” means that portion of Energy that is delivered directly to the Delivery Point and is not Charging Energy or Discharging Energy.

“Qualifying Capacity” has the meaning set forth in the CAISO Tariff.

“RA Deficiency Amount” means the liquidated damages payment that Seller shall pay to Buyer for an applicable RA Shortfall Month as calculated in accordance with Section 3.8(b).

“RA Guarantee Date” [REDACTED]

“RA Shortfall Month” means, for purposes of calculating an RA Deficiency Amount under Section 3.8(b), any month during which the Net Qualifying Capacity of the Generating

Facility for such month was less than the Qualifying Capacity of the Generating Facility for such month.

“Real-Time Forecast” means any Notice of any change to the Available Generating Capacity, Storage Capacity, or hourly expected Energy delivered by or on behalf of Seller pursuant to Section 4.3(d).

“Real-Time Market” has the meaning set forth in the CAISO Tariff.

“Real-Time Price” means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff. If there is more than one applicable Real-Time Price for the same period of time, Real-Time Price shall mean the price associated with the smallest time interval.

“Receiving Party” has the meaning set forth in Section 18.2.

“Remedial Action Plan” has the meaning in Section 2.4.

“Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(h), as may be amended from time to time or as further defined or supplemented by Law.

“Renewable Energy Incentives” means: (a) all federal, state, or local Tax credits or other Tax benefits associated with the construction, ownership, or production of electricity from the Facility (including credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to the Facility; and (c) any other form of incentive relating in any way to the Facility that is not a Green Attribute or a Future Environmental Attribute.

“Renewable Rate” has the meaning set forth on the Cover Sheet.

“Replacement RA” means Resource Adequacy Benefits (i) from the Big Creek/Ventura or an NP-15 Local Capacity Area Resource if the Generating Facility qualified for Resource Adequacy Benefits in the LA Basin in the applicable RA Shortfall Month and (ii) if clause (i) is not applicable, from any capacity area resource equivalent to those that would have been provided by the Generating Facility with respect to the applicable RA Shortfall Month .

“Resource Adequacy Benefits” means the rights and privileges attached to the Facility that satisfy any entity’s resource adequacy obligations, as those obligations are set forth in any Resource Adequacy Rulings and includes any local, zonal or otherwise locational attributes associated with the Facility, in addition to flex attributes.

“Resource Adequacy Rulings” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024 and any other existing or subsequent ruling or decision, or any other resource adequacy Law, however described, as such decisions, rulings, Laws, rules or regulations may be amended or modified from time-to-time throughout the Delivery Term.

“**S&P**” means the Standard & Poor’s Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.).

“**Schedule**” has the meaning set forth in the CAISO Tariff, and “**Scheduled**” has a corollary meaning.

“**Scheduled Energy**” means the Facility Energy that clears under the applicable CAISO market based on the final Day-Ahead Schedule, FMM Schedule (as defined in the CAISO Tariff), or any other financially binding Schedule, market instruction or dispatch for the Facility for a given period of time implemented in accordance with the CAISO Tariff.

“**Scheduling Coordinator**” or “**SC**” means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff for the purposes of undertaking the functions specified in “Responsibilities of a Scheduling Coordinator,” of the CAISO Tariff, as amended from time to time. The Buyer or an agent of Buyer will be the Scheduling Coordinator for the Facility as set forth in the Cover Sheet.

“**Security Interest**” has the meaning set forth in Section 8.9.

“**Self-Schedule**” has the meaning set forth in the CAISO Tariff.

“**Seller**” has the meaning set forth on the Cover Sheet.

“**Seller’s WREGIS Account**” has the meaning set forth in Section 4.10(a).

“**Settlement Amount**” means the Non-Defaulting Party’s Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party’s Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party’s Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars (\$0). The Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages.

“**Settlement Interval**” has the meaning set forth in the CAISO Tariff.

“**Settlement Period**” has the meaning set forth in the CAISO Tariff.

“**Shared Facilities**” means the gen-tie lines, transformers, substations, or other equipment, permits, contract rights, and other assets and property (real or personal), in each case, as necessary to enable delivery of energy from the Facility (which is excluded from Shared Facilities) to the point of interconnection, including the Interconnection Agreement itself, that are used in common with third parties.

“**Site**” means the real property on which the Facility is or will be located, as further described in Exhibit A, and as shall be updated by Seller at the time Seller provides an executed Construction Start Date certificate in the form of Exhibit J to Buyer.

“**Site Change**” has the meaning set forth in Exhibit A.

“Site Control” means that, for the Contract Term, Seller (or, prior to the Delivery Term, its Affiliate): (a) owns or has the option to purchase the Site; (b) is the lessee or has the option to lease the Site; or (c) is the holder of an easement or an option for an easement, right-of-way grant, or similar instrument with respect to the Site.

“Station Use” means:

(a) The Energy produced or discharged by the Facility that is used within the Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation of the Facility; and

(b) The Energy produced or discharged by the Facility that is consumed within the Facility’s electric energy distribution system as losses.

“Storage Capacity” means (a) the maximum dependable operating capability of the Storage Facility to discharge electric energy that can be sustained for two (2) consecutive hours (in MW) and (b) any other products that may be developed or evolve from time to time during the Term that the Storage Facility is able to provide as the Facility is configured on the Commercial Operation Date and that relate to the maximum dependable operating capability of the Storage Facility to discharge electric energy.

“Storage Capacity Test” or **“SCT”** means any test or retest of the capacity of the Storage Facility conducted in accordance with the testing procedures, requirements and protocols set forth in Section 4.9 and Exhibit O.

“Storage Contract Capacity” means the total capacity (in MW) of the Storage Facility initially equal to the amount set forth on the Cover Sheet, as the same may be adjusted from time to time pursuant to Section 5 b. of Exhibit B or Section 4.9 and Exhibit O to reflect the results of the most recently performed Storage Capacity Test.

“Storage Facility” means the energy storage facility described on the Cover Sheet and in Exhibit A (including the operational requirements of the energy storage facility), located at the Site and including mechanical equipment and associated facilities and equipment required to deliver Storage Product (but excluding any Shared Facilities), and as such storage facility may be expanded or otherwise modified from time to time in accordance with the terms of this Agreement.

“Storage Facility Development Security” means Development Security in the amount set forth as “Storage Facility Development Security” on the Cover Sheet.

“Storage Facility Loss Factor” is set forth on the Cover Sheet and represents the result of subtracting from the number one (1) the percentage of Electrical Losses associated with converting Charging Energy to Discharging Energy. For example, if the conversion of Charging Energy to Discharging Energy caused a ten percent (10%) loss in Energy, the Storage Facility Loss Factor would be (.90).

“Storage Facility Meter” means the bi-directional revenue quality meter or meters (with a 0.3 accuracy class), along with a compatible data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording

and reporting, in real time, the amount of Charging Energy delivered to the Storage Facility Metering Points and the amount of Discharging Energy discharged from the Storage Facility at the Storage Facility Metering Points to the Delivery Point for the purpose of invoicing in accordance with Section 8.1. For clarity, the Facility will contain multiple measurement devices that will make up the Storage Facility Meter, and, unless otherwise indicated, references to the Storage Facility Meter shall mean all such measurement devices and the aggregated data of all such measurement devices, taken together.

“Storage Facility Metering Points” means the locations of the Storage Facility Meters at the Site.

“Storage Facility Performance Security” means Performance Security in the amount set forth as “Storage Facility Performance Security” on the Cover Sheet.

“Storage Product” means (a) Discharging Energy, (b) Capacity Attributes, if any, (c) Storage Capacity, and (d) Ancillary Services (as defined in the CAISO Tariff), if any, in each case arising from or relating to the Storage Facility.

“Storage Rate” has the meaning set forth on the Cover Sheet.

“Stored Energy Level” means, at a particular time, the amount of electric energy in the Storage Facility available to be discharged as Discharging Energy, expressed in MWh.

“Supplementary Storage Capacity Test Protocol” has the meaning set forth in Exhibit O.

“System Emergency” means any condition that requires, as determined and declared by CAISO or the PTO, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability.

“Tax” or **“Taxes”** means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term, including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

“Tax Credits” means the PTC, ITC and any other state, local or federal production tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production of renewable energy or investments in renewable energy facilities or storage facilities.

“Terminated Transaction” has the meaning set forth in Section 11.2(a).

“Termination Payment” has the meaning set forth in Section 11.3.

“Test Energy” means Facility Energy delivered (a) commencing on the later of (i) the first date that the CAISO informs Seller in writing that Seller may deliver Facility Energy to the CAISO

and (ii) the first date that the PTO informs Seller in writing that Seller has conditional or temporary permission to parallel and (b) ending upon the occurrence of the Commercial Operation Date.

“**Test Energy Rate**” has the meaning set forth in Section 3.6.

“**Transmission Provider**” means any entity or entities transmitting or transporting the Facility Energy on behalf of Seller or Buyer to or from the Delivery Point.

“**Transmission System**” means the transmission facilities operated by the CAISO, now or hereafter in existence, which provide energy transmission service downstream from the Delivery Point.

“**Ultimate Parent**” means FTP Power LLC, a Delaware limited liability company.

“**Variable Energy Resource**” or “**VER**” has the meaning set forth in the CAISO Tariff.

“**WREGIS**” means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

“**WREGIS Certificate Deficit**” has the meaning set forth in Section 4.10(e).

“**WREGIS Certificates**” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for complying with the California Renewables Portfolio Standard.

“**WREGIS Operating Rules**” means those operating rules and requirements adopted by WREGIS as of May 1, 2018, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.2 **Rules of Interpretation**. In this Agreement, except as expressly stated otherwise or unless the context otherwise requires:

(a) headings and the rendering of text in bold and italics are for convenience and reference purposes only and do not affect the meaning or interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders;

(c) the words “hereof”, “herein”, and “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a reference to an Article, Section, paragraph, clause, Party, or Exhibit is a reference to that Article, Section, paragraph, clause of, or that Party or Exhibit to, this Agreement unless otherwise specified;

(e) a reference to a document or agreement, including this Agreement means such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation or modification of this Agreement, but disregarding any amendment,

supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;

(f) a reference to a Person includes that Person's successors and permitted assigns;

(g) the term "including" means "including without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the work or provision in respect of which such examples are provided;

(h) references to any statute, code or statutory provision are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or reenacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom unless the context otherwise requires;

(i) in the event of a conflict, a mathematical formula or other precise description of a concept or a term shall prevail over words providing a more general description of a concept or a term;

(j) references to any amount of money shall mean a reference to the amount in United States Dollars;

(k) words, phrases or expressions not otherwise defined herein that (i) have a generally accepted meaning in Prudent Operating Practice shall have such meaning in this Agreement or (ii) do not have well known and generally accepted meaning in Prudent Operating Practice but that have well known and generally accepted technical or trade meanings, shall have such recognized meanings; and

(l) each Party acknowledges that it was represented by counsel in connection with this Agreement and that it or its counsel reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

ARTICLE 2 TERM; CONDITIONS PRECEDENT

2.1 Contract Term.

(a) The term of this Agreement shall commence on the Effective Date and shall remain in full force and effect until the conclusion of the Delivery Term, subject to any early termination provisions and any contract term extension provisions set forth herein ("**Contract Term**"); provided, however, that subject to Buyer's obligations in Section 3.6, Buyer's obligations to pay for or accept any Product are subject to Seller's completion of the conditions precedent pursuant to Section 2.2.

(b) Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. The confidentiality

obligations of the Parties under Article 18 and all indemnity and audit rights shall remain in full force and effect for three (3) years following the termination of this Agreement.

2.2 **Conditions Precedent to Delivery Term.**

The Delivery Term shall not commence until Seller completes each of the following conditions:

(a) Seller has delivered to Buyer (i) a completion certificate from a Licensed Professional Engineer substantially in the form of Exhibit H, (ii) a certificate from a Licensed Professional Engineer substantially in the form of Exhibit I-1 setting forth the Installed PV Capacity on the Commercial Operation Date, and (iii) a certificate from a Licensed Professional Engineer substantially in the form of Exhibit I-2 setting forth the Installed Battery Capacity on the Commercial Operation Date;

(b) A Participating Generator Agreement and a Meter Service Agreement between Seller and CAISO shall have been executed and delivered and be in full force and effect, and a copy of each such agreement delivered to Buyer;

(c) An Interconnection Agreement between Seller and the PTO shall have been executed and delivered and be in full force and effect and a copy of the Interconnection Agreement delivered to Buyer;

(d) All applicable regulatory authorizations, approvals and permits for the operation of the Facility have been obtained (or if not obtained, applied for and reasonably expected to be received within 90 days) and all conditions thereof that are capable of being satisfied on the Commercial Operation Date have been satisfied and shall be in full force and effect;

(e) Seller has received CEC Precertification of the Generating Facility (and reasonably expects to receive final CEC Certification and Verification for the Generating Facility in no more than one hundred eighty (180) days from the Commercial Operation Date);

(f) Seller (with the reasonable participation of Buyer) shall have completed (or, for items normally occurring after commercial operation of the Generating Facility, expects to timely complete) all applicable WREGIS registration requirements, including the completion and submittal of all applicable registration forms and supporting documentation, which may include applicable interconnection agreements, informational surveys related to the Generating Facility, QRE service agreements, and other appropriate documentation required to effect Generating Facility registration with WREGIS and to enable Renewable Energy Credit transfers related to the Generating Facility within the WREGIS system;

(g) Seller has delivered the Performance Security to Buyer in accordance with Section 8.8; and

(h) Seller has paid Buyer, or Buyer has drawn on the Development Security, for all amounts owing under this Agreement, if any, including Daily Delay Damages related to the Guaranteed Construction Start Date or the Executed Interconnection Agreement Milestone, and Commercial Operation Delay Damages.

2.3 **Development; Construction; Progress Reports.** Within fifteen (15) days after the close of (i) each calendar quarter from the first calendar quarter following the Effective Date until the Construction Start Date, and (ii) each calendar month from the first calendar month following the Construction Start Date until the Commercial Operation Date, Seller shall provide to Buyer a Progress Report and agree to regularly scheduled meetings between representatives of Buyer and Seller to review such reports and discuss Seller's construction progress. The form of the Progress Report is set forth in Exhibit E. Seller shall also provide Buyer with any reasonable requested documentation (subject to confidentiality restrictions) directly related to the achievement of Milestones within ten (10) Business Days of receipt of such request by Seller. For the avoidance of doubt, Seller is solely responsible for the design and construction of the Facility, including the location of the Site, obtaining all permits and approvals to build the Facility, the Facility layout, and the selection and procurement of the equipment comprising the Facility.

2.4 **Remedial Action Plan.** If Seller misses three (3) or more Milestones, or misses any one (1) by more than ninety (90) days, except as the result of Force Majeure Event or Buyer's Default, Seller shall submit to Buyer, within ten (10) Business Days of either the third such missed Milestone or the end of the ninety (90) day period for any single uncompleted Milestone, a remedial action plan ("**Remedial Action Plan**"), which will describe in detail any delays (actual or anticipated) beyond the scheduled Milestone dates, including the cause of the delay (e.g., governmental approvals, financing, property acquisition, design activities, equipment procurement, project construction, interconnection, or any other factor), Seller's detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the Guaranteed Commercial Operation Date; provided, that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement. Subject to the provisions of Exhibit B, so long as Seller complies with its obligations under this Section 2.4, Seller shall not be considered in default of its obligations under this Agreement solely as a result of missing any Milestone.

2.5 **Termination Prior to the Commercial Operation Date.** Seller shall have the right to terminate this Agreement prior to the Commercial Operation Date by providing no less than ten (10) days' Notice to Buyer of the termination date. In connection with such termination, Seller shall pay to Buyer within ten (10) Business Days after such termination date an amount equal to the Damage Payment, plus any Daily Delay Damages and Commercial Operation Delay Damages which have accrued to such termination date but have not yet been paid. Upon such termination and payment by Seller in accordance with this Section 2.5, neither Party shall have any liability to the other Party, save and except for those obligations specified in Section 2.1(b), and Buyer shall promptly return to Seller any Development Security then held by Buyer, less any amounts drawn in accordance with this Agreement in accordance with Section 8.7.

ARTICLE 3 PURCHASE AND SALE

3.1 **Purchase and Sale of Product.** Subject to the terms and conditions of this Agreement, during the Delivery Term, Buyer will purchase all the Product produced by or associated with the Facility at the Contract Price and in accordance with Exhibit C, and Seller shall supply and deliver to Buyer all the Product produced by or associated with the Facility. At its sole

discretion, Buyer may during the Delivery Term re-sell or use for another purpose all or a portion of the Product except Energy which must be resold by Buyer as required by Section 5.2, after title and risk of loss thereto has been transferred to Buyer, provided that no such re-sale or use shall relieve Buyer of any obligations hereunder. During the Delivery Term, Buyer will have exclusive rights to offer, bid, or otherwise submit the Product, or any Capacity Attributes thereof, from the Facility after the Delivery Point for resale in the market, and retain and receive any and all related revenues. Subject to Buyer's obligation to purchase Capacity Attributes and Storage Product in accordance with this Section 3.1 and Exhibit C, Buyer has no obligation to purchase from Seller any Product for which the associated Facility Energy is not or cannot be delivered to the Delivery Point as a result of an outage of the Facility, a Force Majeure Event affecting Buyer's ability to receive the Product at the Delivery Point, or a Curtailment Order.

3.2 **Sale of Green Attributes.** During the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all Green Attributes attributable to the Facility Energy generated, stored and/or delivered by the Facility.

3.3 **Imbalance Energy.** Buyer and Seller recognize that in any given Settlement Period there may be Imbalance Energy. To the extent there is any Imbalance Energy, any payments or charges related to such Imbalance Energy shall be for the account of Buyer.

3.4 **Ownership of Renewable Energy Incentives.** Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller's sole expense, in Seller's efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.5 **Future Environmental Attributes.**

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes sold under this Agreement are restricted to Green Attributes; however, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. Subject to the final sentence of this Section 3.5(a), and Sections 3.5(b) and 3.12, in such event, Buyer shall bear all costs associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller's receipt of Notice from Buyer of Buyer's intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation to alter the Facility unless the Parties have agreed on all necessary terms and conditions relating to such alteration and Buyer has agreed to reimburse Seller for all costs, losses, and liabilities associated with such alteration.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.5(a), the Parties agree to negotiate in good faith with respect to the development of further agreements and documentation necessary to effectuate the transfer of such Future

Environmental Attributes, including agreement with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) appropriate allocation of any additional costs to Buyer, as set forth above; *provided*, that the Parties acknowledge and agree that such terms are not intended to alter the other material terms of this Agreement.

3.6 **Test Energy.** No less than fourteen (14) days prior to the first day on which Test Energy is expected to be available from the Facility, Seller shall notify Buyer of the availability of the Test Energy. If and to the extent the Facility generates Test Energy, Seller shall sell and Buyer shall purchase from Seller all Test Energy and any associated Products on an as-available basis for up to ninety (90) days from the first delivery of Test Energy. As compensation for such Test Energy and associated Product, Buyer shall pay [REDACTED] (the "**Test Energy Rate**"). For the avoidance of doubt, the conditions precedent in Section 2.2 are not applicable to the Parties' obligations under this Section 3.6.

3.7 **Capacity Attributes.** Seller shall request Full Capacity Deliverability Status in the CAISO generator interconnection process. As between Buyer and Seller, Seller shall be responsible for the cost and installation of any Network Upgrades associated with obtaining such Full Capacity Deliverability Status. Seller's obligations under this Section 3.7 are subject to the provisions of Section 3.12.

(a) Throughout the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all the Capacity Attributes from the Facility.


(b) Throughout the Delivery Term, Seller shall use commercially reasonable efforts to maintain eligibility for Full Capacity Deliverability Status or Interim Deliverability Status for the Generating Facility from the CAISO and shall perform all actions necessary to ensure that the Generating Facility qualifies to provide Resource Adequacy Benefits to Seller. On and after the RA Guarantee Date and thereafter throughout the Delivery Term, and subject to Section 3.12, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits to Buyer.

(c) For the duration of the Delivery Term, Seller shall take all commercially reasonable actions, including complying with all applicable registration and reporting requirements, and execute all documents or instruments necessary to enable Buyer to use all of the Capacity Attributes committed by Seller to Buyer pursuant to this Agreement.

