



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Thursday, October 22, 2020
6:30 pm**

**PLEASE NOTE: for Video conference: <https://meetings.ringcentral.com/j/1499780875>
for Audio conference: dial 1-623-404-9000, or 1-773-231-9226,
then enter the Meeting ID: 149 978 0875 followed by #
You will be instructed to enter your participant ID followed by #.**

NOTE: Please see attached document for additional detailed teleconference instructions.

PCEA shall make every effort to ensure that its video conferenced meetings are accessible to people with disabilities as required by Governor Newsom's March 17, 2020 Executive Order N-29-20. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Anne Bartoletti, Board Clerk, at least 2 working days before the meeting at abartoletti@peninsulacleanenergy.com. Notification in advance of the meeting will enable PCEA to make best efforts to reasonably accommodate accessibility to this meeting and the materials related to it.

If you wish to speak to the Board, please use the "Raise Your Hand" function on the Ring Central platform. If you have anything that you wish to be distributed to the Board and included in the official record, please send to abartoletti@peninsulacleanenergy.com.

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT

This item is reserved for persons wishing to address the Board on any PCEA-related matters that are as follows: 1) Not otherwise on this meeting agenda; 2) Listed on the Consent Agenda and/or Closed Session Agenda; 3) Chief Executive Officer's or Staff Report on the Regular Agenda; or 4) Board Members' Reports on the Regular Agenda. Public comments on matters not listed above 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 shall be given an opportunity to do so by the Board Chair during the videoconference meeting. Speakers are customarily limited to two minutes, but an extension can be provided to you at the discretion of the Board Chair.

ACTION TO SET AGENDA and TO APPROVE CONSENT AGENDA ITEMS

This item is to set the final consent and regular agenda, and for the approval of the items listed on the consent agenda. All items on the consent agenda are approved by one action.

REGULAR AGENDA

1. Chair Report (Discussion)
2. CEO Report (Discussion)
3. Citizens Advisory Committee Report (Discussion)
4. Audit and Finance Committee Report (Discussion)
5. Approve revised CEO Agreement (Action)
6. Approve the Audited Financial Statements for Fiscal Year 2019-2020 (Action)
7. Approve JPA (Joint Powers Authority) Agreement Amendments and Approve Resolution authorizing membership of the City of Los Banos to Join Peninsula Clean Energy (Action)
8. Approve Resolution Delegating Authority to Chief Executive Officer to Execute a Power Purchase Agreement (PPA) for Renewable Supply with Shiloh I Wind Project LLC, an Oregon limited liability company, and any necessary ancillary documents. Power Delivery Term: January 1, 2024 through December 31, 2030. Not to Exceed: \$200 million. (Action)
9. Authorize Chief Executive Officer to execute a contract with McCalmont Engineering for \$137,500 and an additional as-needed budget of \$129,500 for a total authorized expenditure not to exceed \$267,000 in support of Distributed Energy Resources site evaluation and procurement activities. (Action)
10. Approve Updated EV (Electric Vehicle) Incentives Budget (Action)
11. Update Board on Status of Strategic IRP (Integrated Resource Plan) Targets (Discussion)
12. Board Members' Reports (Discussion)

CONSENT AGENDA

13. Approve Resolution delegating authority to the Chief Executive Officer to Attest to the Accuracy of the Information Provided in PCE's 2019 Power Content Label (Action)
14. Appointment to the Citizens Advisory Committee (Action)
15. Approve Appointment of Citizen Advisory Committee (CAC) Liaison and Alternate(s) (Action)

16. Approval of the Minutes for the September 26, 2020 Meeting (Consent - Action)

INFORMATION ONLY REPORTS

17. Marketing and Outreach Report

18. Regulatory and Legislative Report

19. Community Energy Programs Report

20. Procurement Report

21. Resiliency Strategy Report

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the Peninsula Clean Energy office, located at 2075 Woodside Road, Redwood City, CA 94061, for the purpose of making those public records available for inspection. The documents are also available on the PCEA's Internet Web site located at: <http://www.peninsulacleanenergy.com>.

Instructions for Joining a RingCentral Meeting via Computer or Phone

Best Practices:

- Please mute your microphone when you are not speaking to minimize audio feedback
- If possible, utilize headphones or ear buds to minimize audio feedback
- If participating via videoconference, audio quality is often better if you use the dial-in option (Option 1 below) rather than your computer audio

Options for Joining

- A. Videoconference with Phone Call Audio (*Recommended*) – see Option 1 below
- B. Videoconference with Computer Audio – see Option 2 below
- C. Calling in from iPhone using one-tap – see Option 3 below
- D. Calling in via Telephone/Landline – see Option 4 below

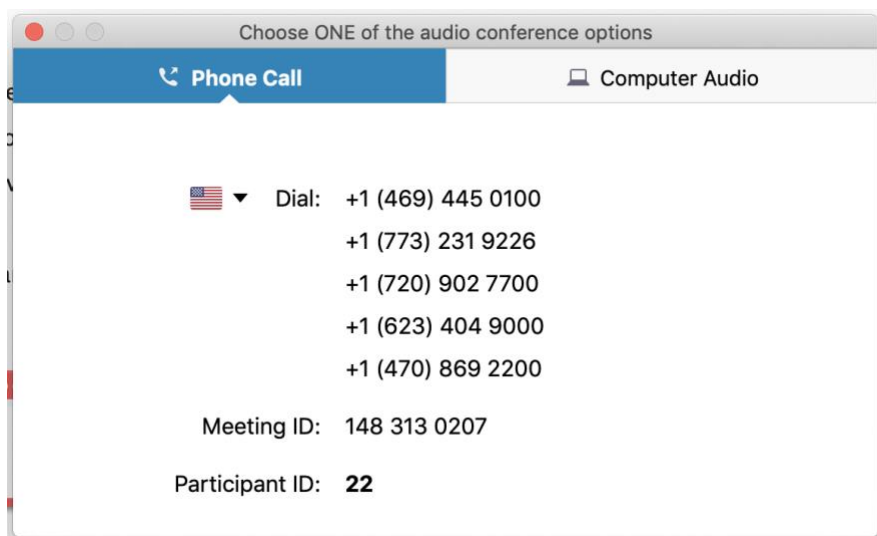
Videoconference Options:

