



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Thursday, December 14, 2017**

Peninsula Clean Energy, 2075 Woodside Road,
Redwood City, CA 94061
6:30 p.m.

Supplemental Agenda Packet items. Please find attached:

- Item No. 15 Cover Sheet and Confirmation for purchase of GHG Free electricity from Tenaska Power Services Co.
- Item No. 18 Resolution and Amendment to Agreement with Pacific Energy Advisors

MASTER POWER PURCHASE AND SALE AGREEMENT

COVER SHEET

This *Master Power Purchase and Sale Agreement* (“*Master Agreement*”) is made as of the following date: _____ (“*Effective Date*”). The *Master Agreement*, together with the exhibits, schedules and any written supplements hereto, the Party A Tariff, if any, the Party B Tariff, if any, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions (including any confirmations accepted in accordance with Section 2.3 hereto) shall be referred to as the “*Agreement*.” The Parties to this *Master Agreement* are the following:

Party A: **TENASKA POWER SERVICES CO.**

Party B: **PENINSULA CLEAN ENERGY
AUTHORITY, A CALIFORNIA JOINT POWERS
AUTHORITY**

All Notices:

Street: 1701 E. Lamar Boulevard, Suite 100

City: Arlington, Texas Zip: 76006

Attn: Contract Administration
Phone: (817) 303-1860
Facsimile: (817) 303-1867
Email: TPSCContractAdmins@tnsk.com
Duns Number: 01-501-6913
Federal Tax ID Number: 47-0824081

(The above is the Tax ID for Tenaska Energy, Inc., the parent company of Party A. Party A is a disregarded entity for federal tax purposes.)

Invoices:

Attn: Accounts Payable
Phone: (817) 462-1521
Facsimile: (817) 462-1038
Email: tpscheckout@tnsk.com

Real Time Trading:

Phone: (817) 462-1528
Facsimile: (817) 303-1104

Confirmations:

Attn: Contract Administration
Phone: (817) 303-1110
Facsimile: (817) 462-1520
Email: confirms@tnsk.com

Payments:

Attn: Accounts Receivable
14302 FNB Parkway
Omaha, NE 68154
Phone: (402) 938-1621
Facsimile: (402) 938-1677

All Notices:

Street: 2075 Woodside Road

City: Redwood City, CA Zip: 94061

Attn: Director of Power Resources
Phone: (650) 260-0005
Facsimile: (650) 363-4034
Email: contracts@peninsulacleanenergy.com
Duns: 080262114
Federal Tax ID Number: 81-2708786

Invoices:

Attn: Director of Finance
Phone: (650) 260-0005
Facsimile: (650) 363-4034
Email: finance@peninsulacleanenergy.com

Real Time Trading:

Phone: Director of Power Resources
Facsimile: (650) 363-4034

Confirmations:

Attn: Director of Power Resources
Phone: (650) 260-0005
Facsimile: (650) 363-4034
Email:

Payments:

Attn: Director of Finance
Phone: (650) 260-0005
Facsimile: (650) 363-4034

ACH/Wire Transfer:

[REDACTED]

ACH/Wire Transfer:

[REDACTED]

Credit and Collections:

Attn: Credit Department
Phone: (817) 303-1113
Facsimile: (817) 462-1038
Email: credit@tnsk.com

Credit and Collections:

Attn: Director of Finance
Phone: (650)260-0005
Facsimile: (650) 363-4034
Email: finance@peninsulacleanenergy.com

With additional Notices of an Event of Default or Potential Event of Default to:

Attn: Associate General Counsel
Phone: (817) 462-8053
Facsimile: (817) 303-1104
Email: eodnotices@tnsk.com

With additional Notices of an Event of Default or Potential Event of Default to:

Attn: CEO
Phone: (650) 260-0100
Facsimile: (650) 363-4034
Email: jpepper@peninsulacleanenergy.com

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff: FERC Market Based Rate Tariff, Dated 5/26/94, as amended, Docket No. ER10-1632-000

Party B Tariff:

Article Two

Transaction Terms and Conditions

Optional provision in Section 2.4. If not checked, inapplicable.