3.8 **Resource Adequacy Failure.**

(a) **RA Deficiency Determination.** For each RA Shortfall Month occurring after the RA Guarantee Date, and subject to Section 3.12, Seller shall pay to Buyer the RA Deficiency Amount as liquidated damages or provide Replacement RA, in each case, as the sole remedy for the Capacity Attributes Seller failed to convey to Buyer.

(b) **RA Deficiency Amount Calculation.** Subject to Section 3.12, for each RA Shortfall Month occurring after the RA Guarantee Date, Seller shall pay to Buyer an amount (the "**RA Deficiency Amount**") equal to the product of the difference, expressed in kW, of (i) the Qualifying Capacity of the Generating Facility for such month, minus (ii) the Net Qualifying

Capacity of the Generating Facility for such month 

provided further that Seller may, as an alternative to paying RA Deficiency Amounts, provide Replacement RA in the amount of (X) the Qualifying Capacity of the Generating Facility with respect to such month, minus (Y) the Net Qualifying Capacity of the Generating Facility with respect to such month, provided that any Replacement RA capacity is communicated by Seller to Buyer with Replacement RA product information in a written notice substantially in the form of Exhibit M at least seventy-five (75) days before the applicable CPUC operating month for the purpose of monthly RA reporting.

3.9 **CEC Certification and Verification.** Subject to Section 3.12, Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Generating Facility throughout the Delivery Term, including compliance with all applicable requirements for certified facilities set forth in the current version of the *RPS Eligibility Guidebook* (or its successor). Seller shall obtain CEC Precertification by the Commercial Operation Date. Within thirty (30) days after the Commercial Operation Date, Seller shall apply with the CEC for final CEC Certification and Verification. Within one hundred eighty (180) days after the Commercial Operation Date, and subject to Section 3.12, Seller shall obtain and maintain throughout the remainder of the Delivery Term the final CEC Certification and Verification. Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller's application for CEC Certification and Verification for the Generating Facility.

3.10 **Eligibility.** Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Generating Facility qualifies and is certified by the CEC as an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Generating Facility's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. The term "commercially reasonable efforts" as used in this Section 3.10 means efforts consistent with and subject to Section 3.12.

3.11 **California Renewables Portfolio Standard.** Subject to Section 3.12, Seller shall also take all other actions necessary to ensure that the Energy produced from the Generating Facility is tracked for purposes of satisfying the California Renewables Portfolio Standard requirements, as may be amended or supplemented by the CPUC or CEC from time to time.

3.12 **Compliance Expenditure Cap.** If a change in Laws occurring after the Effective Date has increased Seller's known or reasonably expected costs to comply with Seller's obligations under this Agreement with respect to obtaining, maintaining, conveying, replacing or effectuating Buyer's use of (as applicable) any Product (including any obligations set forth in Sections 3.5, 3.7, 3.8, 3.9, 3.10, 3.11, 4.3(g), 4.4(d), 4.10(f) or 4.11), then the Parties agree that the maximum aggregate amount of costs and expenses Seller shall be required to bear during the Delivery Term to comply with all of such obligations shall be capped [REDACTED] (**"Compliance Expenditure Cap"**).

Any actions required for Seller to comply with its obligations set forth in the first paragraph above, the cost of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the **"Compliance Actions."**

If Seller reasonably anticipates the need to incur out-of-pocket expenses in excess of the Compliance Expenditure Cap in order to take any Compliance Action Seller shall provide Notice to Buyer of such anticipated out-of-pocket expenses.

Buyer will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the costs that exceed the Compliance Expenditure Cap (such Buyer-agreed upon costs, the **"Accepted Compliance Costs"**), or (2) waive Seller's obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller.

If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by the Parties and Buyer shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller.

3.13 **Project Configuration.** In order to optimize the benefits of the Facility, Buyer and Seller each agree that if requested by the other Party, then Buyer and Seller will discuss in good faith potential reconfiguration of the Facility or Interconnection Facilities; provided that neither Party shall be obligated to agree to any changes under this Agreement, or to incur any expense in connection with such changes, except under terms mutually acceptable to both Parties and any Seller's Lender as set forth in a written agreement.

ARTICLE 4 OBLIGATIONS AND DELIVERIES

4.1 Delivery.

(a) Energy. Subject to the provisions of this Agreement, commencing on the Commercial Operation Date through the end of the Contract Term, Seller shall supply and deliver the Product to Buyer at the Delivery Point, and Buyer shall take delivery of the Product at the Delivery Point in accordance with the terms of this Agreement. Except as otherwise provided herein, Seller will be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Facility Energy to the Delivery Point, including without limitation, Station Use, Electrical Losses, any costs associated with delivering the Charging Energy from the Generating Facility to the Storage Facility, and any operation and maintenance charges imposed by the Transmission Provider directly relating to the Facility's operations. For the avoidance of doubt, Seller shall not pay Buyer for the foregoing to the extent the same results in a reduction of Facility Energy measured at the Facility Meter. Buyer shall be responsible for all costs, charges and penalties, if any, imposed in connection with the delivery of Facility Energy at and after the Delivery Point, including without limitation transmission costs and transmission line losses and imbalance charges. Notwithstanding any of the foregoing to the contrary, Buyer shall assume all liability and reimburse Seller for any and all CAISO charges and penalties incurred by Seller as a result of Buyer's actions or failures to comply with its obligations under this Agreement, including those resulting from a Buyer Curtailment Period. The Facility Energy will be scheduled to the CAISO by Buyer (or Buyer's designated Scheduling Coordinator) in accordance with Exhibit D.

(b) Green Attributes. All Green Attributes associated with the Facility during the Delivery Term are exclusively dedicated to and vested in Buyer. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

4.2 Title and Risk of Loss.

(a) Energy. Title to and risk of loss related to the Facility Energy, shall pass and transfer from Seller to Buyer at the Delivery Point. Seller warrants that all Product delivered to Buyer is free and clear of all liens, security interests, claims and encumbrances of any kind.

(b) Green Attributes. Title to and risk of loss related to the Green Attributes shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS.

4.3 **Forecasting.** Seller shall provide the forecasts described below at its sole expense and in a format reasonably acceptable to Buyer (or Buyer's designee). Seller shall use reasonable efforts to provide forecasts that are accurate and, to the extent not inconsistent with the requirements of this Agreement, shall prepare such forecasts, or cause such forecasts to be prepared, in accordance with Prudent Operating Practices.

(a) Annual Forecast of Energy. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of each month's average-day expected Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit F-1 ("Form of Average Expected Energy Report"), or as reasonably requested by Buyer.

(b) Monthly Forecast of Energy and Available Generating Capacity. No less than thirty (30) days before the beginning of Commercial Operation, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of the hourly expected Energy for each day of the following month in a form substantially similar to the table found in Exhibit F-2 ("Form of Monthly Delivery Forecast").

(c) Day-Ahead Forecast. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, or as otherwise specified by Buyer consistent with Prudent Operating Practice, Seller shall provide Buyer or its Scheduling Coordinator with a non-binding forecast of the hourly expected Energy for each hour of the immediately succeeding day ("Day-Ahead Forecast"). A Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include non-binding forecasts for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller's best estimate of the hourly expected Energy. These Day-Ahead Forecasts shall be sent to the Scheduling Coordinator. If Seller fails to provide Buyer or its Scheduling Coordinator with a Day-Ahead Forecast as required herein for any period, then for such unscheduled delivery period only Buyer shall rely on any real-time forecast or Buyer's best estimate based on information reasonably available to Buyer. For the avoidance of doubt, receipt by the Scheduling Coordinator of a Day-Ahead Forecast in the form of the CAISO VER Forecast or a Day-Ahead Forecast from another Approved Forecast Vendor shall satisfy Seller's obligations under this Section 4.3(c).

(d) Real-Time Forecasts. During the Delivery Term, Seller shall notify the Scheduling Coordinator of any changes from the Day-Ahead Forecast of one (1) MW or more in (i) Available Generating Capacity or (ii) Storage Capacity or (iii) hourly expected Energy, in each case, whether due to Forced Facility Outage, Force Majeure or other cause, as soon as reasonably possible, but no later than one (1) hour prior to the deadline for submitting Schedules to the CAISO in accordance with the rules for participation in the Real-Time Market. If the Available Generating Capacity, Storage Capacity, or hourly expected Energy changes by at least one (1) MW as of a time that is less than one (1) hour prior to the Real-Time Market deadline, but before such deadline, then Seller must notify Buyer or its Scheduling Coordinator as soon as reasonably possible. Such Real-Time Forecasts of Energy shall be provided by an Approved Forecast Vendor and shall contain information regarding the beginning date and time of the event resulting in the change in Available Generating Capacity, Storage Capacity, or hourly expected Energy, as applicable, the

expected end date and time of such event, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Facility Outage, Seller shall use best efforts to notify Buyer or its Scheduling Coordinator of such outage within ten (10) minutes of the commencement of the Forced Facility Outage. Seller shall inform Buyer or its Scheduling Coordinator of any developments that will affect either the duration of such outage or the availability of the Facility during or after the end of such outage. These Real-Time Forecasts shall be communicated in a method acceptable to Buyer or its Scheduling Coordinator; provided that Buyer or its Scheduling Coordinator specifies the method no later than five (5) Business Days prior to the effective date of such requirement. In the event Buyer or its Scheduling Coordinator fails to provide Notice of an acceptable method for communications under this Section 4.3(d), then Seller shall send such communications by telephone and e-mail to Buyer or its Scheduling Coordinator. For the avoidance of doubt, receipt by the Scheduling Coordinator of Real-Time Forecasts in the form of the CAISO VER Forecast or a Real-Time Forecast from another Approved Forecast Vendor shall satisfy Seller's obligations under this Section 4.3(d).

(e) Forced Facility Outages. Notwithstanding anything to the contrary herein, Seller shall notify the Scheduling Coordinator of Forced Facility Outages promptly but no later than the time periods required by the CAISO Tariff and the CAISO's outage management rules and Seller shall keep the Scheduling Coordinator informed of any developments that will affect either the duration of the outage or the availability of the Facility during or after the end of the outage.

(f) Forecasting Penalties. Subject to a Force Majeure Event, in the event Seller does not provide the notification required in Section 4.3(e) and Buyer incurs a loss or penalty resulting from its scheduling activities with respect to Facility Energy due to the failure of Seller to provide such notification, Seller shall be responsible for a Forecasting Penalty. Settlement of Forecasting Penalties shall occur as set forth in Article 8 of this Agreement.

(g) CAISO Tariff Requirements. Subject to the limitations expressly set forth in Section 3.12, to the extent such obligations are applicable to the Facility, Seller will comply with all applicable obligations for Variable Energy Resources under the CAISO Tariff and the Eligible Intermittent Resource Protocol, including providing appropriate operational data and meteorological data, and will fully cooperate with Buyer, Buyer's SC, and CAISO, in providing all data, information, and authorizations required thereunder.

4.4 **Dispatch Down/Curtailment.**

(a) General. Seller agrees to reduce the amount of Facility Energy produced by the Facility and delivered to the Delivery Point, by the amount and for the period set forth in any Curtailment Order, Buyer Curtailment Order, or notice received from CAISO in respect of a Buyer Bid Curtailment, provided that Seller is not required to reduce such amount to the extent it is inconsistent with the limitations of the Facility set out in the Operating Restrictions and Exhibit R. Seller shall charge the Storage Facility with Energy to the extent feasible during the period that Facility Energy delivered to the Delivery Point is reduced due to any Curtailment Order, Buyer Curtailment Order or notice from CAISO in respect of a Buyer Bid Curtailment.

(b) Buyer Curtailment. Buyer shall have the right to order Seller to curtail deliveries of Facility Energy through Buyer Curtailment Orders, provided that Buyer shall pay Seller for all Deemed Delivered Energy associated with a Buyer Curtailment Period in excess of the Curtailment Cap at the Renewable Rate.

(c) Failure to Comply. Subject to Section 4.4(a), if Seller fails to comply with a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, then, for each MWh of Facility Energy that is delivered by the Facility to the Delivery Point in contradiction to the Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, Seller shall pay Buyer for each such MWh at an amount equal to the sum of (A) + (B) + (C), where: (A) is the amount, if any, paid to Seller by Buyer for delivery of such excess MWh and, (B) is the sum, for all Settlement Intervals with a Negative LMP during the Buyer Curtailment Period or Curtailment Period, of the absolute value of the product of such excess MWh in each Settlement Interval and the Negative LMP for such Settlement Interval, and (C) is any penalties assessed to Buyer by the CAISO or other charges assessed by the CAISO resulting from Seller's failure to comply with the Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order.

(d) Seller Equipment Required for Curtailment Instruction Communications. Seller shall acquire, install, and maintain such facilities, communications links and other equipment, and implement such protocols and practices, as necessary to respond and follow instructions, including an electronic signal conveying real time and intra-day instructions, to operate the Facility in accordance with this Agreement or a Governmental Authority, including to implement a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order in accordance with the then-current methodology used to transmit such instructions as it may change from time to time. If at any time during the Delivery Term Seller's facilities, communications links or other equipment, protocols or practices are not in compliance with then-current methodologies, Seller shall take the steps necessary to become compliant as soon as reasonably possible. Seller shall be liable pursuant to Section 4.4(c) for failure to comply with a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, during the time that Seller's facilities, communications links or other equipment, protocols or practices are not in compliance with then-current methodologies. For the avoidance of doubt, a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order communication via such systems and facilities shall have the same force and effect on Seller as any other form of communication.

4.5 Charging Energy Management.

(a) Upon receipt of a valid Charging Notice, but subject to Section 4.5(b), Seller shall take any and all action necessary to deliver the Charging Energy from the Generating Facility to the Storage Facility in order to deliver the Storage Product in accordance with the terms of this Agreement.

(b) During the Delivery Term, Buyer will have the right to direct Seller to charge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by providing Charging Notices to Seller electronically, provided, that Buyer's right to issue Charging Notices is subject to the requirements and limitations set forth in this Agreement, including the Operating Restrictions and the provisions of Section 4.5(a). Each Charging Notice

issued in accordance with this Agreement will be effective unless and until Buyer modifies such Charging Notice by providing Seller with an updated Charging Notice.

(c) Seller shall not charge the Storage Facility during the Delivery Term other than pursuant to a valid Charging Notice, or in connection with a Storage Capacity Test, or pursuant to a notice from CAISO, the PTO, Transmission Provider, or any other Governmental Authority or as provided in Section 4.4(a). If, during the Delivery Term, Seller (a) charges the Storage Facility to a Stored Energy Level greater than the Stored Energy Level provided for in the Charging Notice or (b) charges the Storage Facility in violation of the first sentence of this Section 4.5(c), then (x) Seller shall be responsible for all energy costs associated with such charging of the Storage Facility, (y) Buyer shall not be required to pay for the charging of such energy (i.e., Charging Energy), and (z) Buyer shall be entitled to discharge such energy and entitled to all of the benefits (including Storage Product) associated with such discharge.

(d) During the Delivery Term, Buyer will have the right to direct Seller to discharge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by providing Discharging Notices to Seller electronically, and subject to the requirements and limitations set forth in this Agreement, including the Operating Procedures. Each Discharging Notice issued in accordance with this Agreement will be effective unless and until Buyer modifies such Discharging Notice by providing Seller with an updated Discharging Notice.

(e) Notwithstanding anything in this Agreement to the contrary, during any Settlement Interval, Curtailment Orders, Buyer Curtailment Orders, and Buyer Bid Curtailments applicable to such Settlement Interval shall have priority over any Charging Notices and Discharging Notices applicable to such Settlement Interval, and Seller shall have no liability for violation of this Section 4.5 or any Charging Notice or Discharging Notice if and to the extent such violation is caused by Seller's compliance with any Curtailment Order, Buyer Curtailment Order, Buyer Bid Curtailment or other instruction or direction from a Governmental Authority, the PTO or the Transmission Provider. Buyer shall have the right, but not the obligation, to provide Seller with updated Charging Notices and Discharging Notices during any Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order consistent with the Operating Procedures.

(f) If the Operating Restrictions are amended to permit Buyer to charge the Storage Facility from a source other than the Generating Facility (i) Buyer will be responsible for all costs, expenses and other liabilities relating to the charging of the Storage Facility from a source other than the Generating Facility, including the cost of energy used to charge the Storage Facility and (ii) the Parties will amend this Agreement to the extent necessary so that Facility Energy delivered by Seller to the Delivery Point is fully paid for by Buyer (unless Buyer is otherwise not required to pay for such Facility Energy hereunder) without reduction due to netting of consumption due to such charging against output of such Facility Energy or treated as Charging Energy.

4.6 **Reduction in Delivery Obligation.** For the avoidance of doubt, and in no way limiting Section 3.1 or Exhibit G:

(a) **Facility Maintenance.** Unless otherwise agreed, Seller shall provide Buyer with Notice of Planned Outages at least one hundred twenty (120) days before the beginning of

each Contract Year. Subject to the foregoing, Seller shall be permitted to reduce deliveries of Product during any period of scheduled maintenance on the Facility, provided that, between June 1st and September 30th, Seller shall not schedule non-emergency maintenance that reduces the Energy generation of the Facility by more than ten percent (10%) during daylight hours, unless (i) such outage is required to avoid damage to the Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled outside the period of June 1st to September 30th, (iii) such outage is required in accordance with Prudent Operating Practices, or (iv) the Parties agree otherwise in writing (each of the foregoing, a “**Planned Outage**”).

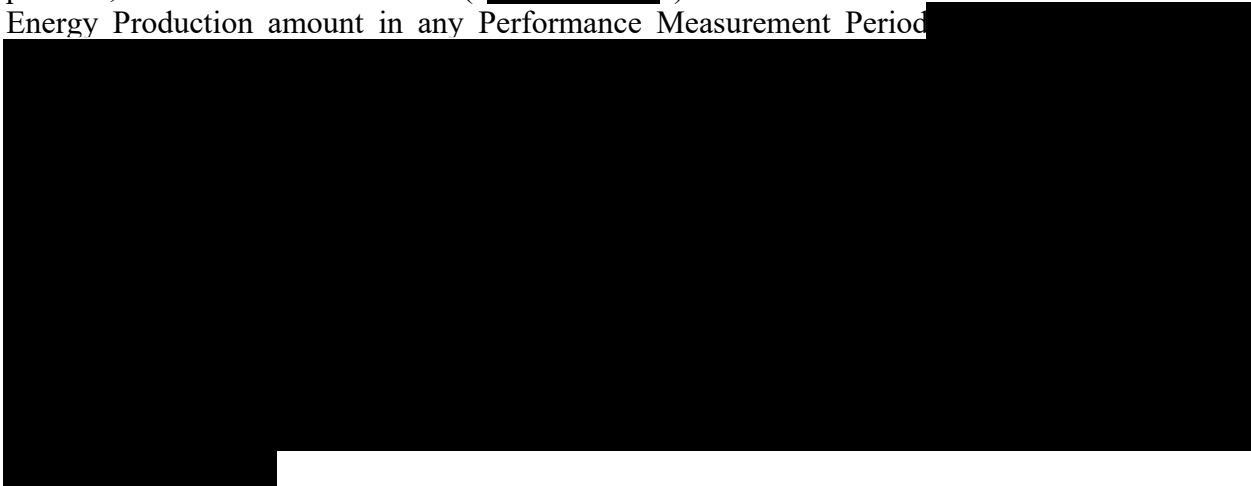
(b) Forced Facility Outage. Seller shall be permitted to reduce deliveries of Product during any Forced Facility Outage. Seller shall provide the Scheduling Coordinator with Notice and expected duration (if known) of any Forced Facility Outage.

(c) System Emergencies and Other Interconnection Events. Seller shall be permitted to reduce deliveries of Product during any period of System Emergency, Buyer Curtailment Period or upon Notice of a Curtailment Order pursuant to the terms of this Agreement, the Interconnection Agreement or applicable tariff.

(d) Force Majeure Event. Seller shall be permitted to reduce deliveries of Product during any Force Majeure Event.

(e) Health and Safety. Seller shall be permitted to reduce deliveries of Product as necessary to maintain health and safety pursuant to Section 6.2.