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If you want full capabilities for videoconferencing (audio, video, screensharing) you must download the RingCentral application.

Option 1 Videoconference with Phone Call Audio (Recommended):

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3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Phone Call option at the top of the pop-up screen.

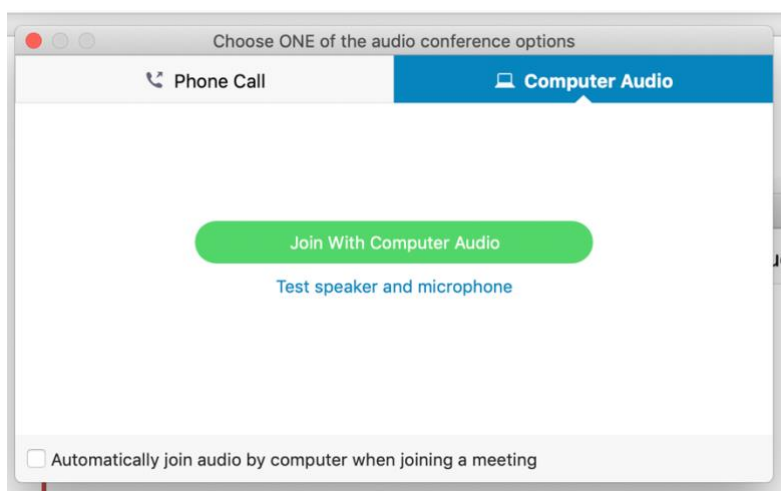


IMPORTANT: Please do not use the Participant ID that is in the picture to the left. Enter the Participant ID that appears on your own personal pop-up.

4. Please dial one of the phone numbers for the meeting (it does not matter which one):
 - +1 (623) 404 9000
 - +1 (469) 445 0100
 - +1 (773) 231 9226
 - +1 (720) 902 7700
 - +1 (470) 869 2200
5. You will be instructed to enter the meeting ID: **149 978 0875 followed by #**
6. You will be instructed to enter in your **Participant ID followed by #**. Your Participant ID is unique to you and is what connects your phone number to your RingCentral account.
7. After a few seconds, your phone audio should be connected to the RingCentral application on your computer.
8. In order to enable video, click on “Start Video” in the bottom left hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Option 2 Videoconference with Computer Audio:

1. From your computer, click on the following link:
2. <https://meetings.ringcentral.com/j/1499780875>
3. The RingCentral Application will open on its own or you will be instructed to Open RingCentral Meetings.
4. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.



5. Click the green **Join With Computer Audio** button
6. In order to enable video, click on “Start Video” in the bottom left hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Audio Only Options:

Please note that if you call in/use the audio only option, you will not be able to see the speakers or any presentation materials in real time.

Option 3: Calling in from iPhone using one-tap

Click on one of the following “one-tap” numbers from your iPhone. Any number will work, but dial by your location for better audio quality:

+1(623)4049000,,1499780875# (US West)

+1(720)9027700,,1499780875# (US Central)

+1(773)2319226,,1499780875# (US North)

+1(469)4450100,,1499780875# (US South)

+1(470)8692200,,1499780875# (US East)

This is the call-in number followed by the meeting ID. Your iPhone will dial both numbers for you.

You will be instructed to **enter your participant ID followed by #**

If you do not have a participant ID or do not know it, you can stay on the line and you will automatically join the meeting

Option 4: Calling in via Telephone/Landline:

Dial a following number based off of your location:

+1(623)4049000 (US West)

+1(720)9027700 (US Central)

+1(773)2319226 (US North)

+1(469)4450100 (US South)

+1(470)8692200 (US East)

You will be instructed to enter the **meeting ID: 149 978 0875 followed by #**

You will be instructed to enter your **participant ID followed by #**.

If you do not have a participant ID or do not know it, you can stay on the line and you will automatically join the meeting.



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: October 15, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors
FROM: Jan Pepper, Chief Executive Officer
SUBJECT: CEO Report

REPORT:

New feature on board memos

You will notice that we have added an additional section in each board memo that identifies what part of the Peninsula Clean Energy strategic plan that activity supports.

Kudos to PCE staff

On October 14, PG&E called a PSPS event that was going to affect 1687 customers, including 56 medical baseline customers in San Mateo County. Due to the excellent work of Carlos Moreno, Michael Totah, Leslie Brown, Kirsten Andrews, and KJ Janowski, and our partners at Senior Coastsiders, all medical baseline customers who were going to be impacted were called. All who needed the free batteries provided by PCE had those delivered by Hassett Hardware, and thus were prepared with their portable battery backups to get through this event. A very successful outcome for our Power On Peninsula backup battery effort!

PCE Staffing Update

We currently have one open position for a Manager, Data and Technology.