Article Four

Remedies for Failure to Deliver or Receive

Accelerated Payment of Damages. If not checked, inapplicable.

Article Five

[REDACTED]

[REDACTED]

Other Entity: (If applicable) Cross Default Amount: \$

5.6 Closeout Setoff

Option A (Applicable if no other selection is made.)

Option B - Affiliates shall have the meaning set forth in the Master Agreement unless otherwise specified as follows:

Assurance from Party A pursuant to Section 8.2(b) on the

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Article 10

Confidentiality

Confidentiality Applicable

If not checked, inapplicable.

Schedule M

- Party A is a Governmental Entity or Public Power System
- Party B is a Governmental Entity or Public Power System
- Add Section 3.6. If not checked, inapplicable
- Add Section 8.4. If not checked, inapplicable

Other Changes

Specify, if any:

Article One

Section 1.53 is amended by (i) deleting the phrase "at the Delivery Point"

[REDACTED]

Article Two

Section 2.1 is amended by deleting the word “A” in the first line and replacing it with “Subject to Section 2.3, a”.

Section 2.2 is amended by deleting “(including any Confirmation accepted in accordance with Section 2.3) from the second sentence.

Section 2.2 is amended by adding the following paragraph:

“The Parties agree to adhere to all NERC standards and the operating procedures, market rules, protocols, and product definitions of the applicable Independent System Operator (“ISO”) or Regional Transmission Organization (“RTO”), as promulgated from time to time by such organizations or their successors when transacting within such ISO/RTO, and agree that all terms and conditions of such governing ISO/RTO rules or agreements shall apply to all Transactions under this Master Agreement. For such Transactions, any fees, penalties or charges assessed due to inaccurate or improper scheduling shall be borne by the Party causing such fees, penalties, or charges to be assessed.”

Section 2.3 is deleted in its entirety and replaced with the following:

“2.3 Confirmation. A Transaction shall be entered into only by a written confirmation signed by both Parties (“Confirmation”). Notwithstanding anything to the contrary in this Master Agreement, the Master Agreement and any and all Confirmations may not be amended or modified except by an instrument in writing signed by both of the Parties.”

Section 2.4 is amended to delete the phrase “either orally or” from the seventh line thereof.

Section 2.5 is amended by (i) adding the phrase “or electronic communication” after “telephone conversation” in the second line, and (ii) adding the phrase “and electronic communications” after “telephone conversations” in the third line.

Section 2.5 is amended further by deleting the last two sentences thereof in their entirety and by adding the following sentence at the end of the remaining text:

“In the event of a dispute between the Parties, any Party with a Recording of a telephone conversation(s) between the Parties relevant to the dispute shall, upon the request of the other Party, provide a copy of such Recording to the other Party.”

Article Five

Section 5.1 is amended by adding the following new paragraphs:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Article Seven

Section 7.1 is amended by (i) adding the word “SPECIAL,” after the word “CONSEQUENTIAL”, (ii) adding the phrase “, LOST OPPORTUNITY” after the phrase “LOST PROFITS” in the fifth sentence, and (iii) adding the following sentence at the end of this section: “THE LIMITATIONS ON DAMAGES, INCLUDING CONSEQUENTIAL DAMAGES, PROVIDED BY THIS SECTION 7.1 SHALL SURVIVE THE TERMINATION OF THIS MASTER AGREEMENT.”

Article Eight

[REDACTED]

Article Ten

Section 10.2 (v) is amended by deleting it in its entirety and replacing it with the following:

[REDACTED]

Section 10.2 is amended by deleting the word “and” at the end of (xi) and adding the following new paragraphs at the end of this Section:

“(xiii) it is an “eligible commercial entity” as defined in Section 1a(17) of the Commodity Exchange Act, as amended (the “Act”), or an “eligible contract participant” as defined in Section 1a(18) of the Act; and

(xiv) the person signing this Master Agreement is duly authorized to execute and deliver this Master Agreement on its behalf.”