4.7 Guaranteed Energy Production. Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production in each Performance Measurement Period. Seller shall be excused from achieving the Guaranteed Energy Production during any Performance Measurement Period only to the extent of any Force Majeure Events, System Emergency, Buyer’s Default or other failure to perform, and Curtailment Periods or Buyer Curtailment Periods. For purposes of determining whether Seller has achieved the Guaranteed Energy Production, Seller shall be deemed to have delivered to Buyer (1) any Deemed Delivered Energy and (2) Energy in the amount it could reasonably have delivered to Buyer but was prevented from delivering to Buyer by reason of any Force Majeure Events, System Emergency, Buyer’s Default or other failure to perform, and Curtailment Periods (“**Lost Output**”). If Seller fails to achieve the Guaranteed Energy Production amount in any Performance Measurement Period



4.8 **Storage Availability.**

(a) During the Delivery Term, the Storage Facility shall maintain a Monthly Storage Availability during each month of no less [REDACTED] (the “**Guaranteed Storage Availability**”), which Monthly Storage Availability shall be calculated in accordance with Exhibit P.

(b) If, the Monthly Storage Availability during any month is less than the Guaranteed Storage Availability, then Buyer’s payment for the Storage Product shall be calculated by reference to the Availability Adjusted Storage Contract Capacity (as determined in accordance with Exhibit P).

4.9 **Storage Capacity Tests.**

(a) Prior to the Commercial Operation Date, Seller shall schedule and complete a Storage Capacity Test in accordance with Exhibit O. Thereafter, Seller and Buyer shall have the right to run retests of the Storage Capacity Test in accordance with Exhibit O.

(b) Buyer shall have the right to send one or more representative(s) to witness all Storage Capacity Tests. Such representative(s) shall not interfere with the Storage Capacity Tests. Buyer shall be responsible for all costs, expenses and fees payable or reimbursable to its representative(s) witnessing any Storage Capacity Test. Other than as may be agreed pursuant to Section 3.13, all other costs of any Storage Capacity Test shall be borne by Seller.

(c) Following each Storage Capacity Test, Seller shall submit a testing report in accordance with Exhibit O. If the actual capacity determined pursuant to a Storage Capacity Test is less than the then current Storage Contract Capacity, then the actual capacity determined pursuant to a Storage Capacity Test shall become the new Storage Contract Capacity at the beginning of the day following the completion of the test for all purposes under this Agreement, including compensation under Exhibit C, until the next such Storage Capacity Test.

4.10 **WREGIS.** Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Facility Energy purchased by Buyer hereunder are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer’s sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. Seller shall be deemed to have satisfied the warranty in Section 4.10(g), provided that Seller fulfills its obligations under Sections 4.10(a) through (g) below. In addition:

(a) Prior to the Commercial Operation Date or as soon as reasonably possible thereafter, Seller shall register the Facility with WREGIS and establish an account with WREGIS (“**Seller’s WREGIS Account**”), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using “**Forward Certificate Transfers**” (as described in the WREGIS Operating Rules) from Seller’s WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of a designee that Buyer identifies by Notice to Seller

(“**Buyer’s WREGIS Account**”). Seller shall be responsible for all expenses associated with registering the Facility with WREGIS, establishing and maintaining Seller’s WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller’s WREGIS Account to Buyer’s WREGIS Account.

(b) Seller shall cause Forward Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Facility Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate.

(c) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Facility Energy for such calendar month as evidenced by the Facility’s metered data.

(d) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.10. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A “**WREGIS Certificate Deficit**” means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Facility Energy for the same calendar month (“**Deficient Month**”) caused by an error or omission of Seller. If any WREGIS Certificate Deficit is caused, or the result of any action or inaction by Seller, then the amount of Adjusted Facility Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for purposes of calculating Buyer’s payment to Seller under Article 8 and the Guaranteed Energy Production for the applicable Performance Measurement Period; provided, however, that such adjustment shall not apply to the extent that Seller either (x) resolves the WREGIS Certificate Deficit within ninety (90) days after the Deficient Month or (y) provides Replacement Energy (as defined in Exhibit G) delivered to NP 15 EZ Gen Hub or SP 15 EZ Gen Hub as Scheduled Energy within ninety (90) days after the Deficient Month (i) upon a schedule reasonably acceptable to Buyer and (ii) provided that such deliveries do not impose additional costs upon Buyer for which Seller refuses to provide reimbursement. If there is a shortfall of WREGIS Certificates caused solely by an error or omission of WREGIS, the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(f) Subject to Section 3.12, if WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.10 after the Effective Date, the Parties promptly shall modify this Section 4.10 as reasonably required to cause and enable Seller to transfer to Buyer’s WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Facility Energy in the same calendar month.

(g) Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in WREGIS will be taken prior to the first delivery of WREGIS Certificates under this Agreement.

4.11 **Green-E Eligibility**. Subject to Section 3.12, Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that the Facility is Green-E eligible.

ARTICLE 5 TAXES

5.1 **Allocation of Taxes and Charges**. Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and making available of Product to Buyer, that are imposed on Product prior to its delivery to Buyer at the time and place contemplated under this Agreement. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of Product that are imposed on Product at and after its delivery to Buyer at the time and place contemplated under this Agreement (other than withholding or other Taxes imposed on Seller's income, revenue, receipts or employees), if any. If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. In the event any sale of Product hereunder is exempt from or not subject to any particular Tax, Buyer shall provide Seller with all necessary documentation within thirty (30) days after the Effective Date or promptly upon request by Seller to evidence such exemption or exclusion. If Buyer does not provide such documentation, then Buyer shall indemnify, defend, and hold Seller harmless from any liability with respect to Taxes from which Buyer claims it is exempt.

5.2 **Cooperation**. Each Party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the Parties to minimize all Taxes, so long as no Party is materially adversely affected by such efforts. The Parties shall cooperate to minimize Tax exposure; *provided, however*, that neither Party shall be obligated to incur any financial or operational burden to reduce Taxes for which the other Party is responsible hereunder without receiving due compensation therefor from the other Party. All Energy delivered by Seller to Buyer hereunder shall be a sale made at wholesale, with Buyer reselling such Energy.

ARTICLE 6 MAINTENANCE OF THE FACILITY

6.1 **Maintenance of the Facility**. Seller shall comply with applicable Law and Prudent Operating Practice relating to the operation and maintenance of the Facility and the generation and sale of Product.

6.2 **Maintenance of Health and Safety**. Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person's property, Seller shall take prompt action to prevent such damage or injury. Such action may include, to the extent reasonably necessary, disconnecting and

removing all or a portion of the Facility, or suspending the supply of Energy or Discharging Energy to Buyer.

6.3 **Shared Facilities.** The Parties acknowledge and agree that certain of the Shared Facilities and Interconnection Facilities (including a transformer, substation and associated equipment and real property), and Seller's rights and obligations under the Interconnection Agreement, may be subject to certain shared facilities or co-tenancy agreements to be entered into among Seller, the Participating Transmission Owner, Seller's Affiliates, or third parties pursuant to which certain Interconnection Facilities may be subject to joint ownership and shared maintenance and operation arrangements; *provided* that such agreements (i) shall permit Seller to perform or satisfy, and shall not purport to limit, its obligations hereunder and (ii) provide for separate metering of the Facility.

ARTICLE 7 METERING

7.1 **Metering.** Seller shall measure the amount of Facility Energy using the Facility Meter, which will be subject to adjustment in accordance with applicable CAISO meter requirements and Prudent Operating Practices, including to account for Electrical Losses and Station Use. Seller shall measure the Charging Energy and the Discharging Energy using the Storage Facility Meters. All meters will be operated pursuant to applicable CAISO-approved calculation methodologies and maintained as Seller's cost. Subject to meeting any applicable CAISO requirements, the meters shall be programmed to adjust for all losses from such meter to the Delivery Point in a manner subject to Buyer's prior written approval. Metering to be consistent with the Metering Diagram set forth in Exhibit T. Each meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal outside of normal testing, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the CAISO meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Seller and Buyer, or Buyer's Scheduling Coordinator, shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Operational Meter Analysis and Reporting (OMAR) web or directly from the CAISO meter(s) at the Facility.

7.2 **Meter Verification.** Annually, if Seller has reason to believe there may be a meter malfunction, or upon Buyer's reasonable request, Seller shall test the meter. The tests shall be conducted by independent third parties qualified to conduct such tests. Buyer shall have a right to be present during such tests. If a meter is inaccurate it shall be promptly repaired or replaced.

ARTICLE 8 INVOICING AND PAYMENT; CREDIT

8.1 **Invoicing.** Seller shall make good faith efforts to deliver an invoice to Buyer within ten (10) Business Days after the end of the prior monthly delivery period. Each invoice shall reflect (a) records of metered data, including CAISO metering and transaction data sufficient to document and verify the amount of Product delivered by the Facility for any Settlement Period during the preceding month, including the amount of PV Energy produced by the Generating

Facility as read by the Facility Meter, the amount of Charging Energy charged by the Storage Facility and the amount of Discharging Energy delivered from the Storage Facility, in each case, as read by the Storage Facility Meter, the amount of Replacement RA and Replacement Energy delivered to Buyer (if any), the calculation of Adjusted Facility Energy, Deemed Delivered Energy and Adjusted Energy Production, and the Contract Price applicable to such Product in accordance with Exhibit C; (b) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount; and (c) be in a format reasonably specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement. Buyer shall, and shall cause its Scheduling Coordinator to, provide Seller with all reasonable access (including, in real time, to the maximum extent reasonably possible) to any records, including invoices or settlement data from the CAISO, forecast data and other information, all as may be necessary from time to time for Seller to prepare and verify the accuracy of all invoices.

8.2 **Payment.** Buyer shall make payment to Seller for Product by wire transfer or ACH payment to the bank account provided on each monthly invoice. Buyer shall pay undisputed invoice amounts within thirty (30) days after receipt of the invoice, or the end of the prior monthly delivery period, whichever is later. If such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one Party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on the 3-Month LIBOR rate published on the date of the invoice in The Wall Street Journal, or, if The Wall Street Journal is not published on that day, the next succeeding date of publication, plus two percent (2%) (the “**Interest Rate**”). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 **Books and Records.** To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least five (5) years or as otherwise required by Law. Upon five (5) Business Days’ Notice to the other Party, either Party shall be granted access to the accounting books and records within the possession or control of the other Party pertaining to all invoices generated pursuant to this Agreement. Seller acknowledges that in accordance with California Government Code Section 8546.7, Seller may be subject to audit by the California State Auditor with regard to Seller’s performance of this Agreement because the compensation under this Agreement exceeds \$10,000.

8.4 **Payment Adjustments; Billing Errors.** Payment adjustments shall be made if Buyer or Seller discovers there have been good faith inaccuracies in invoicing that are not otherwise disputed under Section 8.5 or an adjustment to an amount previously invoiced or paid is required due to a correction of data by the CAISO; provided, however, that there shall be no adjustments to prior invoices based upon meter inaccuracies. If the required adjustment is in favor of Buyer, Buyer’s next monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer’s next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until

settled in full, in accordance with Section 8.2, accruing from the date on which the adjusted amount should have been due.

8.5 **Billing Disputes.** A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within five (5) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned via adjustments in accordance with Section 8.4. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 **Netting of Payments.** The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts owed by each Party to the other Party for the purchase and sale of Product and Deemed Delivered Energy during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Exhibits B and P, interest, and payments or credits, shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

8.7 **Seller's Development Security.**

Upon the earlier of (i) Seller's delivery of the Performance Security, or (ii) sixty (60) days after termination of this Agreement, Buyer shall return the Development Security to Seller, less the amounts drawn in accordance with this Agreement. Provided that no Event of Default has occurred and is continuing with respect to Seller, Seller may replace Development Security or change the form of Development Security to another form of Development Security from time to time upon reasonable prior written notice to Buyer.

8.8 **Seller's Performance Security.** To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date. If the Performance Security is not in the form of cash or Letter of Credit, it shall be substantially in the form set forth in Exhibit L. Seller shall maintain the Performance Security in full force and effect, subject to any draws made by Buyer in accordance with this Agreement, until the following

have occurred: (A) the Delivery Term has expired or terminated early; and (B) all payment obligations of the Seller then due and payable under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). Following the occurrence of both events, Buyer shall promptly return to Seller the unused portion of the Performance Security not allocated to invoiced but unpaid amounts pursuant to this Section 8.8. Provided that no Event of Default has occurred and is continuing with respect to Seller, Seller may replace Performance Security or change the form of Performance Security to another form of Performance Security from time to time upon reasonable prior written notice to Buyer.

8.9 **First Priority Security Interest in Cash or Cash Equivalent Collateral.** To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest (“**Security Interest**”) in, and lien on (and right to net against), and assignment of the Development Security, Performance Security, any other cash collateral and cash equivalent collateral posted pursuant to Sections 8.7 and 8.8 and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer’s Security Interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to the final sentence of this Section 8.9):

(a) Exercise any of its rights and remedies with respect to the Development Security and Performance Security, including any such rights and remedies under Law then in effect;

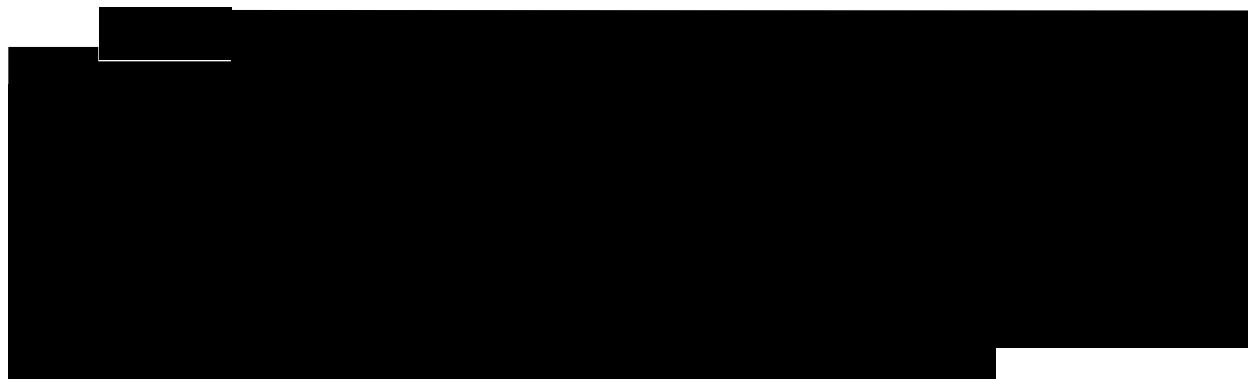
(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security; and

(c) Liquidate all Development Security or Performance Security (as applicable) then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller’s obligations under this Agreement (Seller remains liable for any amounts owing to Buyer after such application), subject to Buyer’s obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

8.10 **Seller’s Financial Statements.** In the event a Guaranty is provided as Performance Security in lieu of cash or a Letter of Credit, Seller shall provide to Buyer, or cause the Guarantor to provide to Buyer, unaudited quarterly and annual audited financial statements of the Guarantor

(including a balance sheet and statements of income and cash flows), all prepared in accordance with generally accepted accounting principles in the United States, consistently applied.



ARTICLE 9 NOTICES

9.1 **Addresses for the Delivery of Notices.** Any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the address set forth on Exhibit N or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 **Acceptable Means of Delivering Notice.** Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including electronic mail or other electronic means) and if concurrently with the transmittal of such electronic communication the sending Party provides a copy of such electronic Notice by hand delivery or express courier, at the time indicated by the time stamp upon delivery; or (d) if delivered in person, upon receipt by the receiving Party. Notwithstanding the foregoing, Notices of outages or other scheduling or dispatch information or requests, may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission.

ARTICLE 10 FORCE MAJEURE

10.1 **Definition.**

(a) **“Force Majeure Event”** means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from complying with all or a portion of the conditions under this Agreement if such act or event, despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control

(whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, including flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic; landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance; or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.

(c) Notwithstanding the foregoing, the term “**Force Majeure Event**” does not include (i) economic conditions that render a Party’s performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including an increase in component costs for any reason, including foreign or domestic tariffs, Buyer’s ability to buy the Product, or any component thereof at a lower price, or Seller’s ability to sell the Product, or any component thereof, at a higher price, than under this Agreement); (ii) Seller’s inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above; (iv) a Curtailment Order except if such event is caused by a Force Majeure Event; (v) Seller’s inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; or (vi) any equipment failure except if such equipment failure is caused by a Force Majeure Event.

10.2 **No Liability If a Force Majeure Event Occurs**. Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to promptly remove such inability. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. Neither Party shall be considered in breach or default of this Agreement if and to the extent that any failure or delay in the Party’s performance of one or more of its obligations hereunder is caused by a Force Majeure Event. Notwithstanding the foregoing, the occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of a Party to make any payments due hereunder, (b) suspend or excuse the obligation of Seller to achieve the Guaranteed Construction Start Date or the Guaranteed Commercial Operation Date beyond the extensions provided in Exhibit B, or (c) limit Buyer’s right to declare an Event of Default pursuant to Section 11.1(b)(ii) or (iv) and receive a Damage Payment upon exercise of Buyer’s remedies pursuant to Section 11.2.

10.3 **Notice**. In the event of any delay or nonperformance resulting from a Force Majeure Event, the Party suffering the Force Majeure Event shall (a) promptly notify the other Party in writing of the nature, cause, estimated date of commencement thereof, and the anticipated extent of any delay or interruption in performance, and (b) promptly notify the other Party in

writing of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected Party; *provided, however*, that a Party's failure to give timely Notice shall not affect such Party's ability to assert that a Force Majeure Event has occurred unless the delay in giving Notice materially prejudices the other Party.

10.4 Termination Following Force Majeure Event.

then the non-claiming Party may terminate this Agreement upon written Notice to the other Party. Upon any such termination, neither Party shall have any liability to the other Party, save and except for those obligations specified in Section 2.1(b), and Buyer shall promptly return to Seller any Development Security or Performance Security then held by Buyer, less any amounts drawn in accordance with this Agreement.

ARTICLE 11 DEFAULTS; REMEDIES; TERMINATION

11.1 **Events of Default**. An "**Event of Default**" shall mean,

(a) with respect to a Party (the "**Defaulting Party**") that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within ten (10) Business Days after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional sixty (60) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) days period despite exercising best efforts);

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default set forth in this Section 11.1; and except for (1) failure to achieve Full Capacity Deliverability Status by the RA Guarantee Date, the exclusive remedies for which are set forth in Section 3.8, (2) failures related to the Adjusted Energy Production that do not trigger the provisions of Section 11.1(b)(v), the exclusive remedies for which are set forth in Section 4.7; and (3) failures related to the Monthly Storage Availability that do not trigger the provisions of Section 11.1(b)(vi), the exclusive remedies for which are set forth in Section 4.8) and such failure is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional ninety (90) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) days period despite exercising best efforts);

(iv) such Party becomes Bankrupt;

(v) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Article 14; or

(vi) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) if at any time, Seller delivers or attempts to deliver electric energy to the Delivery Point for sale under this Agreement that was not generated or discharged by the Facility, except for Replacement Product;

(ii) [REDACTED]

(iii) if not remedied within ten (10) days after Notice thereof, the failure by Seller to deliver a Remedial Action Plan required under Section 2.4;


(iv) [REDACTED]

(v) [REDACTED]

(vi) [REDACTED]

(vii) [REDACTED]

(viii) [REDACTED]



(ix) failure by Seller to satisfy the collateral requirements pursuant to Sections 8.7 or 8.8 after Notice and expiration of the cure periods set forth therein, including the failure to replenish the applicable Development Security amount in accordance with this Agreement in the event Buyer draws against either for any reason other than to satisfy a Damage Payment or a Termination Payment;

(x) with respect to any Guaranty provided for the benefit of Buyer, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a replacement Guaranty from a different Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a replacement Letter of Credit from an issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within ten (10) Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) if any representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof;

(B) the failure of the Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty;

(C) the Guarantor becomes Bankrupt;

(D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in the definition of Guarantor;

(E) the failure of the Guaranty to be in full force and effect (other than in accordance with its terms) prior to the indefeasible satisfaction of all obligations of Seller hereunder; or

(F) the Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty; or

(xi) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit or (3) in the case of Performance Security, Guaranty from a Guarantor meeting the criteria set forth in the definition of Guarantor, in each case, in the amount required hereunder within fifteen (15) Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) the issuer of the outstanding Letter of Credit shall fail to maintain a Credit Rating of at least A- by S&P or A3 by Moody's;

(B) the issuer of such Letter of Credit becomes Bankrupt;

(C) the issuer of the outstanding Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit and such failure shall be continuing after the lapse of any applicable grace period permitted under such Letter of Credit;

(D) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;

(E) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;

(F) such Letter of Credit fails or ceases to be in full force and effect at any time; or

(G) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than forty-five (45) days prior to the expiration of the outstanding Letter of Credit.