Impact of COVID-19 Crisis on PCE and what we are doing

A verbal report will be provided at the Board of Directors meeting, including changes in Peninsula Clean Energy load.

Heatwave and Rolling Blackouts

A verbal report will be provided at the Board of Directors meeting on the “Root Cause Analysis” report issued by the CEC, CAISO and CPUC regarding the August 14 and 15 rolling blackouts due to the extreme heat storm.

Merced County Update

On October 6, the Los Banos City Council voted 4-1 to bring a resolution to their council meeting on October 21 to join Peninsula Clean Energy. We will have an update on that vote at the October 22 board meeting.

Other Meetings and Events Attended by CEO

Meeting with CEC Commissioner Patty Monahan on October 7, along with PCE board members Rick Bonilla and Daniel Yost, and PCE staff, to provide an overview of PCE activities and further discuss transportation electrification programs.

Participate in weekly and monthly CalCCA board meetings

Participate in SV5 (formerly called MAG5) meetings



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Andy Stern, Chief Financial Officer, Peninsula Clean Energy
SUBJECT: Approve Fiscal Year 2019-2020 Audited Financial Statements

RECOMMENDATION:

Approve the Fiscal Year 2019-2020 Audited Financial Statements

BACKGROUND:

Peninsula Clean Energy's (PCE) financials for the Fiscal Year ending June 30, 2020 were audited by the independent auditors Pisenti and Brinker LLP (Auditors).

The PCE Audit and Finance Committee reviewed the draft audited financial statements at its meeting on October 13, 2020. The Audit and Finance Committee discussed the audited financial statements at length and met with representatives of Pisenti and Brinker LLP. After discussion, there was a consensus to recommend approval by the full Board.

FISCAL IMPACT:

No fiscal impact

STRATEGIC PLAN:

The audited financial statements support the following objectives and key tactics in Peninsula Clean Energy's strategic plan:

- Financial Stewardship Goal 1: Employ sound fiscal strategies to promote long-term organizational sustainability

- Objective B: Financial Controls and Management: Implement financial controls and policies that meet or exceed best practices for leading not-for-profit organizations
 - Key Tactic 1: Engage external experts to review internal financial controls and conduct annual audit

ATTACHMENTS

- A. Audited Financial Statements for Fiscal Year 2019-2020

RESOLUTION NO. _____

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

* * * * *

**RESOLUTION TO APPROVE THE AUDITED FINANCIAL STATEMENTS FOR
FISCAL YEAR 2019-2020**

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

WHEREAS, the Peninsula Clean Energy Authority (“PCEA”) was formed on February 29, 2016 as a Community Choice Aggregation program (“CCA”); and

WHEREAS, Piseni and Brinker, LLP, certified public accountants and advisors, were selected as independent auditors to audit PCEA’s financials for the fiscal years ending June 30, 2018, June 30, 2019 and June 30, 2020; and

WHEREAS, Piseni and Brinker, LLP conducted the fieldwork to audit the financials; and

WHEREAS, the draft audited financial statements were reviewed by the Audit and Finance Committee on October 13, 2020; and

WHEREAS, the consensus of the Audit and Finance Committee was to recommend approval of the audited financial statements by the Board.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Chair of the Board of Directors is hereby authorized and directed to accept the audited financial statements for fiscal year 2019-2020 for and on behalf of the Peninsula Clean Energy Authority.

* * * * *

[CCO-113499]



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Siobhan Doherty, Director of Power Resources
Chelsea Keys, Power Resources Manager

SUBJECT: Approve Resolution Delegating Authority to Chief Executive Officer to Execute a Power Purchase Agreement (PPA) for Renewable Supply with Shiloh I Wind Project LLC, an Oregon limited liability company, and any necessary ancillary documents with a Power Delivery Term of January 1, 2024 through December 31, 2030 not to exceed \$200 million.

RECOMMENDATION:

Approve Resolution Delegating Authority to Chief Executive Officer to Execute a Power Purchase Agreement (PPA) for Renewable Supply with Shiloh I Wind Project LLC, an Oregon limited liability company, and any necessary ancillary documents with a Power Delivery Term of January 1, 2024 through December 31, 2030 not to exceed \$200 million.

BACKGROUND:

The Board set a goal for Peninsula Clean Energy to procure 100% of its energy supply from renewable energy by 2025. To meet this goal, Peninsula Clean Energy will need to procure significant amounts of wind energy. Wind energy in California is in limited supply and there is strong competition for wind resources.

On May 25, 2017, the Peninsula Clean Energy Board approved the execution of a power purchase agreement (PPA) with Shiloh I Wind Project LLC (Shiloh), an existing 150 MW wind project in Solano County, California. The five-year term started on January 1, 2019 and expires on December 31, 2023. Peninsula Clean Energy is procuring the energy,

renewable attributes and capacity attributes from the Shiloh project. Staff is recommending signing a second contract with Shiloh to extend the term of the agreement for seven years. Shiloh is an attractive project due to its location in the Bay Area, strong renewable profile that complements other resources in Peninsula Clean Energy's portfolio, and competitive price.

Additionally, it is also one of only a handful of projects that are under existing agreements due to expire in the next four years. It is imperative that Peninsula Clean Energy seek to extend the PPA with Shiloh or risk losing out on the opportunity due to the increasing wind procurement demand from other load serving entities.