Section 10.5 is amended by deleting the words from the beginning of clause (ii) through the words prior to “provided, however” and replacing them with the following: “(ii) transfer or assign this Agreement to an Affiliate of such Party so long as such Affiliate’s creditworthiness is equal to or higher than that of such Party or the Guarantor, if any, for such Party, or the obligations of such Affiliate are guaranteed by such Party or its Guarantor, if any, in accordance with a guaranty agreement in form and substance satisfactory to the other Party, or (iii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of such Party whose creditworthiness is equal to or higher than that of such Party or its Guarantor, if any;”.

Section 10.6 is amended by (i) deleting the period and adding the following language to the end of the first sentence: “; PROVIDED, HOWEVER, THE PROVISIONS OF SECTION 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW WILL APPLY.”; and (ii) adding the following new paragraphs to the end of this Section 10.6:

(A) Absent the agreement of all parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a party (to the extent that any waiver in subsection (b) below is unenforceable or ineffective as to such party), a non-party or FERC acting *sua sponte*, shall solely be the “public interest” application of the “just and reasonable” 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) and clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008) and *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165 (2010) (the “Mobile-Sierra” doctrine).

(B) In addition, and notwithstanding the foregoing subsection (a), to the fullest extent permitted by applicable law, each party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under §§ 205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the parties, it being the express intent of the parties that, to the fullest extent permitted by applicable law, neither party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this Agreement, notwithstanding any subsequent changes in applicable law or market conditions that may occur. In the event it were to be determined that applicable law precludes the parties

from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then this subsection (b) shall not apply, provided that, consistent with the foregoing subsection (a), neither party shall seek any such changes except solely under the “public interest” application of the “just and reasonable” standard of review and otherwise as set forth in the foregoing section (a).”

Section 10.7 shall be deleted in its entirety and replaced with the following:

“Notices. Any notice or other communication in respect of this Agreement may be given in any manner described below (except that a notice or other communication under Section 5 may not be given by electronic messaging system or e-mail, and if delivered by facsimile, must be followed up via overnight courier delivery) to the address or number or in accordance with the electronic messaging system or e-mail details provided (see the Cover Sheet) and will be deemed effective as indicated:

- (i) if in writing and delivered in person or by courier, on the date it is delivered;
- (ii) if sent by facsimile transmission, on the date it is received by a responsible employee of the recipient in legible form “(it being agreed that the burden of proving receipt will be on the sender and will be met by a transmission report generated by the sender’s facsimile machine which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient notified for the purpose of this Section)”;
- (iii) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date it is delivered or its delivery is attempted;
- (iv) if sent by electronic messaging system, on the date it is received; or
- (v) if sent by e-mail, on the date it is delivered, unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Business Day, in which case that communication will be deemed given and effective on the first following day that is a Business Day.

Section 10.10 is replaced in its entirety with the following paragraphs:

“10.10 Bankruptcy. Without limiting the applicability of any of the provisions of the United States Bankruptcy Code, as amended (the “Bankruptcy Code”) (including, without limitation, Sections 362, 546, 553, 556, 560, 561 and 562 thereof and the applicable definitions in Section 101 thereof), the Parties intend that (i) all Transactions under this Agreement constitute “forward contracts” or “swap agreements” within the meaning of the Bankruptcy Code; (ii) all payments made or to be made by one Party to the other Party pursuant to this Agreement constitute “settlement payments” within the meaning of the Bankruptcy Code; (iii) all margin or collateral provided by one Party to the other Party under any margin, collateral, security or similar arrangement related to this Agreement, including but not limited to the Collateral Annex, constitute “margin payments” within the meaning of the Bankruptcy Code; (iv) this Agreement constitutes a “master netting agreement” within the meaning of the Bankruptcy Code; (v) each Party is a “forward contract merchant” or “swap participant” each within the meaning of the Bankruptcy Code with

respect to any Transactions that constitute “forward contracts” or “swap agreements”, respectively; and (vi) each Party’s rights under Section 5.2 “Declaration of an Early Termination Date and Calculation of Settlement Amounts” of this Agreement constitutes a “contractual right to liquidate” the Transactions within the meaning of the Bankruptcy Code.

Each Party further agrees that, for purposes of this Agreement, the other Party is not a “utility” as such term is used in 11 U.S.C. Section 366, and each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. Section 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.