11.2 **Remedies; Declaration of Early Termination Date.** If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the following rights:

(a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") that terminates this Agreement (the "**Terminated Transaction**") and ends the Delivery Term effective as of the Early Termination Date;

(b) if Buyer terminates this Agreement under Section 11.2(a), to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment (in the case of an Event of Default by Seller occurring before the Commercial Operation Date, including an Event of Default under Section 11.1(b)(ii) or 11.1(b)(iv) or (ii) the Termination Payment calculated in accordance with Section 11.3 below (in the case of any other Event of Default by either Party);

(c) to withhold any payments due to the Defaulting Party under this Agreement;

(d) to suspend performance; or

(e) to exercise any other right or remedy available at law or in equity, including specific performance or injunctive relief, except to the extent such remedies are expressly limited under this Agreement;

provided, that payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party's sole and exclusive remedy for any Terminated Transaction and the Event of Default related thereto.

11.3 **Termination Payment.** The Termination Payment ("**Termination Payment**") for a Terminated Transaction shall be the aggregate of all Settlement Amounts plus any or all other amounts due to the Non-Defaulting Party (as of the Early Termination Date) minus any and all other amounts due from the Non-Defaulting Party (as of the Early Termination Date) netted into a single amount. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with a Terminated Transaction would be difficult or impossible to predict with certainty, (b) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is a reasonable and appropriate approximation of such damages, and (c) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is the exclusive remedy of the Non-Defaulting Party in connection with a Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 **Notice of Payment of Termination Payment.** As soon as practicable after a Terminated Transaction, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Damage Payment or Termination Payment and whether the Termination Payment is due to or from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to or from the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 **Disputes with Respect to Termination Payment.** If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with Article 15.

11.6 **Rights and Remedies Are Cumulative.** Except where an express and exclusive remedy or measure of damages is provided, the rights and remedies of a Party pursuant to this

Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

ARTICLE 12
LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES.

12.1 **No Consequential Damages.** EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN, OR PART OF AN ARTICLE 16 INDEMNITY CLAIM, OR INCLUDED IN A LIQUIDATED DAMAGES CALCULATION, OR ARISING FROM FRAUD OR INTENTIONAL MISREPRESENTATION, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOSSES OR DAMAGES FOR LOST REVENUE OR LOST PROFITS, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY. ON AND BEFORE THE SIXTH ANNIVERSARY OF THE COMMERCIAL OPERATION DATE, THE VALUE OF ANY TAX BENEFITS, DETERMINED ON AN AFTER-TAX BASIS, LOST DUE TO BUYER'S DEFAULT (WHICH SELLER HAS NOT BEEN ABLE TO MITIGATE AFTER USE OF REASONABLE EFFORTS) AND AMOUNTS DUE IN CONNECTION WITH THE RECAPTURE OF ANY RENEWABLE ENERGY INCENTIVES, IF ANY, SHALL BE DEEMED TO BE DIRECT DAMAGES.

12.2 **Waiver and Exclusion of Other Damages.** EXCEPT AS EXPRESSLY SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. ALL LIMITATIONS OF LIABILITY CONTAINED IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE PERTAINING TO SELLER'S LIMITATION OF LIABILITY AND THE PARTIES' WAIVER OF CONSEQUENTIAL DAMAGES, SHALL APPLY EVEN IF THE REMEDIES FOR BREACH OF WARRANTY PROVIDED IN THIS AGREEMENT ARE DEEMED TO "FAIL OF THEIR ESSENTIAL PURPOSE" OR ARE OTHERWISE HELD TO BE INVALID OR UNENFORCEABLE.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS AND EXCLUSIVE REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, INCLUDING UNDER SECTIONS 3.8, 4.7, 4.8, 11.2 AND 11.3, AND AS PROVIDED IN EXHIBIT B, EXHIBIT G, AND EXHIBIT P THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT

THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE ANTICIPATED HARM OR LOSS. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES HEREBY WAIVE ANY RIGHT TO CONTEST SUCH PAYMENTS AS AN UNREASONABLE PENALTY.

THE PARTIES ACKNOWLEDGE AND AGREE THAT MONEY DAMAGES AND THE EXPRESS REMEDIES PROVIDED FOR HEREIN ARE AN ADEQUATE REMEDY FOR THE BREACH BY THE OTHER OF THE TERMS OF THIS AGREEMENT, AND EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO SPECIFIC PERFORMANCE WITH RESPECT TO ANY OBLIGATION OF THE OTHER PARTY UNDER THIS AGREEMENT.

ARTICLE 13 REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 **Seller's Representations and Warranties.** As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and is qualified to conduct business in the state of California and each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Seller's performance under this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary limited liability company action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller, subject to any permits that have not yet been obtained by Seller, the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) The Facility is located in the State of California.

(f) Seller will be responsible for obtaining all permits necessary to construct and operate the Facility and Seller will be the applicant on any CEQA documents.

13.2 **Buyer's Representations and Warranties.** As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a joint powers authority and a validly existing community choice aggregator, duly organized, validly existing and in good standing under the laws of the State of California and the rules, regulations and orders of the California Public Utilities Commission, and is qualified to conduct business in each jurisdiction of the Joint Powers Agreement members. All Persons making up the governing body of Buyer are the elected or appointed incumbents in their positions and hold their positions in good standing in accordance with the Joint Powers Agreement and other Law.

(b) Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer's performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) Buyer warrants and covenants that with respect to its contractual obligations under this Agreement, it will not claim and affirmatively waives immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (1) suit, (2) jurisdiction of court (provided that such court is located within a venue permitted in law and under the Agreement), (3) relief by way of injunction, order for specific performance or recovery of property, (4) attachment of assets, or (5) execution or enforcement of any judgment; provided, however that nothing in this Agreement shall waive the obligations or rights set forth in the California Tort Claims Act (Government Code Section 810 et seq.)

(f) Buyer is a "local public entity" as defined in Section 900.4 of the Government Code of the State of California.

13.3 **General Covenants.** Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and to be qualified to conduct business in California and each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

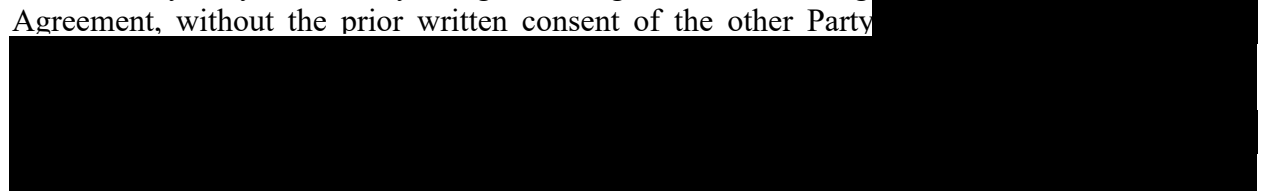
(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and in material compliance with any Law.

13.4 **Prevailing Wage.** Seller shall use reasonable efforts to ensure that all employees hired by Seller, and its contractors and subcontractors, that will perform construction work or provide services at the Site related to construction of the Facility are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by applicable California law, if any. Nothing herein shall require Seller, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of any California labor laws. Buyer agrees that Seller's obligations under this Section 13.4 will be satisfied upon the execution of a project labor agreement related to construction of the Facility.

13.5 **Workforce Development.** Seller shall perform the obligations related to workforce development and community investment set forth in Exhibit S.

ARTICLE 14 ASSIGNMENT

14.1 **General Prohibition on Assignments.** Except as provided in this Article 14, neither Party may voluntarily assign this Agreement or its rights or obligations under this Agreement, without the prior written consent of the other Party

 Seller shall be responsible for Buyer's reasonable costs associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement, including without limitation reasonable attorneys' fees.

14.2 **Collateral Assignment.** Subject to the provisions of this Section 0, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Facility.

In connection with any financing or refinancing of the Facility by Seller, Buyer shall in good faith work with Seller and Lender to agree upon a consent to collateral assignment of this Agreement ("**Collateral Assignment Agreement**"). The Collateral Assignment Agreement must be in form and substance agreed to by Buyer, Seller and Lender, such agreement not to be unreasonably

withheld, and must include, among others, the following provisions unless otherwise agreed to by Buyer, Seller and Lender:

(a) Buyer shall give notice of an Event of Default by Seller to the Person(s) to be specified by Lender in the Collateral Assignment Agreement before exercising its right to terminate this Agreement as a result of such Event of Default; provided that such notice shall be provided to Lender at the time such notice is provided to Seller and any additional cure period of Lender agreed to in the Collateral Assignment Agreement shall not commence until Lender has received notice of such Event of Default;

(b) Lender must remedy or cure the Event of Default within the cure period under this Agreement and any additional cure periods agreed in the Collateral Assignment Agreement up to a maximum of ninety (90) days (or in the event of a bankruptcy of Seller or any foreclosure or similar proceeding if required by Lender to cure any Event of Default an additional reasonable period of time to complete such proceedings and effect such cure not to exceed one hundred eighty (180) days without the written consent of Buyer, which consent shall not be unreasonably withheld), provided that if Lender is prohibited by any court order or bankruptcy or insolvency proceedings from curing the Event of Default or from commencing or prosecuting foreclosure proceedings, the foregoing time periods shall be extended by the period of such prohibition;

(c) Following an Event of Default by Seller under this Agreement, Buyer may require Seller (or Lender, if Lender has provided the notice set forth in subsection (c) below) to provide to Buyer a report concerning:

(i) The status of efforts by Seller or Lender to develop a plan to cure the Event of Default;

(ii) Impediments to the cure plan or its development;

(iii) If a cure plan has been adopted, the status of the cure plan's implementation (including any modifications to the plan as well as the expected timeframe within which any cure is expected to be implemented); and

(iv) Any other information which Buyer may reasonably require related to the development, implementation and timetable of the cure plan.

Seller or Lender must provide the report to Buyer within ten (10) Business Days after Notice from Buyer requesting the report. Buyer will have no further right to require the report with respect to a particular Event of Default after that Event of Default has been cured;

(d) Lender will have the right to consent before any termination of this Agreement which does not arise out of an Event of Default;

(e) Lender will receive prior notice of and the right to approve material amendments to this Agreement, which approval will not be unreasonably withheld, delayed or conditioned;

(f) If this Agreement is transferred to Lender, Lender must assume all of Seller's obligations arising under this Agreement on and after the date of such assumption; *provided*, before such assumption, if Buyer advises Lender that Buyer will require that Lender cure (or cause to be cured) any Event of Default existing as of the transfer date in order to avoid the exercise by Buyer (in its sole discretion) of Buyer's right to terminate this Agreement with respect to such Event of Default, then Lender at its option, and in its sole discretion, may elect to either:

(i) Cause such Event of Default to be cured (other than any Events of Default which relate to Seller's bankruptcy or similar insolvency proceedings, to representations and warranties made by Seller or to Seller's failure to perform obligations under other agreements, or which are otherwise personal to Seller), or

(ii) Not assume this Agreement.

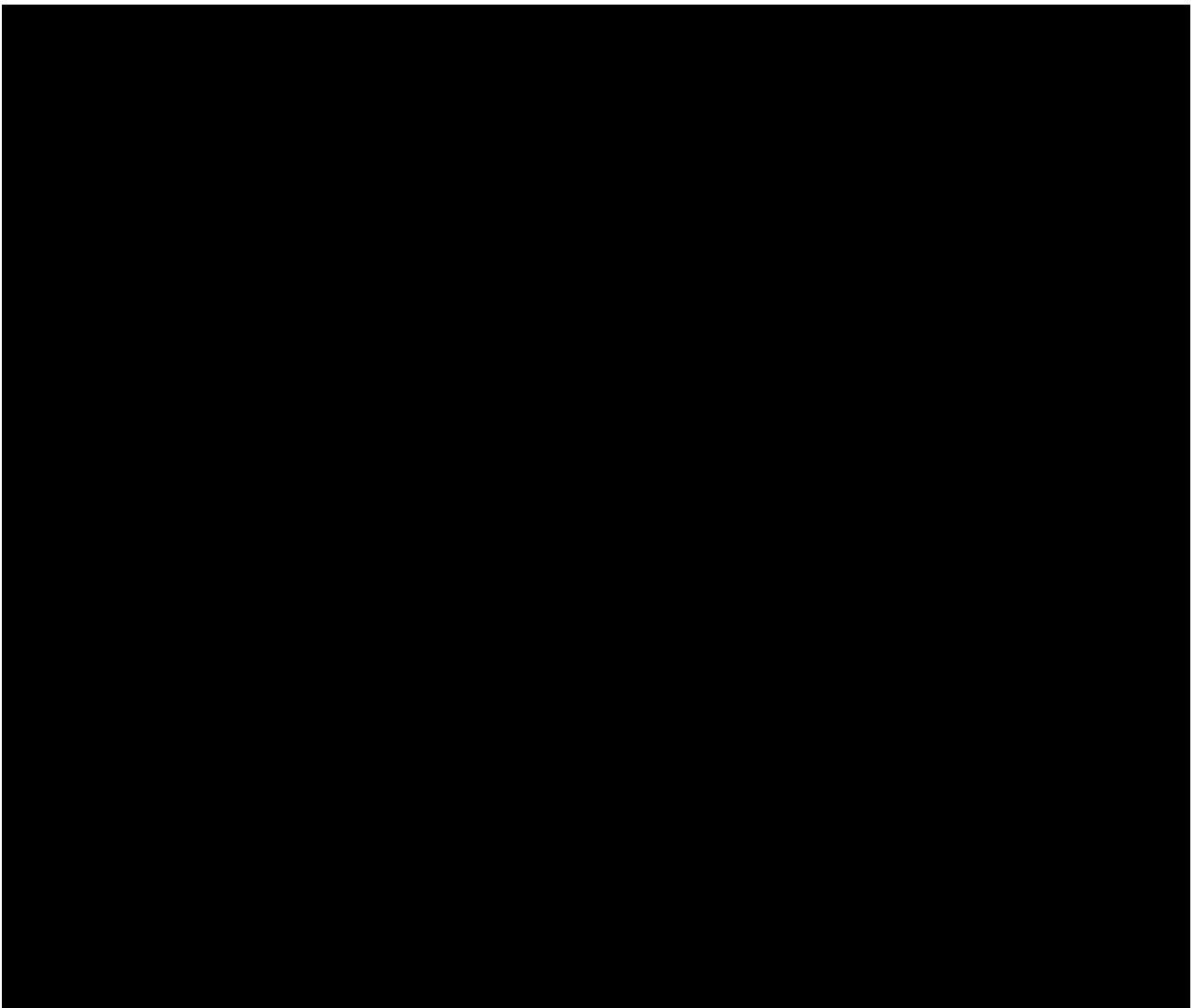
(g) If Lender elects to transfer this Agreement, then Lender must cause the transferee to assume all of Seller's obligations arising under this Agreement arising after the date of such assumption as a condition of the sale or transfer. Such sale or transfer may be made only to an entity that meets the definition of Permitted Transferee; and

(h) Subject to Lender's cure of any Events of Defaults under the Agreement in accordance with Section 14.2(f), if (i) this Agreement is rejected in Seller's Bankruptcy or otherwise terminated in connection therewith Lender or its designee shall have the right to elect within ninety (90) days after such rejection or termination, to enter into a replacement agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, or (ii) if Lender or its designee, directly or indirectly, takes possession of, or title to, after any such rejection or termination of this Agreement, promptly after Buyer's written request, Lender must itself or must cause its designee to promptly enter into a new agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, provided that in the event a designee of Lender, directly or indirectly, takes possession of, or title to, the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), if such designee is not an entity that meets the definition of Permitted Transferee then such designee shall be subject to the prior written approval of Buyer, such approval not to be unreasonably withheld.

(i) The Parties shall negotiate any Collateral Assignment Agreement in good faith, including variations to the provisions set forth in this Section 14.2, and to the extent the Collateral Assignment Agreement executed by Buyer and Lender varies from such provisions, the terms of such Collateral Assignment Agreement shall be controlling. In addition, Buyer shall cooperate with Seller or any Lender to execute or arrange for delivery of estoppels reasonably requested by Seller or Lender.

14.3 Permitted Assignment by Seller.





14.4 **Shared Facilities; Portfolio Financing.** Without limiting the foregoing, Buyer agrees and acknowledges that Seller may elect to finance all or any portion of the Facility or the Interconnection Facilities or the Shared Facilities (1) utilizing tax equity investment, or (2) through a Portfolio Financing, which may include cross-collateralization or similar arrangements. In connection with any financing or refinancing of the Facility, the Interconnection Facilities or the Shared Facilities by Seller or any Portfolio Financing, Buyer, Seller, Portfolio Financing Entity (if any), and Lender shall execute and deliver such further consents, approvals and acknowledgments as may be reasonable and necessary to facilitate such transactions provided, however, that Buyer shall not be required to agree to any terms or conditions which are reasonably expected to have a material adverse effect on Buyer and all reasonable attorney's fees incurred by Buyer in connection therewith shall be borne by Seller.

ARTICLE 15 DISPUTE RESOLUTION

15.1 **Governing Law.** This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at

such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Guaranty shall be brought in the federal courts of the United States or the courts of the State of California sitting in the County of Alameda, California.

15.2 **Dispute Resolution.** In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a written Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, the Parties shall submit the dispute to mediation prior to seeking any and all remedies available to it at Law in or equity. The Parties will cooperate in selecting a qualified neutral mediator selected from a panel of neutrals and in scheduling the time and place of the mediation as soon as reasonably possible, but in no event later than thirty (30) days after the request for mediation is made. The Parties agree to participate in the mediation in good faith and to share the costs of the mediation, including the mediator's fee, equally, but such shared costs shall not include each Party's own attorneys' fees and costs, which shall be borne solely by such Party. If the mediation is unsuccessful, then either Party may seek any and all remedies available to it at law or in equity, subject to the limitations set forth in this Agreement.

ARTICLE 16 INDEMNIFICATION

16.1 **Indemnification.** Each Party (the "**Indemnifying Party**") agrees to indemnify, defend and hold harmless the other Party and its Affiliates, directors, officers, attorneys, employees, representatives and agents (collectively, the "**Indemnified Party**") from and against all third-party claims, demands, losses, liabilities, penalties, and expenses (including reasonable attorneys' fees and expert witness fees), howsoever, to the extent arising out of, resulting from, or caused by (i) a violation of applicable Laws, (ii) negligent or tortious acts, errors, or omissions or (iii) intentional acts or willful misconduct in each case by or of the Indemnifying Party, its Affiliates, directors, officers, employees, or agents, excepting only such claims, demands, losses, liabilities, penalties and expenses to the extent solely caused by the willful misconduct or gross negligence of a member of the Indemnified Party (collectively, "**Indemnifiable Losses**").

16.2 **Claim Notice.**

(a) **Notice of Claim.** Subject to the terms of this Agreement and upon obtaining knowledge of an Indemnifiable Loss for which it is entitled to indemnity under this Article 16, the Indemnified Party will promptly provide Notice to the Indemnifying Party in writing of any damage, claim, loss, liability or expense which Indemnified Party has determined has given or could give rise to an Indemnifiable Loss under Section 16.1 ("**Claim**"). The Notice is referred to as a "**Notice of Claim.**" A Notice of Claim will specify, in reasonable detail, the facts known to the Indemnified Party regarding the Indemnifiable Loss.

(b) **Failure to Provide Notice.** A failure to give timely Notice or to include any specified information in any Notice as provided in this Section 16.2 will not affect the rights

or obligations of any Party hereunder except and only to the extent that, as a result of such failure, any Party which was entitled to receive such Notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially damaged as a direct result of such failure and, provided further, the Indemnifying Party is not obligated to indemnify the Indemnified Party for the increased amount of any Indemnifiable Loss which would otherwise have been payable to the extent that the increase resulted from the failure to deliver timely a Notice of Claim.