DISCUSSION:

The Strategic Plan approved by the Board earlier in 2020 set Peninsula Clean Energy's Priority One to "design a power portfolio that is sourced by 100% carbon free energy¹ by 2025 that aligns supply and consumer demand on a 24x7 basis". Wind generation will play a key role in meeting Peninsula Clean Energy's renewable energy goals. Currently, Peninsula Clean Energy does not have any PPA's with wind projects beyond 2023 and there are very few wind projects available to procure in California because the majority are already under contract and most of the ideal wind locations are already developed. In the recently completed RFO process, of the 29 projects received, only six were for wind resources.

Shiloh is one of a very few existing wind projects with agreements due to expire in the next 4 years. Additionally, there is increasing competition for wind projects due to the limited number of new projects. Staff pursued an extension to the Shiloh PPA to avoid losing the opportunity to another load serving entity.

Staff evaluated the Shiloh wind project against other wind proposals that Peninsula Clean Energy received through a competitive solicitation earlier in the year and the Shiloh price was among the most competitive. Additionally, Shiloh has a generation portfolio that complements Peninsula Clean Energy's load needs.

Under the second PPA, Peninsula Clean Energy will receive 100% of the project's output and will be the sole off-taker having full control over how the generation is bid and scheduled into the market. The PPA presented to the board for approval today includes a few changes from the existing PPA with Shiloh.

The key differences between the current PPA and the second PPA include the following:

1. Price: The price for the second PPA is slightly higher than the current PPA, but competitive with other options.
2. Capacity: Peninsula Clean Energy will procure the full output of the facility throughout the term.

¹ Carbon Free = California RPS-eligible renewable energy, excluding biomass, that can be scheduled by Peninsula Clean Energy on an hourly basis.

3. Term: The current PPA term is five years ending on December 31, 2023. The second PPA term will run for seven years from January 1, 2024 through December 31, 2030.
4. Resource Adequacy (RA) Shortfall: The second PPA updates the terms around an event where the project doesn't supply the adequate amount of RA and can't replace the deficient portion, known as an "RA Shortfall," to be more consistent with the current RA market.
5. REC Replacement: The second PPA updates the terms in the case where the project is deficient in delivering renewable energy to bring these terms more in line with the current market.
6. Replacement Energy: The second PPA updates the terms in the case where the project is deficient in delivering an minimum required energy amounts to give Peninsula Clean Energy more control and to bring these terms more in line with the current market.
7. Seller Performance Security: The security was increased proportionally for the longer-term, higher price and increased capacity.

We recommend that the Board approve the PPA extension with Shiloh.

FISCAL IMPACT:

The fiscal impact of the Shiloh project will not exceed \$200 million over the term of the agreement.

STRATEGIC PLAN:

The Shiloh second PPA supports the following objectives and key tactics in Peninsula Clean Energy's strategic plan:

- Priority 1: Design a power portfolio that is sourced by 100% carbon free energy² by 2025 that aligns supply and consumer demand on a 24x7 basis
- Power Resources Goal 1: Secure sufficient, low-cost, clean sources of electricity that achieve Peninsula Clean Energy's priorities while ensuring reliability and meeting regulatory mandates
 - Objective A Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost, reliable power.
 - Key Tactic 4: Secure sufficient, low-cost, clean sources of electricity that achieve Peninsula Clean Energy's priorities while ensuring reliability and meeting regulatory mandates
 - Objective B Clean Power: Design a diverse power portfolio that is 100% carbon-free by 2021; and is 100% carbon-free by 2025 that aligns supply and consumer demand on a 24 x 7 basis.
 - Key Tactic 2: Secure additional contracts for renewable energy procurement in alignment with strategies and portfolio identified

² Carbon Free = California RPS-eligible renewable energy, excluding biomass, that can be scheduled by Peninsula Clean Energy on an hourly basis.

through IRP process and in compliance with risk management strategy

RESOLUTION NO. _____

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

* * * * *

**RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER
TO (A) EXECUTE A POWER PURCHASE AGREEMENT FOR RENEWABLE
SUPPLY WITH SHILOH I WIND PROJECT LLC, AN OREGON LIMITED LIABILITY
COMPANY, WITH TERMS CONSISTENT WITH THOSE PRESENTED, IN A FORM
APPROVED BY THE GENERAL COUNSEL AND FOR A POWER DELIVERY TERM
OF UP TO SEVEN YEARS, IN AN AMOUNT NOT TO EXCEED \$200 MILLION; and

(B) EXECUTE SUCH OTHER ANCILLARY DOCUMENTS, IN A FORM APPROVED
BY THE GENERAL COUNSEL, AS MAY BE NECESSARY TO EFFECTUATE THE
PURCHASE OF SUCH POWER FROM SHILOH I WIND PROJECT LLC.**

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”)
was formed on February 29, 2016; and

WHEREAS, launch of service for Phase I occurred in October 2016, and launch
of service for Phase II occurred in April 2017; and

WHEREAS, Peninsula Clean Energy is purchasing energy, renewable energy, carbon-free energy, and related products and services (the “Products”) to supply its customers; and

WHEREAS, in May 2017, the Peninsula Clean Energy Board approved a five-year Power Purchase Agreement (“PPA”) with Shiloh I Wind Project LLC, an Oregon limited liability company, (“Contractor”), which began January 1, 2019 and expires on December 31, 2023; and

WHEREAS, consistent with its mission of reducing greenhouse gas emissions by expanding access to sustainable and affordable energy solutions, Peninsula Clean Energy seeks to execute a second PPA with Contractor, to extend the purchase from the existing 150 MW wind project for an additional seven years beginning January 1, 2024 through December 31, 2030, based on its desirable offering of products, pricing, and terms; and

WHEREAS, staff is presenting to the Board for its review the second Power Purchase Agreement, reference to which should be made for further particulars; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to execute the aforementioned Power Purchase Agreement and any other ancillary documents required for said purchase of power from the Contractor.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to:

(A) Execute the Power Purchase Agreement with the Contractor with terms consistent with those presented, in a form approved by the General Counsel; and for a power delivery term of up to seven years, in an amount not to exceed \$200 million.