Nothing herein shall be deemed to limit, exclude or otherwise impair any Party’s rights under the Bankruptcy Code as relating to forward contracts, forward agreements, master netting agreements, or swap agreements. This Agreement, including the representations and acknowledgements made hereunder, shall be binding upon and inure to the benefit of the Parties and any successors, assigns, and personal representatives of the Parties.

Section 10.11 is amended by (i) adding the word “auditors,” after the word “counsel” in the first sentence and (ii) inserting new sentences after the last sentence as follows: “The Parties agree and acknowledge that nothing in this Section 10.11 prohibits a Party from disclosing any one or more of the commercial terms of a Transaction to a credit rating agency provided that such rating agency has agreed to maintain the confidentiality of the commercial terms disclosed. Party A and Party B acknowledge and agree that the Master Agreement and any Confirmations executed in connection therewith are subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.). Party B acknowledges that Party A may submit information to Party B that the other party considers confidential, proprietary, or trade secret information pursuant to the Uniform Trade Secrets Act (Cal. Civ. Code section 3426 et seq.), or otherwise protected from disclosure pursuant to an exemption to the California Public Records Act (Government Code Sections 6254 and 6255). Party A acknowledges that Party B may submit to Party A information that Party B considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act (Government Code sections 6254 and 6255). Upon request or demand of any third person or entity not a party to this Agreement (“Requestor”) for production, inspection and/or copying of this Master Agreement, any Confirmations executed in connection therewith, or any other information about a Party disclosed to the other Party in connection with this Agreement (such designated information, the “Confidential Information” and the disclosing Party, the “Disclosing Party”), the Party receiving such request (the “Receiving Party”) as soon as practical, shall notify the Disclosing Party that such request has been made as specified in the Cover Sheet. The Disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be Confidential Information and to prevent release of information to the Requestor by the Receiving Party. If the Disclosing Party takes no such action within a reasonable time after receiving the foregoing notice from the Receiving Party, the Receiving Party shall be permitted to comply with the Requestor’s demand and is not required to defend against it. Notwithstanding anything herein to the contrary, if, upon the advice of its counsel that disclosure is required under the California Public Records Act, Party B may disclose this Agreement or any Confidential Information by

Party A subject to providing advance written notice of such disclosure to Party A..”

Article Ten is amended by adding the following new paragraph:

“10.12 Imaged Agreement. Any original executed Agreement, Confirmation or other related document may be photocopied and stored on computer tapes and disks (the “Imaged Agreement”). In any judicial, arbitration, mediation or administrative proceedings, each of the following will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form: (a) the Imaged Agreement, if introduced as evidence on paper, (b) the Confirmation, if introduced as evidence in automated facsimile form, (c) the Recording, if introduced as evidence in its original form and as transcribed onto paper, and (d) all computer records of the foregoing, if introduced as evidence in printed format. Neither party may object to the admissibility of the Recording, the Confirmation or the Imaged Agreement (or photocopies of the above) on the basis that such were not originated or maintained in documentary form under either the hearsay rule, the best evidence rule or any other rule of evidence.

Schedule M: Governmental Entity Or Public Power System

Section A of Schedule M is hereby amended by deleting the defined term “Act” and replacing it with the following:

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

The text of Section 3.4 within Section D of Schedule M shall be deleted in its entirety and replaced with the following:

“Section 3.4 Reserved.”

Section E of Schedule M is hereby amended by inserting the text “Governmental Entity or” immediately after the word “cover” in the second sentence of Section 3.6.

Section G of Schedule M is hereby deleted in its entirety and replaced with the following:

“G. The Parties agree to add the following sentence at the end of Section 10.6 – Governing Law:

“NOTWITHSTANDING THE FOREGOING, IN RESPECT OF THE APPLICABILITY OF THE ACT AS HEREIN PROVIDED, THE LAWS OF THE STATE OF CALIFORNIA SHALL APPLY.””

Other Products and Service Levels.