16.3 Defense of Claims. If, within ten (10) days after giving a Notice of Claim regarding a Claim to the Indemnifying Party pursuant to Section 16.2(a), the Indemnified Party receives Notice from such Indemnifying Party that the Indemnifying Party has elected to assume the defense of such Claim, the Indemnifying Party will not be liable for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof; provided, however, that if the Indemnifying Party fails to take reasonable steps necessary to defend diligently such Claim within ten (10) days after receiving Notice from the Indemnified Party that the Indemnified Party believes the Indemnifying Party has failed to take such steps, or if the Indemnifying Party has not undertaken fully to indemnify the Indemnified Party in respect of all Indemnifiable Losses relating to the matter, the Indemnified Party may assume its own defense, and the Indemnifying Party will be liable for all reasonable costs or expenses, including attorneys' fees, paid or incurred in connection therewith. Without the prior written consent of the Indemnified Party, the Indemnifying Party will not enter into any settlement of any Claim which would lead to liability or create any financial or other obligation on the part of the Indemnified Party for which the Indemnified Party is not entitled to indemnification hereunder; provided, however, that the Indemnifying Party may accept any settlement without the consent of the Indemnified Party if such settlement provides a full release to the Indemnified Party and no requirement that the Indemnified Party acknowledge fault or culpability. If a firm offer is made to settle a Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party for which the Indemnified Party is not entitled to indemnification hereunder and the Indemnifying Party desires to accept and agrees to such offer, the Indemnifying Party will give Notice to the Indemnified Party to that effect. If the Indemnified Party fails to consent to such firm offer within ten (10) calendar days after its receipt of such Notice, the Indemnified Party may continue to contest or defend such Claim and, in such event, the maximum liability of the Indemnifying Party to such Claim will be the amount of such settlement offer, plus reasonable costs and expenses paid or incurred by the Indemnified Party up to the date of such Notice.

16.4 Subrogation of Rights. Upon making any indemnity payment, the Indemnifying Party will, to the extent of such indemnity payment, be subrogated to all rights of the Indemnified Party against any Third Party in respect of the Indemnifiable Loss to which the indemnity payment relates; provided that (a) the Indemnifying Party is in compliance with its obligations under this Agreement in respect of such Indemnifiable Loss, and (b) until the Indemnified Party recovers full payment of its Indemnifiable Loss, any and all claims of the Indemnifying Party against any such Third Party on account of said indemnity payment are hereby made expressly subordinated and subjected in right of payment to the Indemnified Party's rights against such Third Party. Without limiting the generality or effect of any other provision hereof, the Indemnified Party and Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence and perfect the above-described subrogation and subordination rights.

16.5 **Rights and Remedies are Cumulative.** Except for express remedies already provided in this Agreement, the rights and remedies of a Party pursuant to this Article 16 are cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

ARTICLE 17 INSURANCE

17.1 **Insurance.**

(a) **General Liability.** Seller shall maintain, or cause to be maintained at its sole expense, (i) commercial general liability insurance, including products and completed operations and personal injury insurance, in a minimum amount of Two Million Dollars (\$2,000,000) per occurrence, and an annual aggregate of not less than Five Million Dollars (\$5,000,000), specifically covering Seller's obligations under this Agreement and including Buyer as an additional insured; and (ii) an umbrella insurance policy in a minimum limit of liability of Five Million Dollars (\$5,000,000). Defense costs shall be provided as an additional benefit and not included within the limits of liability. Such insurance shall contain standard cross-liability and severability of interest provisions.

(b) **Employer's Liability Insurance.** Employers' Liability insurance shall not be less than One Million Dollars (\$1,000,000.00) for injury or death occurring as a result of each accident. With regard to bodily injury by disease, the One Million Dollar (\$1,000,000) policy limit will apply to each employee.

(c) **Workers Compensation Insurance.** Seller, if it has employees, shall also maintain at all times during the Contract Term workers' compensation and employers' liability insurance coverage in accordance with applicable requirements of California Law.

(d) **Business Auto Insurance.** Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of One Million Dollars (\$1,000,000) per occurrence. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement.

(e) **Construction All-Risk Insurance.** Seller shall maintain or cause to be maintained during the construction of the Generating Facility prior to the Commercial Operation Date, construction all-risk form property insurance covering the Facility during such construction periods, and naming the Seller (and Lender if any) as the loss payee.

(f) **Subcontractor Insurance.** Seller shall require all of its subcontractors to carry (i) comprehensive general liability insurance with a combined single limit of coverage not less than One Million Dollars (\$1,000,000); (ii) workers' compensation insurance and employers' liability coverage in accordance with applicable requirements of Law; and (iii) business auto insurance for bodily injury and property damage with limits of one million dollars (\$1,000,000) per occurrence. All subcontractors shall name Seller as an additional insured to insured to insurance carried pursuant to clauses (g)(i) and (g)(iii). All subcontractors shall provide a primary endorsement and a waiver of subrogation to Seller for the required coverage pursuant to this Section 17.1(f).

(g) Evidence of Insurance. Within thirty (30) days after execution of the Agreement and upon annual renewal thereafter, Seller shall deliver to Buyer certificates of insurance evidencing such coverage. These certificates shall specify that Buyer shall be given at least ten (10) days prior Notice by Seller in the event of any material modification, cancellation or termination of coverage. Such insurance shall be primary coverage without right of contribution from any insurance of Buyer. Any other insurance maintained by Seller is for the exclusive benefit of Seller and shall not in any manner inure to the benefit of Buyer.

ARTICLE 18 CONFIDENTIAL INFORMATION

18.1 Definition of Confidential Information. The following constitutes “**Confidential Information**,” whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller including: (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, and (b) information that either Seller or Buyer stamps or otherwise identifies as “confidential” or “proprietary” before disclosing it to the other. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; and (iv) information that the recipient independently developed without a violation of this Agreement.

18.2 Duty to Maintain Confidentiality. Confidential Information will retain its character as Confidential Information but may be disclosed by the recipient (the “**Receiving Party**”) if and to the extent such disclosure is required (a) to be made by any requirements of Law, (b) pursuant to an order of a court or (c) in order to enforce this Agreement. If the Receiving Party becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable law, order, regulation, ruling, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator rule) to disclose any Confidential Information of the disclosing Party (the “**Disclosing Party**”), Receiving Party shall provide Disclosing Party with prompt notice so that Disclosing Party, at its sole expense, may seek an appropriate protective order or other appropriate remedy. If the Disclosing Party takes no such action after receiving the foregoing notice from the Receiving Party, the Receiving Party is not required to defend against such request and shall be permitted to disclose such Confidential Information of the Disclosing Party, with no liability for any damages that arise from such disclosure. Each Party hereto acknowledges and agrees that information and documentation provided in connection with this Agreement may be subject to the California Records Act (Government Code Section 6250 et seq.).

18.3 Irreparable Injury; Remedies. Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, Receiving Party acknowledges that any

such breach or threatened breach will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

18.4 **Disclosure to Lenders, Etc.** Notwithstanding anything to the contrary in this Article 18, Confidential Information may be disclosed by Seller to any actual or potential Lender or any of its Affiliates, and Seller's actual or potential agents, consultants, contractors, or trustees, so long as the Person to whom Confidential Information is disclosed agrees in writing to be bound by the confidentiality provisions of this Article 18 to the same extent as if it were a Party.

18.5 **Press Releases.** Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

ARTICLE 19 MISCELLANEOUS

19.1 **Entire Agreement; Integration; Exhibits.** This Agreement, together with the Cover Sheet and Exhibits attached hereto constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes only. In the event of a conflict between the provisions of this Agreement and those of the Cover Sheet or any Exhibit, the provisions of first the Cover Sheet, and then this Agreement shall prevail, and such Exhibit shall be corrected accordingly. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

19.2 **Amendments.** This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

19.3 **No Waiver.** Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

19.4 **No Agency, Partnership, Joint Venture or Lease.** Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement) or, to the extent set forth herein, any Lender.

19.5 **Severability.** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

19.6 **Mobile-Sierra.** Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the “public interest” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956), and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under applicable law.

19.7 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.

19.8 **Facsimile or Electronic Delivery.** This Agreement may be duly executed and delivered by a Party by execution and facsimile or electronic format (including portable document format (.pdf)) delivery of the signature page of a counterpart to the other Party, and, if delivery is made by facsimile or other electronic format, the executing Party shall promptly deliver, via overnight delivery, a complete original counterpart that it has executed to the other Party, but this Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original counterpart.

19.9 **Binding Effect.** This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

19.10 **No Recourse to Members of Buyer.** Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer’s constituent members, or the employees, directors, officers, consultants or advisors or Buyer or its constituent members, in connection with this Agreement.

19.11 **Forward Contract.** The Parties acknowledge and agree that this Agreement constitutes a “forward contract” within the meaning of the U.S. Bankruptcy Code, and Buyer and Seller are “forward contract merchants” within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to

assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

19.12 **Further Assurances.** Each of the Parties hereto agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

RACEWAY SOLAR 1, LLC

By: _____
Name: _____
Title: _____

**EAST BAY COMMUNITY ENERGY
AUTHORITY, a California joint powers
authority**

By: _____
Name: _____
Title: _____

Approved as to form:

By: _____
Name: _____
Title: _____

EXHIBIT A

FACILITY DESCRIPTION

Site Name: Raceway Solar North Project

Site includes all or some of the following APNs:

374-020-42, 374-020-40, 374-250-04, 374-020-55, 374-210-08, 374-011-13, 374-250-03, 374-250-01, 374-011-04, 374-011-11, 374-440-01, 374-440-02, 374-440-03, 374-440-04, 374-440-05, 374-440-06, 374-440-07, 374-440-08, 374-011-08, 374-011-19, 374-011-20, 374-011-21, 374-011-22, 374-200-03, 374-200-29, 374-200-30, 374-200-38, 374-200-39, 374-200-40, 374-200-41, 374-200-42, 374-200-43, 374-200-44, 374-200-45, 374-200-50, 374-200-51, 374-200-52, 374-200-53, 374-200-54, 374-200-55, 374-200-56, 374-200-57, 374-410-08, 375-020-01, 3262-006-002, 3262-006-003, 3262-001-005, 3262-001-006, 3265-018-002, 3265-019-030, 3265-022-011, 3267-003-053, 3218-001-003, 3267-005-005, 3267-005-902, 3218-001-003, 3218-001-004, 3203-002-009. Prior to the Construction Start Date, if Seller reasonably anticipates a delay to the development or construction of the Facility that would threaten the commercial viability of the Facility or the ability of Seller to have the Facility achieve Commercial Operation by the Guaranteed Commercial Operation Date, Seller may, upon no less than ninety (90) days' Notice to Buyer prior to the Construction Start Date, locate the Facility at another site within the APNs specified above ("**Site Change**") so long as (a) the Generating Facility has the same P-node, (b) Seller is able to meet all of Seller's obligations under this Agreement, (c) there is no adverse change in Product economics for Buyer, or Buyer is held harmless from such changes (taking into account any amendments to this Agreement proposed by Seller), and the Site Change will not impose any delays upon the Major Project Development Milestones or the Commercial Operation Date.

County: Kern County, CA and Los Angeles County, CA

CEQA Lead Agency: Kern County, CA

Type of Generating Facility: A 125 MW AC photovoltaic solar project, which includes a 80MW/160MWh battery energy storage facility

Type of Storage Facility: Battery Energy Storage System. The Storage Facility will be AC-coupled.

Maximum Output: 125 MW (Generating Facility and Storage Facility combined)

Maximum Charging Capacity: 80 MW, subject to degradation as specified in the Supplementary Storage Capacity Test Protocol

Maximum Discharging Capacity: 80 MW, subject to degradation as specified in the Supplementary Storage Capacity Test Protocol

Maximum Stored Energy Level: 160 MWh, subject to degradation as specified in the Supplementary Storage Capacity Test Protocol

Delivery Point: PNode for the Generating Facility

PNode: As established by CAISO for POI at SCE Antelope Substation 220 kV Bus. The Pnode is expected to be close to BIGSK230_2_NO24.

Participating Transmission Owner: Southern California Edison (SCE)

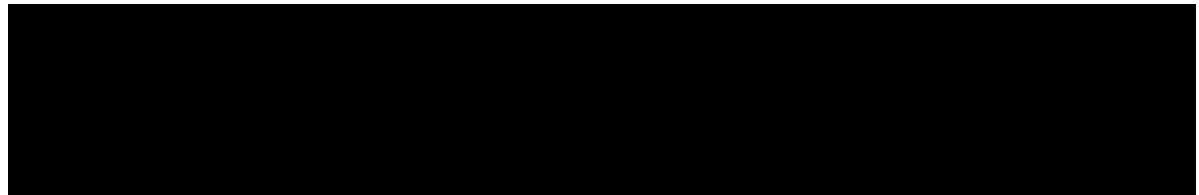
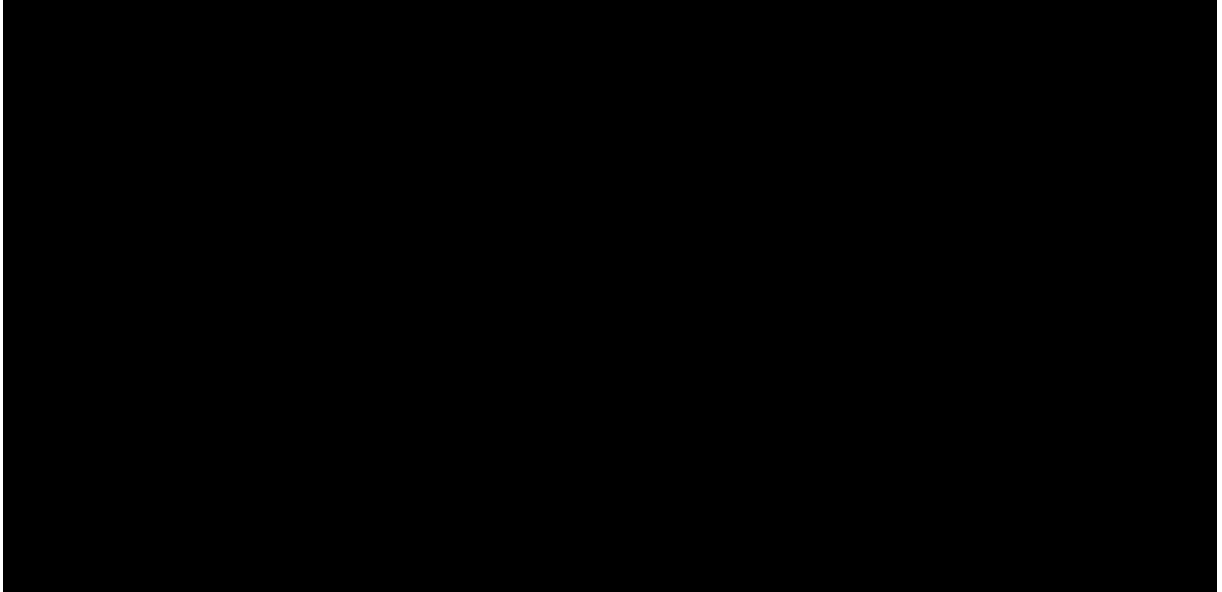
EXHIBIT B**MAJOR PROJECT DEVELOPMENT MILESTONES AND COMMERCIAL OPERATION****1. Major Project Development Milestones.**

- a. **“Construction Start”** will occur upon satisfaction of the following: (i) Seller has acquired the applicable regulatory authorizations, approvals and permits required for the commencement of construction of the Facility, (ii) Seller has engaged all contractors and ordered all essential equipment and supplies as, in each case, can reasonably be considered necessary so that physical construction of the Facility may begin and proceed to completion without foreseeable interruption of material duration, and (iii) Seller has executed an engineering, procurement, and construction contract and issued thereunder a notice to proceed that authorizes the contractor to mobilize to Site and begin physical construction of the Facility (such authorization to include, at a minimum, excavation for foundations or the installation or erection of improvements) at the Site. The date of Construction Start will be evidenced by and subject to Seller’s delivery to Buyer of a certificate substantially in the form attached as Exhibit J hereto, and the date certified therein shall be the **“Construction Start Date.”** The Seller shall use commercially reasonable efforts to cause Construction Start to occur no later than the Guaranteed Construction Start Date.

- b. **“Major Project Development Milestone”** means the Guaranteed Construction Start Date or the Executed Interconnection Agreement Milestone. If Construction Start is not achieved by the Guaranteed Construction Start Date, or the Interconnection Agreement is not signed by Seller and the PTO on or before the Executed Interconnection Agreement Milestone, Seller shall pay Daily Delay Damages to Buyer for each day for which a Major Project Development Milestone has not been completed. Daily Delay Damages will be calculated separately and accrue independently for each Major Project Development Milestone. Daily Delay Damages shall be payable to Buyer by Seller until Seller completes the applicable Major Project Development Milestone. On or before the tenth (10th) day of each month, Buyer shall invoice Seller for Daily Delay Damages, if any, accrued during the prior month and, within ten (10) days following Seller’s receipt of such invoice, Seller shall pay Buyer the amount of the Daily Delay Damages set forth in such invoice. Daily Delay Damages shall be refundable to Seller pursuant to Section 2 b. of this Exhibit B. The Parties agree that Buyer’s receipt of Daily Delay Damages shall be Buyer’s sole and exclusive remedy for Seller’s unexcused delay in achieving the Major Project Development Milestones, but shall (x) not be construed as Buyer’s declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer’s right to declare an Event of Default pursuant to Section 11.1(b)(ii) or 11.1(b)(iv) and receive a Damage Payment upon exercise of Buyer’s default right pursuant to Section 11.2.

2. **Commercial Operation of the Facility.** “**Commercial Operation**” means the condition existing when (i) Seller has fulfilled all of the conditions precedent in Section 2.2 of the Agreement and provided Notice to Buyer substantially in the form of Exhibit H (the “**COD Certificate**”) (ii) Seller has notified Buyer in writing that it has provided the required documentation to Buyer and met the conditions for achieving Commercial Operation, and (iii) Buyer has acknowledged to Seller in writing that Buyer agrees that Commercial Operation has been achieved. Buyer shall have five (5) Business Days to approve or reject Seller’s request for Commercial Operation and if rejected, Buyer will provide written notice to Seller indicating which conditions were not satisfied with an explanation for the basis of Buyer’s rejection; provided, however, that Seller’s notification of Commercial Operation will be deemed approved by Buyer if Buyer fails to object in the required timeframe. The “**Commercial Operation Date**” shall be the later of (x) the Expected Commercial Operation Date, or (y) the date on which Commercial Operation is achieved.
- a. Seller shall use commercially reasonable efforts to cause Commercial Operation for the Facility to occur by the Guaranteed Commercial Operation Date. Seller shall notify Buyer that it intends to achieve Commercial Operation at least sixty (60) days before the anticipated Commercial Operation Date.
 - b. If Seller achieves Commercial Operation for the Facility by the Guaranteed Commercial Operation Date, all Daily Delay Damages paid by Seller related to the Guaranteed Construction Start Date or the Executed Interconnection Agreement Milestone shall be refunded to Seller. Seller shall include a request for refund of such Daily Delay Damages with the first invoice to Buyer after Commercial Operation.
 - c. If Seller does not achieve Commercial Operation by the Guaranteed Commercial Operation Date, Seller shall pay Commercial Operation Delay Damages to Buyer for each day after the Guaranteed Commercial Operation Date until the Commercial Operation Date. On or before the tenth (10th) day of each month, Buyer shall invoice Seller for Commercial Operation Delay Damages, if any, accrued during the prior month and within ten (10) days following Seller’s receipt of such invoice, Seller shall pay Buyer the amount of the Commercial Operation Delay Damages set forth in such invoice. The Parties agree that Buyer’s receipt of Commercial Operation Delay Damages shall be Buyer’s sole and exclusive remedy for the first sixty (60) days of delay in achieving the Commercial Operation Date on or before the Guaranteed Commercial Operation Date, but shall (x) not be construed as Buyer’s declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer’s right to receive a Damage Payment upon exercise of Buyer’s remedies pursuant to Section 11.2.
3. **Termination for Failure to Achieve Commercial Operation.** [REDACTED]

4. **Extension of the Guaranteed Dates.** The Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date shall, subject to notice and documentation requirements set forth below, be automatically extended on a day-for-day basis (the “**Development Cure Period**”) for the duration of any and all delays arising out of the following circumstances:



Upon request from Buyer, Seller shall provide documentation demonstrating to Buyer’s reasonable satisfaction that the delays described above did not result from Seller’s failure to take such commercially reasonable actions.