(B) Execute such other ancillary documents, in a form approved by the General Counsel, as may be necessary to effectuate the purchase of such power from the Contractor.

* * * * *

Contract Price: [REDACTED]

Product:

- x Energy
- x Green Attributes:
 - x Portfolio Content Category 1
 - Portfolio Content Category 2
- x Capacity Attributes

Deliverability:

- Energy Only Status
- x Full Capacity Deliverability Status

Scheduling Coordinator: Seller or Seller's Agent

Performance Security: [REDACTED]

Notice Addresses:

Seller: Shiloh I Wind Project LLC

Shiloh I Wind Project LLC
1125 NW Couch St. Ste 700
Portland, OR 97209

Attention: Contract Administration
Phone No.: 503-796-7034
Fax No.: 503-796-6907
Email: contracts.admin@avangrid.com

With a copy to:

Avangrid Renewables, LLC
1125 NW Couch St. Ste 700
Portland, OR 97209
Office of the General Counsel

Phone No.: 503-796-7127
Fax No.: 503-796-6904
Email: benjamin.lackey@avangrid.com

Scheduling:

Avangrid Renewables, LLC
1125 NW Couch St. Ste 700
Portland, OR 97209
Attention: Real-Time

Phone No.: (503) 796-7013
Fax No.: (503) 796-7044
Email: ibrrealtime@iberdrolaren.com

Buyer:

Peninsula Clean Energy
2075 Woodside Road
Redwood City, CA 94061
Attention: Director of Power Resources

Phone No.: (650) 260-0005
Email: contracts@peninsulacleanenergy.com

With a copy to:

Peninsula Clean Energy
400 County Center, 6th Floor
Redwood City, CA 94063
Attention: David Silberman, General Counsel
Fax No.: (650) 363-4034
Phone No.: (650) 363-4461
Email: dsilberman@smcgov.org

[Signatures on following page.]

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

SELLER
Shiloh I Wind Project LLC

BUYER
Peninsula Clean Energy Authority

By: _____

By: _____

PCE Executive Officer

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 DEFINITIONS.....	1
1.1 Contract Definitions.....	1
1.2 Rules of Interpretation	15
ARTICLE 2 TERM.....	17
2.1 Contract Term	17
ARTICLE 3 PURCHASE AND SALE	17
3.1 Sale of Product.....	17
3.2 Sale of Green Attributes.....	17
3.3 Compensation	17
3.4 Ownership of Renewable Energy Incentives.....	18
3.5 Future Environmental Attributes	18
3.6 Capacity Attributes	18
3.7 Resource Adequacy Failure	19
3.8 Eligibility	19
3.9 California Renewables Portfolio Standard.....	19
3.10 Compliance Expenditure Cap	19
ARTICLE 4 OBLIGATIONS AND DELIVERIES	20
4.1 Delivery.....	20
4.2 Title and Risk of Loss	21
4.3 Scheduling Coordinator Responsibilities.....	21
4.4 Forecasting.....	23
4.5 Dispatch Down/Curtailment	24
4.6 Reduction in Delivery Obligation.....	24
4.7 Expected Energy and Guaranteed Energy Production.....	25
4.8 WREGIS	25
4.9 Financial Statements	26
4.10 Access to Data and Installation and Maintenance of Weather Station	27
ARTICLE 5 TAXES.....	29
5.1 Allocation of Taxes and Charges.....	29
5.2 Cooperation.....	29
ARTICLE 6 MAINTENANCE OF THE FACILITY	29
6.1 Maintenance of the Facility	29
6.2 Maintenance of Health and Safety	29

ARTICLE 7 METERING	29
7.1 Metering.....	29
7.2 Meter Verification.....	30
ARTICLE 8 INVOICING AND PAYMENT; CREDIT	30
8.1 Invoicing	30
8.2 Payment.....	30
8.3 Books and Records	31
8.4 Payment Adjustments; Billing Errors	31
8.5 Billing Disputes	31
8.6 Netting of Payments.....	31
8.7 Seller’s Performance Security.....	32
8.8 Buyer’s Financial Statements	32
8.9 First Priority Security Interest in Cash or Cash Equivalent Collateral	32
ARTICLE 9 NOTICES.....	33
9.1 Addresses for the Delivery of Notices	33
9.2 Acceptable Means of Delivering Notice.....	33
ARTICLE 10 FORCE MAJEURE	34
10.1 Definition	34
10.2 No Liability If a Force Majeure Event Occurs	34
10.3 Notice.....	35
10.4 Termination Following Force Majeure Event.....	35
ARTICLE 11 DEFAULTS; REMEDIES; TERMINATION	35
11.1 Events of Default	35
11.2 Remedies; Declaration of Early Termination Date.....	37
11.3 Termination Payment.....	38
11.4 Notice of Payment of Termination Payment	38
11.5 Disputes With Respect to Termination Payment	39
11.6 Rights And Remedies Are Cumulative.....	39
11.7 Mitigation.....	39
ARTICLE 12 LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES.....	39
12.1 No Consequential Damages	39
12.2 Waiver and Exclusion of Other Damages.....	39
ARTICLE 13 REPRESENTATIONS AND WARRANTIES; AUTHORITY	40
13.1 Seller’s Representations and Warranties	40
13.2 Buyer’s Representations and Warranties	41
13.3 General Covenants	41