In addition to the Products set out in Schedule P, the Parties may agree to use a product or service level defined by a different agreement (i.e., the Tariff, the WSPP Agreement, etc.) for a particular Transaction under this Master Agreement. If so, then the Transaction shall be subject to all the terms of this Master Agreement, except that (1) the product or service level definition, (2) force majeure, uncontrollable force definitions or other excuses for performance, (3) applicable regional reliability requirements

and guidelines, and (4) other terms and conditions as mutually agreed in writing, shall have the meaning given to them in the different agreement or in the applicable Confirmation.

Additional Definitions. In addition to any definitions specified in Schedule P, the Parties agree that the following definitions shall apply:

“CAISO Firm” means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the California Independent System Operator (“CAISO”) Tariff) that is or will be scheduled as a schedule coordinator to schedule coordinator transaction pursuant to the applicable tariff and protocol provisions of the CAISO tariff as amended from time to time, for which the only excuse for failure to deliver or receive is “an Uncontrollable Force” as defined in the CAISO Tariff. A CAISO “Schedule Adjustment” (defined as a schedule change implemented by the CAISO that is neither caused by, or within the control of, either Party) shall not constitute an Uncontrollable Force (as defined in the Tariff).

“WSPP Agreement” means the WSPP Agreement published by WSPP, Inc., as amended from time to time.

“WSPPA-Economy” means with respect to a Power Transaction, a Product defined by the WSPP Agreement in Service Schedule A as Economy Energy Service.

“WSPPB-Unit Commitment” means with respect to a Power Transaction, a Product defined by the WSPP Agreement in Service Schedule B as Unit Commitment Service.

“WSPPC-Firm” means with respect to a Power Transaction, a Product defined by the WSPP Agreement in Service Schedule C as Firm Capacity/Energy Sale or Exchange Service.

Miscellaneous

Errata. The Parties agree to incorporate the Errata, Version 1.1 as published by EEI on July 18, 2007.

Governing Law. For the avoidance of doubt, notwithstanding Section 10.6 of the Agreement, the creation, issuance, transfer, tracking, retirement or other activities for Products created under the laws, rules and regulations of California shall be governed by such laws, rules and regulations of California.

Tax Status. Party A represents that it is corporation validly existing under the laws of the State of Nebraska and is a Qualified Subchapter S Subsidiary (“QSSS”) of Tenaska Energy, Inc. disregarded for U.S. tax purposes. Party A’s sole owner for U.S. tax purposes, Tenaska Energy, Inc., is an S corporation organized under the laws of the State of Delaware and its U.S. taxpayer identification number is 47-0824081. Tenaska Energy, Inc. is “exempt” within the meaning of Treasury Regulation sections 1.6041-3(p)(1) and 1.6049-4(c) from information reporting on Form 1099 and backup withholding.

Required Documents. Any forms, documents or certificates reasonably requested by a Party in order to reduce or eliminate any required

withholding or deduction with respect to taxes, including but not limited to, a Sales Tax Exemption Certificate and W-9, will be provided to the other Party upon execution of this Master Agreement.

IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be duly executed as of the date first above written.

TENASKA POWER SERVICES CO.

**PENINSULA CLEAN ENERGY
AUTHORITY, A CALIFORNIA JOINT
POWERS AUTHORITY**


By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

DISCLAIMER: This Master Power Purchase and Sale Agreement was prepared by a committee of representatives of Edison Electric Institute (“EEI”) and National Energy Marketers Association (“NEM”) member companies to facilitate orderly trading in and development of wholesale power markets. Neither EEI nor NEM nor any member company nor any of their agents, representatives or attorneys shall be responsible for its use, or any damages resulting therefrom. By providing this Agreement EEI and NEM do not offer legal advice and all users are urged to consult their own legal counsel to ensure that their commercial objectives will be achieved and their legal interests are adequately protected.