5. **Failure to Reach Guaranteed Capacity or Storage Contract Capacity.**

- a. *Guaranteed Capacity.* If, at Commercial Operation, the Installed PV Capacity is less than one hundred percent (100%) of the Guaranteed Capacity



If Seller fails to construct the Guaranteed Capacity by such date, Seller shall pay “**Capacity Damages**” to Buyer,



- b. *Storage Contract Capacity.* If, at Commercial Operation, the Installed Battery Capacity is less than one hundred percent (100%) of the Storage Contract Capacity,

[REDACTED]

If Seller fails to construct the Storage Contract Capacity by such date, Seller shall pay Capacity Damages to Buyer, [REDACTED]

[REDACTED]

6. **Buyer Option to Increase Installed Battery Capacity.** Seller agrees that if requested by Buyer, then Buyer and Seller will discuss in good faith the installation of additional storage capacity up to the original Installed Battery Capacity and/or the installation of additional storage capacity to increase the duration of the energy discharge; provided that neither Party shall be obligated to agree to any changes under this Agreement, or to incur any expense in connection with such changes, except under terms mutually acceptable to both Parties (and Seller's Lenders) as set forth in a written agreement. Without limiting this section, it is the general intent of the Parties that any work performed by Seller to increase installed battery capacity under this section would be billed to Buyer as a pass-through of actual costs incurred plus Seller's reasonable overhead.
7. **Buyer's Right to Draw on Development Security.** If Seller fails to timely pay any Daily Delay Damages or Commercial Operation Delay Damages, Buyer may draw upon the Development Security to satisfy Seller's payment obligation thereof and Seller shall replenish the Development Security to its full amount within five (5) Business Days after such draw.

EXHIBIT C

COMPENSATION

Compensation

Buyer shall compensate Seller for the Product in accordance with this Exhibit C.

(a) Renewable Rate. Buyer shall pay Seller the Renewable Rate for each MWh of Adjusted Facility Energy, plus Deemed Delivered Energy, if any, [REDACTED] of the Expected Energy for such Contract Year.

(b) Excess Contract Year Deliveries Over 115%. If, at any point in any Contract Year, the amount of Adjusted Facility Energy plus the amount of Deemed Delivered [REDACTED] the price to be paid for additional Adjusted Facility Energy or Deemed Delivered Energy shall be \$0.00/MWh.

(c) Excess Settlement Interval Deliveries. If during any Settlement Interval, Seller delivers Product amounts, as measured by the amount of PV Energy, in excess of the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours (“Excess MWh”), then the price applicable to all such excess MWh in such Settlement Interval shall be zero dollars (\$0), and if there is a Negative LMP during such Settlement Interval, Seller shall pay to Buyer an amount equal to the absolute value of the Negative LMP times such excess MWh.

(d) Curtailed Payments. Seller shall receive no compensation from Buyer for (i) Adjusted Facility Energy or Deemed Delivered Energy during any Curtailment Period and (ii) Deemed Delivered Energy in amounts below the Curtailment Cap. Buyer shall pay for Deemed Delivered Energy above the Curtailment Cap at the Renewable Rate.

(e) Storage Rate. All Storage Product shall be paid on a monthly basis at the Storage Rate multiplied by current Storage Contract Capacity, as adjusted by the Availability Adjusted Storage Contract Capacity of the Storage Facility, as determined under Exhibit P. Such payment constitutes the entirety of the amount due to Seller from Buyer for the Storage Product (other than Discharging Energy which is part of Adjusted Facility Energy).

(f) Test Energy. Test Energy is compensated in accordance with Section 3.6.

(g) Tax Credits. The Parties agree that the none of the Renewable Rate, the Storage Rate or the Test Energy Rate are subject to adjustment or amendment if Seller fails to receive any Tax Credits, or if any Tax Credits expire, are repealed or otherwise cease to apply to Seller or the Facility in whole or in part, or Seller or its investors are unable to benefit from any Tax Credits. Except as provided in Section 12.1, Seller shall bear all risks, financial and otherwise, throughout the Contract Term, associated with Seller’s or the Facility’s eligibility to receive Tax Credits or to qualify for accelerated depreciation for Seller’s accounting, reporting or Tax purposes. The obligations of the Parties hereunder, including those obligations set forth herein regarding the purchase and price for and Seller’s obligation to deliver Adjusted Facility Energy

and Product, shall be effective regardless of whether the sale of Facility Energy is eligible for, or receives Tax Credits during the Contract Term.

EXHIBIT D**SCHEDULING COORDINATOR RESPONSIBILITIES****Scheduling Coordinator Responsibilities.**

(a) Buyer as Scheduling Coordinator for the Facility. Upon Initial Synchronization of the Facility to the CAISO Grid, Buyer (or its designated qualified third party) shall be the Scheduling Coordinator and provide Scheduling Coordinator services with the CAISO for the Facility for both the delivery and the receipt of Test Energy and the Product at the Delivery Point. At least thirty (30) days prior to the Initial Synchronization of the Facility to the CAISO Grid, (i) Seller shall take all actions and execute and deliver to Buyer and the CAISO all documents necessary to authorize or designate Buyer (or Buyer's designee) as the Scheduling Coordinator for the Facility effective as of the Initial Synchronization of the Facility to the CAISO Grid, and (ii) Buyer shall, and shall cause its designee to, take all actions and execute and deliver to Seller and the CAISO all documents necessary to authorize or designate Buyer or its designee as the Scheduling Coordinator for the Facility effective as of the Initial Synchronization of the Facility to the CAISO Grid. On and after Initial Synchronization of the Facility to the CAISO Grid, Seller shall not authorize or designate any other party to act as the Facility's Scheduling Coordinator, nor shall Seller perform for its own benefit the duties of Scheduling Coordinator, and Seller shall not revoke Buyer's authorization to act as the Facility's Scheduling Coordinator unless agreed to by Buyer. Buyer (as the Facility's SC) shall submit Schedules to the CAISO in accordance with this Agreement and the applicable CAISO Tariff, protocols and Scheduling practices for Product on a day-ahead, hour-ahead, fifteen-minute market or real time basis, as determined by Buyer. Buyer shall cause its Scheduling Coordinator to reasonably cooperate with Seller during the testing and commissioning of the Facility prior to the Commercial Operation Date.

(b) Notices. Buyer (as the Facility's SC) shall provide Seller with access to a web-based system through which Seller shall submit to Buyer (as the Facility's SC) and the CAISO all notices and updates required under the CAISO Tariff regarding the Facility's status, including, but not limited to, all outage requests, forced outages, forced outage reports, clearance requests, or must offer waiver forms. Seller will cooperate with Buyer to provide such notices and updates. If the web-based system is not available, Seller shall promptly submit such information to Buyer (as the Facility's SC) and the CAISO (in order of preference) telephonically, by electronic mail, transmission to the personnel designated to receive such information.

(c) CAISO Costs and Revenues. Except as otherwise set forth below, Buyer (as Scheduling Coordinator for the Facility) shall be responsible for CAISO costs (including penalties, Imbalance Energy costs, and other charges) and shall be entitled to all CAISO revenues (including credits, Imbalance Energy revenues, and other payments), including revenues associated with CAISO dispatches, bid cost recovery, Inter-SC Trade credits, or other credits in respect of the Product Scheduled or delivered from the Facility. Seller shall be responsible for all CAISO penalties imposed on Buyer resulting from any failure by Seller to abide by the CAISO Tariff requirements imposed on it as Facility owner (but not in connection with obligations of Buyer hereunder) or the outage notification requirements set forth in this Agreement (except to the extent such non-compliance is caused by Buyer's failure to perform its duties as Scheduling Coordinator for the Facility). The Parties agree that any Availability Incentive Payments (as

defined in the CAISO Tariff) are for the benefit of the Seller and for Seller's account and that any Non-Availability Charges (as defined in the CAISO Tariff) are the responsibility of the Seller and for Seller's account except to the extent such Non-Availability Charges are caused by Buyer's (as Scheduling Coordinator) failure to perform its must-offer requirements under Section 40.6 of the CAISO Tariff or caused by Buyer's other actions (as Scheduling Coordinator) in which case such Non-Availability Charges shall be the responsibility of Buyer and for Buyer's account. In addition, if during the Delivery Term, the CAISO implements or has implemented any sanction or penalty related to scheduling requirements imposed on it as Facility owner (but not in connection with obligations of Buyer hereunder), outage reporting, or generator operation, and any such sanctions or penalties are imposed upon the Facility or to Buyer as Scheduling Coordinator due to failure by Seller to abide by the CAISO Tariff or the outage notification requirements set forth in this Agreement, the cost of the sanctions or penalties shall be the Seller's responsibility.

(d) CAISO Settlements. Buyer (as the Facility's SC) shall be responsible for all settlement functions with the CAISO related to the Facility. Buyer shall render a separate invoice to Seller for any CAISO payments, charges or penalties ("**CAISO Charges Invoice**") for which Seller is responsible under this Agreement. CAISO Charges Invoices shall be rendered after settlement information becomes available from the CAISO that identifies any CAISO charges. Notwithstanding the foregoing, Seller acknowledges that the CAISO will issue additional invoices reflecting CAISO adjustments to such CAISO charges. Buyer will review, validate, and if requested by Seller under paragraph (e) below, dispute any charges that are the responsibility of Seller in a timely manner and consistent with Buyer's existing settlement processes for charges that are Buyer's responsibilities. Subject to Seller's right to dispute and to have Buyer pursue the dispute of any such invoices, Seller shall pay the amount of CAISO Charges Invoices within ten (10) Business Days of Seller's receipt of the CAISO Charges Invoice. If Seller fails to pay such CAISO Charges Invoice within that period, Buyer may net or offset any amounts owing to it for these CAISO Charges Invoices against any future amounts it may owe to Seller under this Agreement. The obligations under this Section with respect to payment of CAISO Charges Invoices shall survive the expiration or termination of this Agreement.

(e) Dispute Costs. Buyer (as the Facility's SC) may be required to dispute CAISO settlements in respect of the Facility. Buyer agrees to pay costs and expenses (including reasonable attorneys' fees) associated with its involvement with such CAISO disputes, except to the extent they relate to CAISO charges payable by Seller under this Agreement with respect to the Facility.

(f) Terminating Buyer's Designation as Scheduling Coordinator. At least thirty (30) days prior to expiration of this Agreement or as soon as reasonably practicable upon an earlier termination of this Agreement, the Parties will take all actions necessary to terminate the designation of Buyer as Scheduling Coordinator for the Facility as of 11:59 p.m. on such expiration date.

(g) Master Data File and Resource Data Template. Seller shall provide the data to the CAISO (and to Buyer) that is required for the CAISO's Master Data File and Resource Data Template (or successor data systems) for the Facility consistent with this Agreement. Neither Party shall change such data without the other Party's prior written consent.

(h) NERC Reliability Standards. Buyer (as Scheduling Coordinator) shall cooperate reasonably with Seller to the extent necessary to enable Seller to comply, and for Seller to demonstrate Seller's compliance with, NERC reliability standards. This cooperation shall include the provision of information in Buyer's possession that Buyer (as Scheduling Coordinator) has provided to the CAISO related to the Facility or actions taken by Buyer (as Scheduling Coordinator) related to Seller's compliance with NERC reliability standards.

(i) Station Power Program. If Seller enrolls in CAISO's Station Power Program (Appendix I in the CAISO Tariff), Buyer (as Scheduling Coordinator) shall, or shall cause its designee as Scheduling Coordinator to, cooperate reasonably with Seller to the extent necessary to allow Seller to participate in such Program, including scheduling station service load in the CAISO markets.

EXHIBIT E
PROGRESS REPORTING FORM

Each Progress Report must include the following items:

1. Executive Summary.
2. Facility description.
3. Site plan of the Facility.
4. Description of any material planned changes to the Facility or the Site.
5. Gantt chart schedule showing progress on achieving each of the Milestones.
6. Summary of activities during the previous calendar quarter or month, as applicable, including any OSHA labor hour reports.
7. Forecast of activities scheduled for the current calendar quarter.
8. Written description about the progress relative to Seller's Milestones, including whether Seller has met or is on target to meet the Milestones.
9. List of issues that are likely to potentially affect Seller's Milestones.
10. A status report of start-up activities including a forecast of activities ongoing and after start-up, a report on Facility performance including performance projections for the next twelve (12) months.
11. Prevailing wage reports as required by Law.
12. Progress and schedule of all major agreements, contracts, permits, approvals, technical studies, financing agreements and major equipment purchase orders showing the start dates, completion dates, and completion percentages.
13. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Facility, the interconnection into the Transmission System and all other interconnection utility services.
14. Supplier Diversity Reporting (if applicable). Format to be provided by Buyer.
15. Any other documentation reasonably requested by Buyer.

EXHIBIT F-1**FORM OF AVERAGE EXPECTED ENERGY REPORT**

[Average Expected Energy, MWh Per Hour]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00	
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The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

EXHIBIT F-2
FORM OF MONTHLY DELIVERY FORECAST

		Day																												
HE	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
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EXHIBIT G

GUARANTEED ENERGY PRODUCTION DAMAGES CALCULATION

In accordance with Section 4.7, if Seller fails to achieve the Guaranteed Energy Production during any Performance Measurement Period, a liquidated damages payment shall be due from Seller to Buyer, calculated as follows:

$$[(A - B) * (C - D)]$$

where:

A = the Guaranteed Energy Production amount for the Performance Measurement Period, in MWh

B = the Adjusted Energy Production amount for the Performance Measurement Period, in MWh

C = Replacement price for the Contract Year, in \$/MWh, which is the sum of (a) the weighted average of the Integrated Forward Market hourly price for all the Reference Hours in the Performance Measurement Period, as published by the CAISO, for the Existing Zone Generation Trading Hub (as defined in the CAISO Tariff) for the Delivery Point weighted by hourly and monthly volumes in Exhibit F-1, [REDACTED]

D = the Renewable Rate for the Contract Year, in \$/MWh

“**Adjusted Energy Production**” shall mean the sum of the following: Adjusted Facility Energy + Deemed Delivered Energy + Lost Output + Replacement Energy.

“**Lost Output**” has the meaning given in Section 4.7 of the Agreement. The Lost Output shall be calculated in the same manner as Deemed Delivered Energy is calculated, in accordance with the definition thereof.

“**Reference Hour**” means any hour from hour-ending 0700 to hour-ending 2200 (i.e., 7:00 AM to 9:59 PM) on Monday through Sunday, Pacific Prevailing Time, excluding North American Electric Reliability Council (NERC) holidays.

“**Replacement Ancillary Services**” means Ancillary Services available under the Ancillary Services portion of the Product that would have been generated by the Facility during the Performance Measurement Period for which the Replacement Ancillary Services are being provided.

“**Replacement Capacity Attributes**” means Capacity Attributes, if any, equivalent to those that would have been provided by the Facility during the Performance Measurement Period for which the Replacement Capacity Attributes are being provided.

“Replacement Energy” means energy produced by a facility other than the Facility that, at the time delivered to Buyer, qualifies under Public Utilities Code 399.16(b)(1), and, unless otherwise agreed by Buyer, has Green Attributes that have the same or comparable value, including with respect to the timeframe for retirement of such Green Attributes, if any, as the Green Attributes that would have been generated by the Facility during the Contract Year for which the Replacement Energy is being provided.

“Replacement Green Attributes” means Renewable Energy Credits of the same Portfolio Content Category (i.e., PCC1) as the Green Attributes portion of the Product and of the same timeframe for retirement as the Renewable Energy Credits that would have been generated by the Facility during the Performance Measurement Period for which the Replacement Green Attributes are being provided.

“Replacement Product” means (a) Replacement Energy, (b) Replacement Capacity Attributes, and (c) Replacement Ancillary Services, provided that Replacement Capacity Attributes and/or Replacement Ancillary Services shall not be a component of Replacement Product if Buyer’s bidding activities have caused the Facility to be ineligible for Capacity Attributes or Ancillary Services, as the case may be, at the time that Replacement Product is to be provided.

No payment shall be due if the calculation of (A - B) or (C - D) yields a negative number.

Within sixty (60) days after each Contract Year, Buyer will send Seller Notice of the amount of damages owing, if any, which shall be payable to Buyer before the later of (a) thirty (30) days of such Notice and (b) ninety (90) days after each Performance Measurement Period, provided that the amount of damages owing shall be adjusted to account for Replacement Product, if any, delivered after each applicable Performance Measurement Period.

EXHIBIT H

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification (“**Certification**”) of Commercial Operation is delivered by _____ [*licensed professional engineer*] (“**Engineer**”) to East Bay Community Energy Authority, a California joint powers authority (“**Buyer**”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ (“**Agreement**”) by and between [*Seller*] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of _____ [DATE]_____, Engineer hereby certifies and represents to Buyer the following:

1. The Generating Facility is fully operational, reliable and interconnected, fully integrated and synchronized with the Transmission System.
2. Seller has installed equipment for the Generating Facility with a nameplate capacity of no less than ninety percent (90%) of the Guaranteed Capacity.
3. Seller has installed equipment for the Storage Facility with a nameplate capacity of no less than ninety percent (90%) of the Storage Contract Capacity.
4. Seller has commissioned all equipment in accordance with its respective manufacturer’s specifications.
5. The Generating Facility’s testing included a performance test demonstrating peak electrical output of no less than ninety percent (90%) of the Guaranteed Capacity for the Generating Facility at the Delivery Point, as adjusted for ambient conditions on the date of the Facility testing, and such peak electrical output, as adjusted, was [*peak output in MW*].
6. The Storage Facility is fully capable of charging, storing and discharging energy up to no less than ninety percent (90) of the Storage Contract Capacity and receiving instructions to charge, store and discharge energy, all within the operational constraints and subject to the applicable Operating Restrictions.
7. Authorization to parallel the Facility was obtained by the Participating Transmission Owner, [Name of Participating Transmission Owner as appropriate] on _____ [DATE]_____.
8. The Transmission Provider has provided documentation supporting full unrestricted release for Commercial Operation by [Name of Participating Transmission Owner as appropriate] on _____ [DATE]_____.
9. The CAISO has provided notification supporting Commercial Operation, in accordance with the CAISO Tariff on _____ [DATE]_____.

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this _____ day of _____, 20__.

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Its: _____

Date: _____

EXHIBIT I-1

FORM OF INSTALLED PV CAPACITY CERTIFICATE

This certification ("**Certification**") of Installed PV Capacity is delivered by [licensed professional engineer] ("**Engineer**") to East Bay Community Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ ("**Agreement**") by and between [*SELLER ENTITY*] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

I hereby certify the performance test for the Generating Facility demonstrated peak electrical output of __ MW AC at the Delivery Point, as adjusted for ambient conditions on the date of the performance test ("**Installed PV Capacity**").

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this _____ day of _____, 20__.

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Its: _____

Date: _____

EXHIBIT I-2

FORM OF INSTALLED BATTERY CAPACITY CERTIFICATE

This certification ("**Certification**") of Installed Battery Capacity is delivered by [licensed professional engineer] ("**Engineer**") to East Bay Community Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ ("**Agreement**") by and between [*SELLER ENTITY*] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

I hereby certify the Storage Capacity Test demonstrated a maximum dependable operating capability that can be sustained for two (2) consecutive hours to discharge electric energy of ___ MW AC to the Delivery Point, in accordance with the testing procedures, requirements and protocols set forth in Section 4.9 and Exhibit Q (the "**Installed Battery Capacity**").

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this _____ day of _____, 20__.

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Its: _____

Date: _____

EXHIBIT J

FORM OF CONSTRUCTION START DATE CERTIFICATE

This certification of Construction Start Date (“**Certification**”) is delivered by [SELLER ENTITY] (“**Seller**”) to East Bay Community Energy Authority, a California joint powers authority (“**Buyer**”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ (“**Agreement**”) by and between Seller and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Seller hereby certifies and represents to Buyer the following:

- (1) Construction Start (as defined in Exhibit B of the Agreement) has occurred, and a copy of the notice to proceed that Seller issued to its contractor as part of Construction Start is attached hereto.
- (2) the precise Site on which the Facility is located is, which must be within the boundaries of the previously identified Site (such description shall amend the description of the Site in Exhibit A):

_____.

IN WITNESS WHEREOF, the undersigned has executed this Certification on behalf of Seller as of the ___ day of _____.