ARTICLE 14 ASSIGNMENT	42
14.1 General Prohibition on Assignments	42
14.2 Permitted Assignment; Change of Control of Seller	42
14.3 Permitted Assignment; Change of Control of Buyer	43
ARTICLE 15 LENDER ACCOMMODATIONS	43
15.1 Granting of Lender Interest.....	43
15.2 Rights of Lender	43
15.3 Cure Rights of Lender.....	44
ARTICLE 16 DISPUTE RESOLUTION	44
16.1 Governing Law	44
16.2 Dispute Resolution.....	44
16.3 Attorneys’ Fees	45
ARTICLE 17 INDEMNIFICATION.....	45
17.1 Indemnification	45
17.2 Claims	45
ARTICLE 18 INSURANCE.....	46
18.1 Insurance.....	46
ARTICLE 19 CONFIDENTIAL INFORMATION	47
19.1 Definition of Confidential Information.....	47
19.2 Duty to Maintain Confidentiality.....	47
19.3 Irreparable Injury; Remedies	48
19.4 Disclosure to Lender	48
19.5 Disclosure to Credit Rating Agency	48
19.6 Public Statements.....	48
ARTICLE 20 MISCELLANEOUS	48
20.1 Entire Agreement; Integration; Exhibits.....	48
20.2 Amendments	49
20.3 No Waiver.....	49
20.4 No Agency, Partnership, Joint Venture or Lease.....	49
20.5 Severability	49
20.6 Mobile-Sierra	49
20.7 Counterparts.....	49
20.8 Facsimile or Electronic Delivery	49
20.9 Binding Effect.....	50
20.10 No Recourse to Members of Buyer	50
20.11 Change in Electric Market Design.....	50

Exhibits:

Exhibit A	Description of Facility
Exhibit B	Emergency Contact Information
Exhibit C	Form of Guaranty
Exhibit D	Guaranteed Energy Production Damages Calculation
Exhibit E	Form of Letter of Credit
Exhibit F	Energy Payment Amount

POWER PURCHASE AND SALE AGREEMENT

This Power Purchase and Sale Agreement (“**Agreement**”) is entered into as of _____, 2020 (the “**Effective Date**”), between Seller and Buyer (each also referred to as a “**Party**” and collectively as the “**Parties**”).

RECITALS

WHEREAS, Seller owns and operates the electric generating facility as described in Exhibit A (the “**Facility**”); and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, Buyer’s MW Share of the Energy generated by the Facility, all Green Attributes related to the generation of such Energy, and all Capacity Attributes;

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 3.10.

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

“**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.

“**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.

“**Availability Incentive Payment**” has the meaning set forth in the CAISO Tariff.

“**Available Capacity**” means the capacity from the Facility, expressed in whole MWs, that is available at a particular time to generate Product.

“**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.

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

“**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. local time for the Party sending a Notice, or payment, or performing a specified action.

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

“**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 produce less Energy from the Facility than is reflected in the VER Forecast for the Facility for a period of time;

(b) for the same time period as referenced in (a), Seller or the SC for the Facility, in compliance with Buyer’s instructions under this Agreement:

(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 Energy forecasted to be produced from the Facility; and

(c) no other circumstances exist that constitute a planned outage, Forced Facility Outage, Force Majeure Event and/or a Curtailment Period during the same time period as referenced in (a).

“**Buyer Curtailment Order**” means the instruction from Buyer to Seller to reduce generation from the Facility by the amount, and for the period of time set forth in such order, for reasons unrelated to a planned outage, Forced Facility Outage, Force Majeure Event and/or Curtailment Order, which instruction may be communicated to Seller in writing by electronic notice or other commercially reasonable means.

“**Buyer Curtailment Period**” means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation from the Facility pursuant to (i) Buyer Bid Curtailment or (ii) a Buyer Curtailment Order.

“**Buyer Default**” means a failure by Buyer to perform its obligations hereunder.

“**Buyer’s MW Share**” is one hundred percent (100%) of the electric energy generated by the Facility for the applicable Contract Year.

“**CAISO**” means the California Independent System Operator Corporation or any successor entity performing similar functions.

“**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 Energy produced by the Facility less Electrical Losses and Station Use, in accordance with the CAISO Tariff.

“**CAISO Delivery Revenue**” means the CAISO revenues associated with Buyer’s MW Share of Energy scheduled into the respective CAISO markets in accordance with this Agreement; calculated as:

(a) For Day-Ahead Schedules, the sum of (i) the Day-Ahead LMP times the Buyer’s MW Share of Scheduled Energy in the Day-Ahead Market, and (ii) the FMM LMP times the difference between the Metered Energy amount and Buyer’s MW Share of Scheduled Energy in the Day-Ahead Market.

(b) For FMM Schedules, the FMM LMP times the Metered Energy amount;

provided that; during any period of Forced Facility Outage, the Day Ahead scheduled Energy amount in (a)(ii) above shall be set equal to the lesser of the Metered Energy or the Day Ahead scheduled Energy amount.