EEI CONFIRMATION
Carbon Free

This confirmation (“**Confirmation**”), dated as of [____], 2017 (the “**Effective Date**”) is entered into between Tenaska Power Services Co. (“**Tenaska**” or “**Seller**”) and Peninsula Clean Energy Authority, a California joint powers authority (“**PCE**” or “**Buyer**” and, together with Seller, the “**Parties**” and each individually, a “**Party**”). This Confirmation constitutes a “**Transaction**” under, and supplements, forms a part of, and will be subject to, the terms of the EEI Master Power Purchase and Sale Agreement dated as of December __, 2017, together with any and all exhibits, schedules or supplements thereto or incorporated therein by reference, each in force and effect from time to time between the Parties (collectively, the “**Master Agreement**”) and as amended and supplemented by this Confirmation; provided that, in the case of any conflict between this Confirmation and the Master Agreement, this Confirmation will govern. The definitions and provisions contained in the Master Agreement are incorporated into this Confirmation, except as otherwise modified herein. This Confirmation and the Master Agreement, including any appendices, exhibits or amendments thereto, shall collectively be referred to as the “**Agreement**” and will constitute a single agreement between the Parties.

Product	<p>Carbon Free Energy, being energy produced by a Carbon Free Source and scheduled by Seller at Seller’s discretion for delivery to or within the California Independent System Operator (“CAISO”) Control Area (“CAISO Balancing Authority”) as determined by Seller, in quantities as provided for under the “Delivery Term” and “Contract Quantity” sections of this Confirmation, and at such times as chosen by Seller.</p> <p>“Carbon Free Source” means a Project (as defined below). The Product does not include Renewable Energy Credits or output from any other generating facility not otherwise approved by Buyer in writing.</p>
Delivery	<p>The Parties recognize that a delivery to the CAISO Balancing Authority shall constitute Delivery under this Confirmation. Seller has no obligation to submit Inter-Scheduling Coordinator trades or to otherwise IST-enable the Product.</p>
Contract Quantity	<p>Seller will deliver the following Product quantities:</p> <ol style="list-style-type: none"><li data-bbox="576 1522 1458 1957">1. 

	<p>Notwithstanding that the Product does not include RECs, Seller shall not sell to third parties or otherwise utilize in any way any energy, RECs or other environmental attributes associated with the Carbon Free Energy that Seller has committed to sell to Buyer hereunder during the Delivery Term. For the avoidance of doubt, the scheduling and delivery of energy from the Projects to the CAISO Balancing Authority to effectuate this Transaction shall not be considered to be a sale to a third party.</p> <p>“Unit Contingent” means that Seller is excused from the failure to deliver Product in the amount of the full Contract Quantity to the extent that (i) the Projects collectively failed to generate a sufficient quantity of Product during the Delivery Period to provide the full Contract Quantity to Buyer; and (ii) Seller has delivered all Product generated by the Specified Source(s) and not otherwise committed to third parties as permitted in this Confirmation during the applicable year of Delivery Period to Buyer. [REDACTED]</p> <p>Seller is obligated to provide to Buyer, and Buyer is obligated to purchase, Product in the amount of the Contract Quantity.</p>
Project	<p>“Project” means, collectively, one or more of the Designated Facilities in Schedule A attached. Seller represents and warrants that each Project is, and throughout the Delivery Term will meet either or both of the following qualifications: (1) the Project is a “Specified Source,” as that term is defined in the Regulation for the Mandatory Reporting of Greenhouse Gasses (17 Cal. Code Regs. §§ 95100-95158; hereinafter “MRR”) and the Cap and Trade Regulation (17 Cal. Code Regs. §§ 95801-96022, hereinafter “CTR”) that has been timely registered with the California Air Resources Board, and assigned an ARB ID Number and an Emissions Factor (as that term is defined in the MRR and CTR) of zero; or (2) if the Project’s electric generation output is “Directly Delivered” (as that term is defined in the MRR) to a California balancing authority, the Project is exempt from greenhouse gas reporting under Section 95101(f)(1) of the MRR or its successor regulation, because the Project is solely powered by hydroelectric or renewable resources.</p>
Delivery Period	<p>The Delivery Period is from and including Hour Ending (“HE”) 0100 on January 1, 2018 through and including HE 2400 on December 31, 2022.</p>
Payment	<p>No later than 10 Business Days after the end of each calendar month in the Delivery Period, Seller shall send to Buyer an invoice pursuant to Section 6.1 of the Master Agreement, which monthly invoice shall detail the Product Delivered from each Project under this Confirmation during the preceding calendar month. No later than 30 days after Buyer’s receipt of the monthly invoice, Buyer will pay Seller an amount equal to</p>