[SELLER ENTITY]

By: _____

Its: _____

Date: _____

EXHIBIT K

FORM OF LETTER OF CREDIT

[Issuing Bank Letterhead and Address]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [XXXXXXXX]

Date:
Bank Ref.:
Amount: US\$[XXXXXXXXXX]
Expiry Date:

APPLICANT DETAILS TO BE PROVIDED

Beneficiary:

East Bay Community Energy Authority, a California joint powers authority
1111 Broadway, Suite 300
Oakland, CA 94607

Ladies and Gentlemen:

By the order of _____ (“Applicant”), we, [insert bank name and address] (“Issuer”) hereby issue our Irrevocable Standby Letter of Credit No. [XXXXXXXX] (the “Letter of Credit”) in favor of East Bay Community Energy Authority, a California joint powers authority (“Beneficiary”), 1111 Broadway, Suite 300, Oakland, CA 94607, for an amount not to exceed the aggregate sum of U.S. \$[XXXXXXXX] (United States Dollars [XXXXXX] and 00/100), pursuant to that certain Renewable Power Purchase Agreement dated as of [Date of Contract / Agreement should be past or the date of issuance. In case of future contract date the LC text will be adjusted to reflect this change] _ [XXXXXX] and as amended (the “Agreement”) between Applicant and Beneficiary. This Letter of Credit shall become effective immediately and shall expire on [XXXXXX] which is one year after the issue date of this Letter of Credit, or any expiration date extended in accordance with the terms hereof (the “Expiration Date”).

Funds under this Letter of Credit are available to Beneficiary by presentation on or before the Expiration Date of a dated statement purportedly signed by your duly authorized representative, in the form attached hereto as Exhibit A, containing one of the two alternative paragraphs set forth in paragraph 2 therein, referencing our Letter of Credit No. [XXXXXXXX] (“Drawing Certificate”).

The Drawing Certificate may be presented by (a) physical delivery, or (B) facsimile to [bank fax number [XXX-XXX-XXXX]] confirmed by [e-mail to [bank email address]] (if presented by fax it must be followed up by a phone call to us at [XXXXXXXX] or [XXXXXXXX] to confirm receipt)

with the originals to follow via courier. The drawing will be effective upon our receipt of the original documents at the above noted address.

The original of this Letter of Credit (and all amendments, if any) is not required to be presented in connection with any presentment of a Drawing Certificate by Beneficiary hereunder in order to receive payment.

We hereby agree with the Beneficiary that documents presented under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation to the Issuer on or before the Expiration Date. All payments made under this Letter of Credit shall be made with Issuer's own immediately available funds by means of wire transfer in immediately available United States dollars to Beneficiary's account as indicated by Beneficiary in its Drawing Certificate or in a communication accompanying its Drawing Certificate.

Partial draws are permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance.

It is a condition of this Letter of Credit that the Expiration Date shall be deemed automatically extended without an amendment for a one year period beginning on the present Expiration Date hereof and upon each anniversary for such date, unless at least one hundred twenty (120) days prior to any such Expiration Date we have sent to you written notice by registered mail or overnight courier service that we elect not to extend this Letter of Credit, in which case it will expire on the date specified in such notice. No presentation made under this Letter of Credit after such Expiration Date will be honored.

Notwithstanding any reference in this Letter of Credit to any other documents, instruments or agreements, this Letter of Credit contains the entire agreement between Beneficiary and Issuer relating to the obligations of Issuer hereunder.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Publication No. 600 (the "UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. In the event of an act of God, riot, civil commotion, insurrection, war or any other cause beyond Issuer's control (as defined in Article 36 of the UCP) that interrupts Issuer's business and causes the place for presentation of the Letter of Credit to be closed for business on the last day for presentation, the Expiration Date of the Letter of Credit will be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

Please address all correspondence regarding this Letter of Credit to the attention of the Letter of Credit Department at [*insert bank address information*], referring specifically to Issuer's Letter of Credit No. [XXXXXXX]. For telephone assistance, please contact Issuer's Standby Letter of Credit Department at [XXX-XXX-XXXX] and have this Letter of Credit available.

All notices to Beneficiary shall be in writing and are required to be sent by certified letter, overnight courier, or delivered in person to: East Bay Community Energy Authority, Chief Operating Officer, 1111 Broadway, Suite 300, Oakland, CA 94607. Only notices to Beneficiary

meeting the requirements of this paragraph shall be considered valid. Any notice to Beneficiary which is not in accordance with this paragraph shall be void and of no force or effect.

[Bank Name]

[Insert officer name]

[Insert officer title]

Exhibit A: (DRAW REQUEST SHOULD BE ON BENEFICIARY’S LETTERHEAD)

Drawing Certificate

[Insert Bank Name and Address]

Ladies and Gentlemen:

The undersigned, a duly authorized representative of East Bay Community Energy Authority, a California joint powers authority, 1111 Broadway, Suite 300, Oakland, CA 94607, as beneficiary (the “Beneficiary”) of the Irrevocable Letter of Credit No. [XXXXXXX] (the “Letter of Credit”) issued by [insert bank name] (the “Bank”) by order of _____ (the “Applicant”), hereby certifies to the Bank as follows:

1. Applicant and Beneficiary are party to that certain Renewable Power Purchase Agreement dated as of _____, 20__ (the “Agreement”).
2. Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. \$ _____ because a Seller Event of Default (as such term is defined in the Agreement) or other occasion provided for in the Agreement where Beneficiary is authorized to draw on the letter of credit has occurred.

OR

Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. \$ _____, which equals the full available amount under the Letter of Credit, because we have received notice from the Bank that you have elected not to extend the Expiration Date of the Letter of Credit beyond its current Expiration Date and Applicant is required to maintain the Letter of Credit in force and effect beyond the expiration date of the Letter of Credit but has failed to provide Beneficiary with a replacement Letter of Credit or other acceptable instrument within thirty (30) days prior to such expiration date.

3. The undersigned is a duly authorized representative of East Bay Community Energy Authority, a California joint powers authority and is authorized to execute and deliver this Drawing Certificate on behalf of Beneficiary.

You are hereby directed to make payment of the requested amount to East Bay Community Energy Authority, a California joint powers authority by wire transfer in immediately available funds to the following account:

[Specify account information]

East Bay Community Energy Authority

Name and Title of Authorized Representative

Date _____

EXHIBIT L

FORM OF GUARANTY

This Guaranty (this “**Guaranty**”) is entered into as of [_____] (the “**Effective Date**”) by and between [_____] a [_____] (“**Guarantor**”), and East Bay Community Energy Authority, a California joint powers authority (together with its successors and permitted assigns, “**Buyer**”).

Recitals

- A. Buyer and [SELLER ENTITY], a _____ (“**Seller**”), entered into that certain Renewable Power Purchase Agreement (as amended, restated or otherwise modified from time to time, the “**PPA**”) dated as of [_____] 20____.
- B. Guarantor is entering into this Guaranty as Performance Security to secure Seller’s obligations under the PPA, as required by Section 8.8 of the PPA.
- C. It is in the best interest of Guarantor to execute this Guaranty inasmuch as Guarantor will derive substantial direct and indirect benefits from the execution and delivery of the PPA.
- D. Initially capitalized terms used but not defined herein have the meaning set forth in the PPA.

Agreement

1. Guaranty. For value received, Guarantor does hereby unconditionally, absolutely and irrevocably guarantee, as primary obligor and not as a surety, to Buyer the full, complete and prompt payment by Seller of any and all amounts and payment obligations now or hereafter owing from Seller to Buyer under the PPA, including, without limitation, compensation for penalties, the Termination Payment, indemnification payments or other damages, as and when required pursuant to the terms of the PPA (the “**Guaranteed Amount**”), provided, that Guarantor’s aggregate liability under or arising out of this Guaranty shall not exceed _____ Dollars (\$_____). The Parties understand and agree that any payment by Guarantor or Seller of any portion of the Guaranteed Amount shall thereafter reduce Guarantor’s maximum aggregate liability hereunder on a dollar-for-dollar basis. This Guaranty is an irrevocable, absolute, unconditional and continuing guarantee of the full and punctual payment and performance, and not of collection, of the Guaranteed Amount and, except as otherwise expressly addressed herein, is in no way conditioned upon any requirement that Buyer first attempt to collect the payment of the Guaranteed Amount from Seller, any other guarantor of the Guaranteed Amount or any other Person or entity or resort to any other means of obtaining payment of the Guaranteed Amount. In the event Seller shall fail to duly, completely or punctually pay any Guaranteed Amount as required pursuant to the PPA, Guarantor shall promptly pay such amount as required herein.

2. Demand Notice. For avoidance of doubt, a payment shall be due for purposes of this Guaranty only when and if a payment is due and payable by Seller to Buyer under the terms and conditions of the Agreement. If Seller fails to pay any Guaranteed Amount as required pursuant to the PPA for five (5) Business Days following Seller’s receipt of Buyer’s written notice of such

failure (the “**Demand Notice**”), then Buyer may elect to exercise its rights under this Guaranty and may make a demand upon Guarantor (a “**Payment Demand**”) for such unpaid Guaranteed Amount. A Payment Demand shall be in writing and shall reasonably specify in what manner and what amount Seller has failed to pay and an explanation of why such payment is due and owing, with a specific statement that Buyer is requesting that Guarantor pay under this Guaranty. Guarantor shall, within five (5) Business Days following its receipt of the Payment Demand, pay the Guaranteed Amount to Buyer.

3. Scope and Duration of Guaranty. This Guaranty applies only to the Guaranteed Amount. This Guaranty shall continue in full force and effect from the Effective Date until the earlier of the following: (x) all Guaranteed Amounts have been paid in full (whether directly or indirectly through set-off or netting of amounts owed by Buyer to Seller), or (y) replacement Performance Security is provided in an amount and form required by the terms of the PPA. Further, this Guaranty (a) shall remain in full force and effect without regard to, and shall not be affected or impaired by any invalidity, irregularity or unenforceability in whole or in part of this Guaranty, and (b) subject to the preceding sentence, shall be discharged only by complete performance of the undertakings herein. Without limiting the generality of the foregoing, the obligations of the Guarantor hereunder shall not be released, discharged, or otherwise affected and this Guaranty shall not be invalidated or impaired or otherwise affected for the following reasons:

- (i) the extension of time for the payment of any Guaranteed Amount, or
- (ii) any amendment, modification or other alteration of the PPA, or
- (iii) any indemnity agreement Seller may have from any party, or
- (iv) any insurance that may be available to cover any loss, except to the extent insurance proceeds are used to satisfy the Guaranteed Amount, or
- (v) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, Seller or any of its assets, including but not limited to any rejection or other discharge of Seller’s obligations under the PPA imposed by any court, trustee or custodian or any similar official or imposed by any law, statute or regulation, in each such event in any such proceeding, or
- (vi) the release, modification, waiver or failure to pursue or seek relief with respect to any other guaranty, pledge or security device whatsoever, or
- (vii) any payment to Buyer by Seller that Buyer subsequently returns to Seller pursuant to court order in any bankruptcy or other debtor-relief proceeding, or
- (viii) those defenses based upon (A) the legal incapacity or lack of power or authority of any Person, including Seller and any representative of Seller to enter into the PPA or perform its obligations thereunder, (B) lack of due execution, delivery, validity or enforceability, including of the PPA, or (C) Seller’s inability to pay any Guaranteed Amount or perform its obligations under the PPA, or

(ix) any other event or circumstance that may now or hereafter constitute a defense to payment of the Guaranteed Amount, including, without limitation, statute of frauds and accord and satisfaction;

provided that, subject to Guarantor's payment of a Guaranteed Amount in accordance with Paragraph 2, Guarantor reserves the right to assert for itself in a subsequent proceeding any defenses, setoffs or counterclaims that Seller is or may be entitled to assert against Buyer (except for such defenses, setoffs or counterclaims that may be asserted by Seller with respect to the PPA, but that are expressly waived under any provision of this Guaranty).

4. Waivers by Guarantor. Guarantor hereby unconditionally waives as a condition precedent to the performance of its obligations hereunder, with the exception of the requirements in Paragraph 2, (a) notice of acceptance, presentment or protest with respect to the Guaranteed Amounts and this Guaranty, (b) notice of any action taken or omitted to be taken by Buyer in reliance hereon, (c) any requirement that Buyer exhaust any right, power or remedy or proceed against Seller under the PPA, and (d) any event, occurrence or other circumstance which might otherwise constitute a legal or equitable discharge of a surety. Without limiting the generality of the foregoing waiver of surety defenses, it is agreed that the occurrence of any one or more of the following shall not affect the liability of Guarantor hereunder:

(i) at any time or from time to time, without notice to Guarantor, the time for payment of any Guaranteed Amount shall be extended, or such performance or compliance shall be waived;

(ii) the obligation to pay any Guaranteed Amount shall be modified, supplemented or amended in any respect in accordance with the terms of the PPA;

(iii) subject to Section 10, any (a) sale, transfer or consolidation of Seller into or with any other entity, (b) sale of substantial assets by, or restructuring of the corporate existence of, Seller or (c) change in ownership of any membership interests of, or other ownership interests in, Seller; or

(iv) the failure by Buyer or any other Person to create, preserve, validate, perfect or protect any security interest granted to, or in favor of, Buyer or any Person.

5. Subrogation. Notwithstanding any payments that may be made hereunder by the Guarantor, Guarantor hereby agrees that until the earlier of payment in full of all Guaranteed Amounts or expiration of the Guaranty in accordance with Section 3, it shall not be entitled to, nor shall it seek to, exercise any right or remedy arising by reason of its payment of any Guaranteed Amount under this Guaranty, whether by subrogation or otherwise, against Seller or seek contribution or reimbursement of such payments from Seller.

6. Representations and Warranties. Guarantor hereby represents and warrants that (a) it has all necessary and appropriate [*limited liability company*]/[*corporate*] powers and authority and the legal right to execute and deliver, and perform its obligations under, this Guaranty, (b) this Guaranty constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting enforcement of creditors' rights or general principles of equity, (c) the execution, delivery and performance of this Guaranty does not and will not contravene Guarantor's

organizational documents, any applicable Law or any contractual provisions binding on or affecting Guarantor, (d) there are no actions, suits or proceedings pending before any court, governmental agency or arbitrator, or, to the knowledge of the Guarantor, threatened, against or affecting Guarantor or any of its properties or revenues which may, in any one case or in the aggregate, adversely affect the ability of Guarantor to enter into or perform its obligations under this Guaranty, and (e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or Governmental Authority, and no consent of any other Person (including, any stockholder or creditor of the Guarantor), that has not heretofore been obtained is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty by Guarantor.

7. Notices. Notices under this Guaranty shall be deemed received if sent to the address specified below: (i) on the day received if served by overnight express delivery, and (ii) four Business Days after mailing if sent by certified, first class mail, return receipt requested. If transmitted by facsimile, such notice shall be deemed received when the confirmation of transmission thereof is received by the party giving the notice. Any party may change its address or facsimile to which notice is given hereunder by providing notice of the same in accordance with this Paragraph 8.

If delivered to Buyer, to it at
 Attn:
 Fax:

If delivered to Guarantor, to it at
 Attn:
 Fax:

8. Governing Law and Forum Selection. This Guaranty shall be governed by, and interpreted and construed in accordance with, the laws of the United States and the State of California, excluding choice of law rules. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Guaranty shall be brought in the federal courts of the United States or the courts of the State of California sitting in the City and County of Alameda, California.

9. Miscellaneous. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Buyer and its successors and permitted assigns pursuant to the PPA. No provision of this Guaranty may be amended or waived except by a written instrument executed by Guarantor and Buyer. This Guaranty is not assignable by Guarantor without the prior written consent of Buyer. No provision of this Guaranty confers, nor is any provision intended to confer, upon any third party (other than Buyer's successors and permitted assigns) any benefit or right enforceable at the option of that third party. This Guaranty embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings of the parties hereto, verbal or written, relating to the subject matter hereof. If any provision of this Guaranty is determined to be illegal or

unenforceable (i) such provision shall be deemed restated in accordance with applicable Laws to reflect, as nearly as possible, the original intention of the parties hereto and (ii) such determination shall not affect any other provision of this Guaranty and all other provisions shall remain in full force and effect. This Guaranty may be executed in any number of separate counterparts, each of which when so executed shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Guaranty may be executed and delivered by electronic means with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

[Signature on next page]

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be duly executed and delivered by its duly authorized representative on the date first above written.

GUARANTOR:

[_____]

By: _____

Printed Name: _____

Title: _____

BUYER:

[_____]

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

EXHIBIT M**FORM OF REPLACEMENT RA NOTICE**

This Replacement RA Notice (this “**Notice**”) is delivered by [SELLER ENTITY] (“**Seller**”) to East Bay Community Energy Authority, a California joint powers authority (“**Buyer**”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ (“**Agreement**”) by and between Seller and Buyer. All capitalized terms used in this Notice but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Pursuant to Section 3.8(b) of the Agreement, Seller hereby provides the below Replacement RA product information:

Unit Information¹

Name	
Location	
CAISO Resource ID	
Unit SCID	
Prorated Percentage of Unit Factor	
Resource Type	
Point of Interconnection with the CAISO Controlled Grid (“substation or transmission line”)	
Path 26 (North or South)	
LCR Area (if any)	
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	
Run Hour Restrictions	
Delivery Period	

Month	Unit CAISO NQC (MW)	Unit Contract Quantity (MW)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

¹ To be repeated for each unit if more than one.

[SELLER ENTITY]

By: _____

Its: _____

Date: _____

EXHIBIT N**NOTICES**

RACEWAY SOLAR 1, LLC (“Seller”)	EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority (“Buyer”)
All Notices: Street: 2180 South 1300 East, Suite 600 City: Salt Lake City, Utah 84106 Attn: sPower Legal Phone: 801-679-3506 Email: notices@spower.com	All Notices: Street: 1111 Broadway, Suite 300 City: Oakland, CA 94607 Attn: Howard Chang, Chief Operating Officer Phone: (510) 809-7458 Email: hchang@ebce.org With a copy to: General Counsel 1111 Broadway, Suite 300 Oakland, CA 94607 Email: legal@ebce.org With an additional copy to: Hall Energy Law PC Attn: Stephen Hall Phone: (503) 313-0755 Email: steve@hallenergylaw.com
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: [REDACTED] Federal Tax ID Number: [REDACTED]
Invoices: Attn: Accounts Payable Phone: 801-679-3512 E-mail: accountspayable@spower.com	Invoices: Attn: Power Resources Phone: E-mail: powerresources@ebce.org ; ap@ebce.org
Scheduling: Attn: Control Room Phone: 855-679-3553 Email: ControlRoom@spower.com	Scheduling: Attn: NCPA c/o Ken Goeke, Manager, Portfolio and Administration Phone: (916) 781-4290 Email: ken.goeke@ncpa.com

RACEWAY SOLAR 1, LLC ("Seller")	EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority ("Buyer")
Confirmations: Attn: Phone: Facsimile: Email:	Confirmations: Attn: Power Resources Phone: E-mail: powerresources@ebce.org
Payments: Attn: Accounts Payable Phone: 801-679-3512 E-mail: accountspayable@spower.com	Payments: Attn: Howard Chang, Chief Operating Officer Phone: (510) 809-7458 E-mail: hchang@ebce.org
Wire Transfer: BNK: ABA: ACCT:	Wire Transfer: BNK: River City Bank ABA: 121133416 ACCT: *****3199
With additional Notices of an Event of Default to: Attn: Phone: Facsimile: E-mail:	With additional Notices of an Event of Default to: Howard Chang, Chief Operating Officer 1111 Broadway, Suite 300 Oakland, CA 94607 Phone: (510) 809-7458 Email: hchang@ebce.org With a copy to: EBCE General Counsel 1111 Broadway, Suite 300 Oakland, CA 94607 Phone: (510) 838-5266 Email: legal@ebce.org
Emergency Contact: Attn: sPower Control Center Phone: (855) 679 3553 Email: ControlCenter@spower.com	Emergency Contact: Attn: Howard Chang, Chief Operating Officer Phone: (510) 809-7458 E-mail: hchang@ebce.org

EXHIBIT O

STORAGE CAPACITY TESTS

Storage Capacity Test Notice and Frequency

A. Commercial Operation Date Storage Capacity Test. Upon no less than ten (10) Business Days prior Notice to Buyer, Seller shall schedule and complete a Storage Capacity Test prior to the Commercial Operation Date. Such initial Storage Capacity Test shall be performed in accordance with this Exhibit O and shall establish the initial Storage Contract Capacity hereunder based on the actual capacity of the Storage Facility determined by such Storage Capacity Test.