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

“**CAISO Operating Order**” has the same meaning as “Operating Instruction” as defined in 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), and X-1 2 (2011), 350 (2015) and 100 (2018), 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 CAISO Grid at a particular moment and that can be purchased and sold under CAISO market rules, including Resource Adequacy Benefits. Capacity Attributes shall also

include all rights to provide and all benefits related to the provision of Ancillary Services (as defined in the CAISO Tariff) if applicable to wind generation.

“**CEC**” means the California Energy Resources Conservation and Development Commission or its successor agency.

“**Change of Control**” in the case of Seller, means any circumstance in which Seller’s Interim Parent or Ultimate Parent ceases to be an interim parent or the ultimate parent, respectively, or 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 its Interim Parent or Ultimate Parent indirectly through one or more intermediate entities shall not be counted towards the Interim Parent’s or Ultimate Parent’s ownership interest in Seller unless the Interim Parent or 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.

“**Change of Control Settlement Amount**” means Buyer’s Costs and Losses minus its Gains, as determined by Buyer in a commercially reasonable manner consistent with energy industry practices, which amount may be a negative number, provided, that in the event Seller disputes Buyer’s determination the Parties shall engage a mutually acceptable third party consultant to determine the Change of Control Settlement Amount, which determination shall be binding on the Parties.

“**Compliance Actions**” has the meaning set forth in Section 3.10.

“**Compliance Expenditure Cap**” has the meaning set forth in Section 3.10.

“**Confidential Information**” has the meaning set forth in Section 19.1.

“**Contract Price**” has the meaning set forth in the Cover Sheet, as may be adjusted by Section 3.3.

“**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 Delivery Start Date, and each subsequent Contract Year shall commence on the anniversary of the Delivery Start Date.

“**Control**” (including, with correlative meanings, the terms “Controlled by” and “under common Control with”), as used with respect to any Person, shall mean (a) the direct or indirect right to cast more than 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 more than 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.

“**Costs**” means, with respect to Buyer, in the event of a Change of Control Settlement Amount and, otherwise, 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 Buyer or the Non-Defaulting Party, as the case may be, in connection with terminating the Agreement.

“**Cover Sheet**” means the cover sheet to this Agreement.

“**CPM Soft Offer Cap**” has the meaning set forth in the CAISO Tariff.

“**CPUC**” means the California Public Utilities Commission, or successor entity.

“**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, in either case by S&P or Moody’s. If ratings by S&P and Moody’s are not equivalent, the lower rating shall apply.

“**Curtailment Cap**” means Guaranteed Capacity times fifty (50) hours per Contract Year.

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

(a) CAISO orders, directs, alerts, or provides notice to a Party, including a CAISO Operating Order, to curtail Energy deliveries for any reason other than a Buyer Bid Curtailment;

(b) a curtailment ordered by the Participating Transmission Owner or distribution operator (if the Facility is interconnected to distribution or sub-transmission system) 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 or distribution operator’s electric system integrity or the integrity of other systems to which the Participating Transmission Owner is connected;

(c) a curtailment ordered by 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 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.

For the avoidance of doubt, if Buyer or Buyer’s SC submitted a Self-Schedule and/or an Energy Supply Bid in its final CAISO market participation in respect of a given time period that clears, in full, the applicable CAISO market for the full amount of Energy forecasted to be produced from the Facility for such time period, any notice from the CAISO having the effect of requiring a reduction during the same time period is a Curtailment Order, not a Buyer Bid Curtailment.

“**Curtailment Period**” means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation from the Facility pursuant to a Curtailment Order.

“**Day-Ahead Forecast**” has the meaning set forth in Section 4.4(c).

“**Day-Ahead LMP**” has the meaning set forth in the CAISO Tariff.

“**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 Buyer’s MW Share of the amount of Energy expressed in MWh that the Facility would have produced and delivered to the Delivery Point, but that is not produced by the Facility and delivered to the Delivery Point during a Buyer Curtailment Period, which amount shall be equal to the result of the equation employed pursuant to Section 4.10(a)(vii), which is reasonably calculated and provided by Seller to reflect the potential generation of the Facility as a function of Available Capacity, and wind speed and using relevant Facility availability, weather, historical and other pertinent data for the period of time during the Buyer Curtailment Period, in either case less the amount of Metered Energy delivered to the Delivery Point during the Buyer Curtailment 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(d).

“**Delivery Point**” means the PNode designated by the CAISO for the Facility.

“**Delivery Start Date**” means January 1, 2024.

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

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

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

“**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.

“**Eligible Intermittent Resources Protocol**” or “**EIRP**” means Appendix Q of the CAISO Tariff or a successor 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 metered electrical energy, measured in MWh, which is produced by the Facility.

“**Energy Payment Amount**” means the manner in which the Contract Price and CAISO Delivery Revenues will be settled under this Agreement, as set forth in Exhibit F.

“**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 Section 3.3(c).

“**Expected Energy**” has the meaning set forth in Section 4.7.

“**Facility**” means the facility described more fully in Exhibit A attached hereto.

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Flexible Resource Adequacy Benefits**” means the attributes, however defined, of a resource that can be used to satisfy the flexible resource adequacy obligations of a load serving entity, including Flexible Capacity (as defined in the CAISO Tariff).

“**FMM**” means the CAISO’s Fifteen Minute Market as set forth in the CAISO Tariff.

“**FMM Schedule**” has the meaning set forth in the CAISO Tariff.

“**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 making power 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 the WREGIS Operating Rules.

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

“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 and/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, (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 and/or air quality permits.

“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., NP-15), all of which should be calculated for the remaining Contract Term, and includes the value of Green Attributes and Capacity Attributes.