	<p>the MWh of Product Delivered in such month multiplied by the Fixed Premium. Seller shall be entitled to retain all CAISO revenues (and shall be liable for all CAISO costs and charges) associated with Product Delivered pursuant to this Confirmation.</p> <p>████████████████████</p> <p>████████████████</p>
Delivery Point	The node on the CAISO system where the Seller schedules Delivery of the Energy.
Scheduling, Tagging and Transaction Documentation	<p>Seller shall provide to Buyer an annual attestation detailing the amount of Product delivered pursuant to this Confirmation, and confirming that no Product Delivered under this Confirmation or any associated environmental attributes were sold to third parties during the preceding year, after Seller’s annual verification is conducted, but no later than March 31st of each year following the calendar year in which Product was Delivered during the Delivery Period. Seller shall forward to Buyer electronic documentation in summary spreadsheet format, with more information available upon request for use by Buyer for purposes of substantiating delivery of Product in the Contract Quantities and the allocated generation data from the applicable Carbon Free Sources as specified in Schedule “A”, Designated Facilities. Upon request, Seller shall forward to Buyer, or provide Buyer access in a form reasonably acceptable to Buyer, meter and CAISO settlement information for all Product Delivered pursuant to this Confirmation.</p> <p>In addition, Seller will work with Buyer to provide any additional information otherwise required by applicable law with respect to the Product and reasonably available to Seller. At Buyer’s discretion, such documentation may be used in communicating with the public and/or jurisdictional regulatory authorities, if necessary, to provide evidence of Product delivery during each Delivery Period.</p>

[Remainder of this page intentionally left blank]

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

Tenaska Power Services Co.

**Peninsula Clean Energy Authority, a California
joint powers authority**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

SCHEDULE "A"

Designated Facility(s)

<u>Facility Name</u>	<u>State / Province</u>	<u>Technology</u>	<u>Total Facility Nameplate (MW)</u>	<u>CAISO Resource ID</u>
Middle Fork / Ralston	CA	Large Hydroelectric	210 MW	MDFKRL_2_PROJCT

RESOLUTION NO. _____

**PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF
CALIFORNIA**

*** * * * ***

**RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE A
SECOND AMENDMENT TO THE AGREEMENT WITH PACIFIC ENERGY ADVISORS
(PEA) TO PROVIDE PROFESSIONAL SERVICES THROUGH DECEMBER 31, 2018,
INCREASING THE AMOUNT BY \$100,000 TO AN AMOUNT NOT TO EXCEED
\$295,000.**

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California, that

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy” or “PCE”) was formed on February 29, 2016; and

WHEREAS, as was true in 2016, PCE has ongoing needs for operational support for its programs and professional services; and

WHEREAS, in October 2016 PCE and Pacific Energy Advisors (PEA) executed an agreement for implementation and operational support; and

WHEREAS, in April 2017 PCEA and PEA amended that agreement for an additional \$100,000 while also extending the contract term through December 31, 2017; and

WHEREAS, PEA has provided these services in a satisfactory manner; and

WHEREAS, PCE staff and PEA have identified additional operational and professional services tasks with an estimated cost of \$100,000 through December 2018; and

WHEREAS, both parties are agreeable to amending the existing agreement; and

WHEREAS, the amendment has been furnished to the Board, reference to which should be made for further particulars.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Chief Executive Officer to execute a second amendment to the agreement with Pacific Energy Advisors (PEA) to provide professional services through December 31, 2018, increasing the amount by \$100,000 to an amount not to exceed \$295,000.

* * * * *

**SECOND AMENDMENT TO AGREEMENT
BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND
PACIFIC ENERGY ADVISORS, INC.**

THIS SECOND AMENDMENT TO THE AGREEMENT, entered into this ____ day of December, 2017, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and Pacific Energy Advisors, Inc., hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Section 6508 of the Joint Exercise of Powers Act, PCEA may contract with independent contractors for the furnishing of services to or for PCEA;

WHEREAS, the parties entered into an Agreement for implementation and operational support services for the Peninsula Clean Energy program on October 27, 2016 for the period of October 26, 2016 to April 30, 2017 in an amount not to exceed \$95,000 and wish to extend the term of the agreement and increase the amount;