B. Subsequent Storage Capacity Tests. Following the Commercial Operation Date, but not more than twice per Contract Year, upon no less than ten (10) Business Days prior Notice to Seller, Buyer shall have the right to require Seller to schedule and complete a Storage Capacity Test. In addition, Buyer shall have the right to require a retest of the Storage Capacity Test at any time upon no less than five (5) Business Days prior written Notice to Seller if Buyer provides data with such Notice reasonably indicating that the Storage Capacity has varied materially from the results of the most recent Storage Capacity Test. Seller shall have the right to run a retest of any Storage Capacity Test upon five (5) Business Days' prior written Notice to Buyer (or any shorter period reasonably acceptable to Buyer consistent with Prudent Operating Practice).

C. Test Results and Re-Setting of Storage Capacity. In accordance with Section 4.9(c) of the Agreement and Part II I. below, the actual capacity determined pursuant to a Storage Capacity Test (up to, but not in excess of, the original Storage Contract Capacity set forth on the Cover Sheet, as such original Storage Contract Capacity on the Cover Sheet may have been adjusted (if at all) pursuant to Exhibit B) shall become the new Storage Contract Capacity at the beginning of the day following the completion of the test for calculating the monthly payment for the Storage Product and all other purposes under this Agreement.

Storage Capacity Test Procedures

PART I. GENERAL.

Each Storage Capacity Test (including the initial Storage Capacity Test and all re-performances thereof) shall be conducted in accordance with Prudent Operating Practices and the provisions of this Exhibit O. For ease of reference, a Storage Capacity Test is sometimes referred to in this Exhibit O as a "**SCT**". Buyer or its representative may be present for the SCT and may, for informational purposes only, use its own metering equipment (at Buyer's sole cost).

PART II. REQUIREMENTS APPLICABLE TO ALL STORAGE CAPACITY TESTS.

- A. Test Elements. Each SCT shall include the following test elements:
- Electrical output at Maximum Discharging Capacity (as defined in Exhibit A) at the Storage Facility Meter and concurrently at the Facility Meter (MW);
 - Electrical input at Maximum Charging Capacity (as defined in Exhibit A) at the Storage Facility Meter (MW);
 - Amount of time between the Storage Facility's electrical output going from 0 to Maximum Discharging Capacity;
 - Amount of time between the Storage Facility's electrical input going from 0 to Maximum Charging Capacity;
 - Amount of energy required to go from 0% Stored Energy Level to 100% Stored Energy Level charging at a rate equal to the Maximum Charging Capacity.
- B. Parameters. During each SCT, the following parameters shall be measured and recorded simultaneously for the Storage Facility, at ten (10) minute intervals:
- (1) Time;
 - (2) Net electrical energy output to the Storage Facility Meters (kWh) (i.e., to each measurement device making up the Storage Facility Meter);
 - (3) Net electrical energy input from the Storage Facility Meters (kWh) (i.e., from each measurement device making up the Storage Facility Meter);
 - (4) Stored Energy Level (MWh).
- C. Site Conditions. During each SCT, the following conditions at the Site shall be measured and recorded simultaneously at thirty (30) minute intervals:
- (1) Relative humidity (%);
 - (2) Barometric pressure (inches Hg) near the horizontal centerline of the Storage Facility; and
 - (3) Ambient air Temperature (°F).
- D. Test Showing. Each SCT must demonstrate that the Storage Facility:
- (1) successfully started;

- (2) operated for at least two (2) consecutive hours at Maximum Discharging Capacity (as defined in Exhibit A);
- (3) operated for at least two (2) consecutive hours at Maximum Charging Capacity (as defined in Exhibit A);
- (4) has a Storage Capacity of an amount that is, at least, equal to the Maximum Stored Energy Level (as defined in Exhibit A); and
- (5) is able to deliver Discharging Energy as measured by the Storage Facility Meter for two (2) consecutive hours at a rate equal to the Maximum Discharging Capacity.

E. Test Conditions.

- (i) General. At all times during a SCT, the Storage Facility shall be operated in compliance with Prudent Operating Practices and all operating protocols recommended, required or established by the manufacturer for operation at Maximum Discharging Capacity and Maximum Charging Capacity (as each is defined in Exhibit A).
- (ii) Abnormal Conditions. If abnormal operating conditions that prevent the recordation of any required parameter occur during a SCT (including a level of irradiance that does not permit the Generating Facility to produce sufficient Charging Energy), Seller may postpone or reschedule all or part of such SCT in accordance with Part II.F below.
- (iii) Instrumentation and Metering. Seller shall provide all instrumentation, metering and data collection equipment required to perform the SCT. The instrumentation, metering and data collection equipment electrical meters shall be calibrated in accordance with Prudent Operating Practice.

F. Incomplete Test. If any SCT is not completed in accordance herewith, Buyer may in its sole discretion: (i) accept the results up to the time the SCT stopped; (ii) require that the portion of the SCT not completed, be completed within a reasonable specified time period; or (iii) require that the SCT be entirely repeated. Notwithstanding the above, if Seller is unable to complete a SCT due to a Force Majeure Event or the actions or inactions of Buyer or the CAISO or the PTO or the Transmission Provider, Seller shall be permitted to reconduct such SCT on dates and at times reasonably acceptable to the Parties.

G. Final Report. Within fifteen (15) Business Days after the completion of any SCT, Seller shall prepare and submit to Buyer a written report of the results of the SCT, which report shall include:

- (1) a record of the personnel present during the SCT that served in an operating, testing, monitoring or other such participatory role;

- (2) the measured data for each parameter set forth in Part II.A through C, including copies of the raw data taken during the test;
- (3) the level of Storage Contract Capacity, charging capacity, discharging capacity and Stored Energy Level determined by the SCT, including supporting calculations; and
- (4) Seller's statement of either Seller's acceptance of the SCT or Seller's rejection of the SCT results and reason(s) therefor.

Within ten (10) Business Days after receipt of such report, Buyer shall notify Seller in writing of either Buyer's acceptance of the SCT results or Buyer's rejection of the SCT and reason(s) therefor.

If either Party rejects the results of any SCT, such SCT shall be repeated in accordance with Part II.F.

- H. Supplementary Storage Capacity Test Protocol. No later than sixty (60) days prior to commencing Facility construction, Seller shall deliver to Buyer for its review and approval (such approval not to be unreasonably delayed or withheld) a supplement to this Exhibit O with additional and supplementary details, procedures and requirements applicable to Storage Capacity Tests based on the then current design of the Facility, including degradation of the Storage Facility ("**Supplementary Storage Capacity Test Protocol**"). Thereafter, from time to time, Seller may deliver to Buyer for its review and approval (such approval not to be unreasonably delayed or withheld) any Seller recommended updates to the then current Supplementary Storage Capacity Test Protocol. The initial Supplementary Storage Capacity Test Protocol (and each update thereto), once approved by Buyer, shall be deemed an amendment to this Exhibit O.
- I. Adjustment to Storage Contract Capacity. The total amount of discharged energy delivered to the Storage Facility Meter (expressed in MWh AC) during each of the first two (2) hours of discharge (up to, but not in excess of, the product of (i) the original Storage Contract Capacity set forth on the Cover Sheet, as such original Storage Contract Capacity on the Cover Sheet may have been adjusted (if at all) under this Agreement, multiplied by (ii) 2 hours) shall be divided by two (2) hours to determine the Storage Contract Capacity, which shall be expressed in MW AC, and shall be the new Storage Contract Capacity in accordance with Section 4.9(c) of the Agreement.

EXHIBIT P

STORAGE AVAILABILITY

Monthly Storage Availability

(a) Calculation of Monthly Storage Availability. Seller shall calculate the “Monthly Storage Availability” in a given month using the formula set forth below:

$$\text{Monthly Storage Availability (\%)} = \frac{[\text{MNTHHRS}_m - \text{UNAVAILHRS}_m]}{\text{MNTHHRS}_m}$$

where:

m = relevant month “m” in which availability is calculated;

MNTHHRS_m is the total number of On-Peak Hours for the month;

UNAVAILHRS_m , is the total number of On-Peak Hours in the month during which the Storage Facility was unavailable to deliver Storage Product for any reason other than the occurrence of any of the following (each, an “**Excused Event**”): a Force Majeure Event, Buyer Bid Curtailment, Buyer Curtailment Orders, Curtailment Orders, System Emergencies, or the Operating Restrictions in Exhibit Q. To be clear, hours of unavailability caused by any Excused Event will not be included in UNAVAILHRS_m for such month. Any other event that results in unavailability of the Storage Facility for less than a full hour will count as an equivalent percentage of the applicable hour(s) for this calculation.

If the Storage Facility or any component thereof was previously deemed unavailable for an hour or part of an hour, and Seller provides a revised Notice indicating the Storage Facility is available for that hour or part of an hour by 5:00 a.m. of the morning Buyer schedules or bids the Storage Facility in the Day-Ahead Market, the Storage Facility will be deemed to be available to the extent set forth in the revised Notice.

If the Storage Facility or any component thereof was previously deemed unavailable for an hour or part of an hour and Seller provides a revised Notice indicating the Storage Facility is available for that hour or part of an hour at least sixty (60) minutes prior to the time the Buyer is required to schedule or bid the Storage Facility in the Real-Time Market, and the Storage Facility is dispatched in the Real-Time Market, the Storage Facility will be deemed to be available to the extent set forth in the revised Notice.

Availability Adjustment

The applicable “**Availability Adjusted Storage Contract Capacity**” is calculated by multiplying the Storage Contract Capacity by the Availability Adjustment (“**Availability Adjustment**” or “**AA**”), which is calculated as follows:

- (i) If the Monthly Storage Availability is greater than or equal to the Guaranteed Storage Availability, then:

$$AA = 100\%$$

- (ii) If the Monthly Storage Availability is less than the Guaranteed Storage Availability, but greater than or equal to 70%, then:

$$AA = 100\% - (\text{Guaranteed Storage Availability} - \text{Monthly Storage Availability}) \times 2$$

- (iii) If the Monthly Storage Availability is less than 70%, then:

$$AA = 0$$

EXHIBIT Q

OPERATING RESTRICTIONS

The Parties will develop and finalize the Operating Restrictions prior to the Commercial Operation Date, provided that the Operating Restrictions (i) will, at a minimum, include the rules, requirements and procedures set forth in this Exhibit Q, (iii) will include protocols and parameters for Seller's operation of the Storage Facility in the absence of Charging Notices, Discharging Notices or other similar instructions from Buyer relating to the use of the Storage Facility, and (iv) may include Storage Facility Scheduling, Operating Restrictions and Communications Protocols. Seller and Buyer agree that Charging Notices and Discharging Notices shall be deemed modified to the extent necessary to comply with the Operating Restrictions.

On the sixth anniversary of the start of the Delivery Term, the Parties will meet and confer on whether any changes to the Operating Restrictions are required, including what percentage, if any, of CAISO Grid energy may be used to charge the Storage Facility. If CAISO Grid energy may be used to charge the Storage Facility, the Parties will also amend this Agreement as may be required under Section 4.5(f).

The following capitalized terms have the meanings ascribed to them below in this Exhibit Q:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

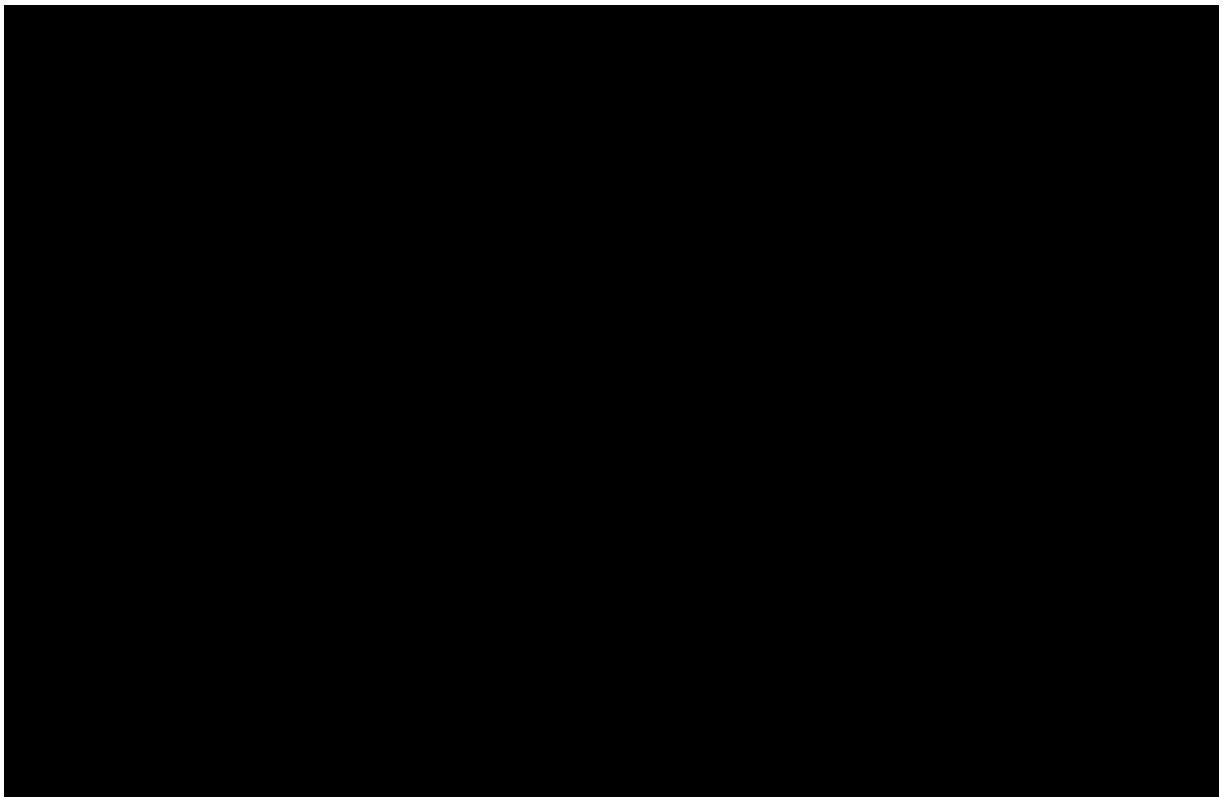
[REDACTED]

[REDACTED]

[REDACTED]

EXHIBIT R**BUYER BID CURTAILMENT AND BUYER CURTAILMENT ORDERS**

Operational characteristics of the Generating Facility for Buyer Bid Curtailment and Buyer Curtailment Orders, which in each case must be equal to or greater than the resource flexibility reflected in the resource Master File, as such term is defined in the CAISO Tariff. Buyer may request that CAISO modify the Master File for the Generating Facility to reflect the findings of a CAISO audit of the Generating Facility and to ensure that the information provided by Seller is true and accurate. Seller agrees to coordinate with Buyer or SC, as applicable, to ensure all information provided to CAISO regarding the operational and technical constraints in the Master File for the Generating Facility are accurate and are actually based on physical characteristics of the resource.



Illustrative Example: [To be revised based on Generating Facility operating constraints]

	Time	Buyer's Order	Seller's Action
	10:00	Curtailment Order (Curtail to 0 MW at 10:10)	Seller implementing order and ramping down from __ MW (10 minutes)
	10:10		At 0 MW

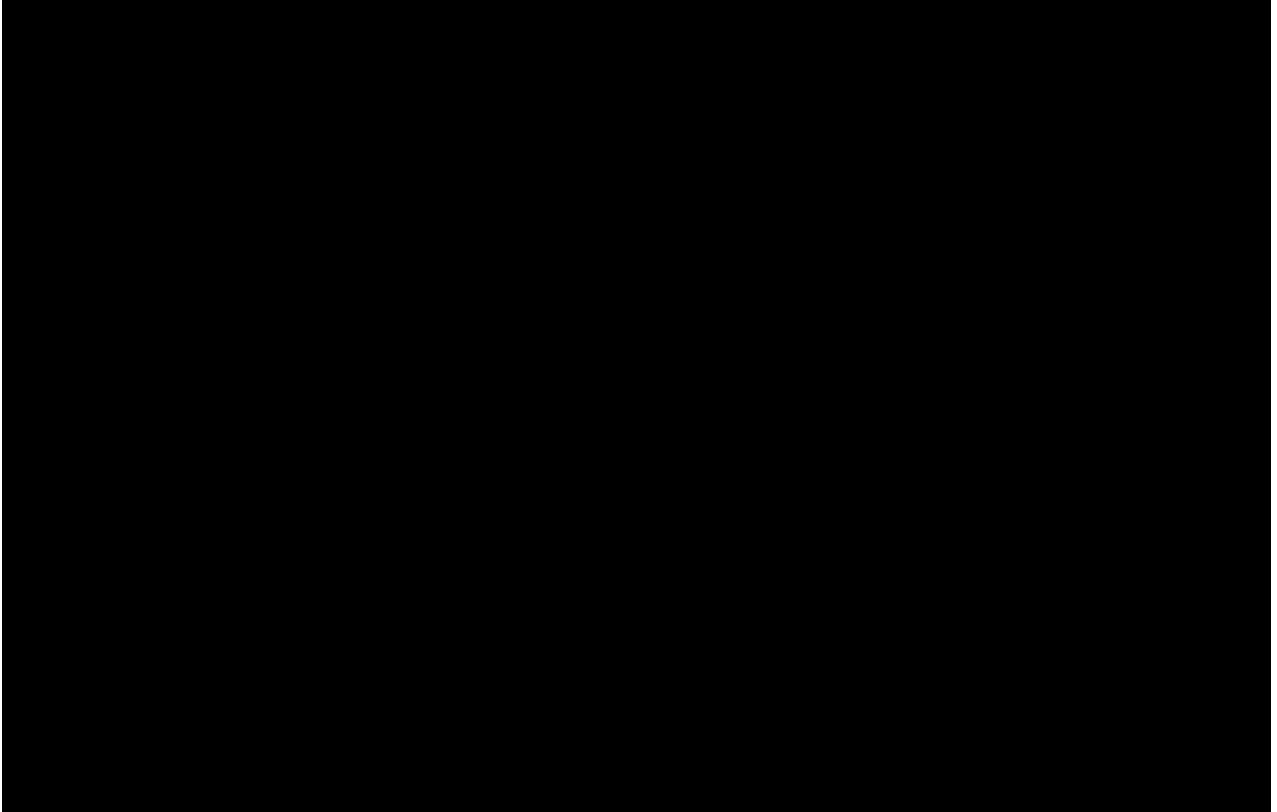
10:10 – 10:15		At 0 MW (minimum down time of 5 min)
10:15	Seller to return to Schedule (__ MW per the Schedule, at 10:23)	Seller implementing order and ramping up
10:23		At Schedule (__ MW, per the Schedule)

EXHIBIT S
WORKFORCE DEVELOPMENT

Seller shall provide funding or grants of up to [REDACTED]

4. Seller or its construction contractor for the Facility shall either (i) execute a project labor agreement with the appropriate building or construction trade unions for construction of covered work under such project labor agreement for the Facility, or (ii) award the contract for construction of the Facility to a union signatory contractor which will employ or subcontract for a union workforce for the appropriate building or construction trades for covered work for the Facility under and governed by such contractor's or subcontractor's existing labor agreements.

EXHIBIT T
METERING DIAGRAM



Seller may add meters or move meters to different locations based on final design of the Facility so long as the Storage Facility is AC coupled, the metering provisions of this Agreement can be complied with, and such metering changes do not affect the measurement or calculation of Electrical Losses and Station Use as required under this Agreement. Any such changes shall not be deemed to be inconsistent with this Exhibit T.