Calpine Energy Services Agreement

• Current Agreement - 2-year Agreement valid through June 30, 2020

• Amend and Extend vs RFP
  • Other Data Management providers still on a learning curve

• Pursue Joint Negotiation with SVCE
Current Agreement Highlights

• $1.05 per active meter per month
• AMI Based SQMD Settlement Services (Jan 2019)
• Dedicated team of PCE-only Call Center agents M-F, 7AM-7PM
• Unlimited rate changes per year
Draft Amendment Highlights

- New pricing structure
  - $25K per month plus $0.85 per active meter
  - ~$0.93 per active meter per month (10% savings)
  - Pricing fixed for contract term (5 years)
- Move Call Center hours back to M-F, 8AM-5PM
  - Two dedicated PCE agents along with a shared pool of agents with SVCE and SJCE
  - Option to extend call center hours of increase dedicated agents for additional cost
- Include one ‘structural’ and two ‘value only’ rate changes annually
  - Additional rate changes billed on a sliding scale of complexity
- New Data Tools platform under development to provide PCE with more dynamic data access
Draft Amendment Highlights contd.

- AMI Based SQMD Settlement Services
- Increase contract NTE value by $15M
- 5-year extension beginning January 1, 2020
  - Option to buy-out contract early after year 3 or year 4 if desired by payment of termination fee equal to approx. $325K after year 3 or approx. $160K after year 4 (difference between 3 year vs. 5-year commitment price)

Final agreement is still in negotiation, although primary terms have been agreed verbally in principle.