WHEREAS, the parties entered into an Amendment to the Agreement in April 2017 to extend the term of such Agreement as well as PCEA's not to exceed fiscal obligation to an amount of \$195,000; and

WHEREAS, the parties therefore wish to further amend the Agreement to enable Contractor to furnish additional support services to PCEA.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Section 2. Payments is deleted in its entirety and replaced with the following:

2. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. PCEA reserves the right to withhold payment if PCEA determines that the quantity or quality of the work performed by Contractor is inconsistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. However, PCEA shall not unreasonably withhold any Contractor payment, and PCEA shall be responsible for communicating in writing the basis for any withheld payment. In no event shall PCEA's total fiscal obligation under this Agreement exceed two hundred ninety five thousand dollars (\$295,000). In the event that the PCEA makes

any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the PCEA at the time of contract termination or expiration.

2. Section 3. Term is deleted in its entirety and replaced with the following:

Subject to compliance with all terms and conditions, the term of this Agreement shall be from October 26, 2016, through December 31, 2018.

3. Section 13 is deleted in its entirety
4. Original Exhibits A & B are deleted in their entirety and are replaced with revised Exhibit A (rev. December 6, 2017) and Revised Exhibit B (rev. December 6, 2017), attached hereto.
5. All other terms and conditions of the agreement between PCEA and Contractor shall remain in full force and effect.

In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For Contractor: PACIFIC ENERGY ADVISORS, INC.

Contractor Signature

December 6, 2017
Date

Kirby Dusel
Contractor Name (please print)

PENINSULA CLEAN ENERGY AUTHORITY

By:
[Chief Executive Officer, Peninsula Clean Energy Authority]

Date:

ATTEST:

By:
Clerk of Said Board

Revised Exhibit A (rev. December 6, 2017)

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services to PCEA, subject to mutually agreeable schedules for completion of such services. Contractor and PCEA acknowledge that successful completion of certain services may require time-sensitive action by PCEA (for example: approval and/or submittal of requisite regulatory documents that may be prepared by Contractor on behalf of PCEA during the term of this Agreement) to ensure conformance with applicable deadlines and schedules. Contractor will notify PCEA when such time-sensitive actions are required. To the extent that such actions are not timely completed by PCEA, Contractor shall not be liable for missed deadlines and/or PCEA's regulatory compliance. During the term of Agreement, services to be performed by Contractor shall include the following:

(a) Manage Resource Adequacy compliance program:

- Manage RA portfolio per state/program standards; prepare year ahead/month-ahead peak demand forecast and RA compliance demonstration filings.
- Coordinate activities required to "balance" PCE's RA portfolio, including the identification of capacity deficiencies and coordination of excess capacity sales with qualified buyers.

(b) Other Implementation, Operations and Staff Augmentation Support, as needed:

- Yet-to-be defined technical support activities that may be necessary to promote the successful implementation and ongoing operation of PCEA.
- Prior to the performance of such as-needed technical support, PCEA and Contractor will discuss and agree upon the desired scope of services to be provided by Contractor.

Revised Exhibit B (rev. December 6, 2017)

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Contractor based on the following fee schedule and terms:

Payment: In performance of this work, PCEA shall reimburse Contractor for actual time spent in completion of the Scope of Services, as specified in Exhibit A, in consideration of the Contractor's professional services rate schedules:

Contractor's Professional Services Rate Schedule:

Staff	Hourly Rate
John Dalessi	\$305
Kirby Dusel	\$285
Sam Kang	\$285
Brian Goldstein	\$235
Alden Walden	\$125

All time shall be billed to PCEA by Contractor in one-tenth hour increments in an amount not to exceed \$295,000. Contractor shall invoice PCEA for all services rendered on a monthly basis plus out of pocket expenses associated with the project. Such expenses shall include things like mileage at the current IRS mileage reimbursement rate, bridge tolls, parking, printing/copying, and meeting expenses associated with the project. Source documentation supporting billed costs must be submitted with invoice. PCEA shall pay Contractor within thirty (30) days of invoice receipt. Any additional work will require a separate Agreement signed by both parties.