“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 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 and/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 150 MW AC capacity for the applicable Contract Year measured at the Delivery Point.

“Guaranteed Energy Production” has the meaning set forth in Section 4.7.

“Guarantor” means, with respect to Seller, (a) Avangrid, Inc., provided that (i) Avangrid, Inc. Controls, directly or indirectly, Seller and (ii) the creditworthiness of Avangrid, Inc. as of the Effective Date has not materially deteriorated following the Effective Date, as reasonably determined by Buyer, or (b) any other Person proposed by Seller and accepted by Buyer in Buyer’s sole discretion.

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

“Indemnified Party” has the meaning set forth in Section 17.1.

“Indemnifying Party” has the meaning set forth in Section 17.1.

“Interconnection Agreement” means the interconnection agreement entered into by Seller pursuant to which the Facility is interconnected with the Transmission System, and pursuant to which Seller’s Interconnection Facilities will be 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 Parent” means Avangrid Renewables, LLC.

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

“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 February 29, 2016 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 or long-term debt, equity or tax equity financing or refinancing for or in connection with the purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt, 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 and/or its Affiliates, and any trustee or agent 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 and/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 E.

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

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

“Local Capacity Area Resource Adequacy Benefits” means the attributes, however defined, of a Local Capacity Area Resource that can be used to satisfy the local resource adequacy obligations of a load serving entity.

“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., NYMEX), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes and Capacity Attributes.

“**Lost Output**” has the meaning set forth in Exhibit D.

“**Metered Energy**” means the product of (a) the electric energy generated by the Facility, expressed in MWh, as recorded by the CAISO Approved Meter(s) and net of all Electrical Losses and Station Use, multiplied by (b) Buyer’s MW Share.

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

“**MW**” means megawatts measured in alternating current.

“**MWh**” means megawatt-hour measured in AC.

“**Negative LMP**” means, in any Settlement Period or Settlement Interval, whether in the Day-Ahead Market or Real-Time Market, the LMP is less than zero dollars (\$0).

“**Negative LMP Costs**” has the meaning set forth in Section 3.3(c).

“**Net Qualifying Capacity**” or “**NQC**” 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, facsimile or electronic messaging (e-mail).

“**Participating Transmission Owner**” or “**PTO**” means an entity that owns, operates and maintains transmission or distribution lines and associated facilities and/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 Pacific Gas & Electric Company.

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

“**Performance Measurement Period**” has the meaning set forth in Section 4.7.

“**Performance Security**” means (i) cash, (ii) a Letter of Credit, or (iii) a Guaranty, in the amount specified on the Cover Sheet, deposited with Buyer in conformance with Section 8.7.

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

“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.

“Product” means (i) Metered Energy, (ii) Green Attributes, (iii) Capacity Attributes, and (iv) to the extent applicable in accordance with Section 3.5, any Future Environmental Attributes.

“Prudent Operating Practice” means the practices, methods and standards of professional care, skill and diligence engaged in or approved by a significant portion of the electric power industry in the Western United States for facilities of similar size, type, and design, that, in the exercise of reasonable judgment, in light of the facts known at the time, would have been expected to accomplish results consistent with Law, reliability, safety, environmental protection, applicable codes, and standards of economy and expedition. Prudent Operating Practices are not necessarily defined as the optimal standard practice method or act to the exclusion of others, but rather refer to a range of actions reasonable under the circumstances.

“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 3.7(b).

“RA Guarantee Date” means the Delivery Start Date.

“RA Shortfall” has the meaning set forth in Section 3.7(b).

“RA Shortfall Month” means the applicable calendar month following the RA Guarantee Date during which Seller fails to provide Resource Adequacy Benefits as required hereunder for purposes of calculating an RA Deficiency Amount under Section 3.7(b).

“RA Supply Plan” means the Supply Plan (as defined in the CAISO Tariff), or similar or successor filing, that a Scheduling Coordinator representing resources providing Resource Adequacy Benefits submits to the CAISO or other applicable Governmental Authority pursuant to

Applicable Laws in order for the Resource Adequacy Benefits, including any Local Capacity Area Resource Adequacy Benefits and Flexible Resource Adequacy Benefits, to count towards a load serving entity's resource adequacy obligations.

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

“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, including a cash grant available under Section 1603 of Division B of the American Recovery and Reinvestment Act of 2009, provided in lieu of federal Tax credits or any similar or substitute payment available under subsequently enacted federal legislation; and (c) any other form of incentive relating in any way to the Facility that are not a Green Attribute or a Future Environmental Attribute.

“Replacement Green Attribute Price” has the meaning given in Exhibit D.

“Replacement RA” means Resource Adequacy Benefits, if any, equivalent to those that would have been provided by the Facility with respect to the applicable month in which a RA Deficiency Amount is due to Buyer, and located within the Northern Area TAC Area (as described in the CAISO Tariff) and, to the extent that the Facility would have qualified as a Local Capacity Area Resource for such month, described as a Local Capacity Area Resource.

“Resource Adequacy Benefits” means the rights and privileges attached to Buyer's MW Share of the Facility that satisfy any entity's resource adequacy obligations, as those obligations are set forth in CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, 16-06-045, 17-06-027, 19-10-021 and any subsequent CPUC ruling or decision or by any other entity including CAISO, and shall include System Resource Adequacy Benefits, Flexible Resource Adequacy Benefits and Local Capacity Area Resource Adequacy Benefits associated with the Facility.

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

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

“Scheduled Energy” means the Day-Ahead Schedule, FMM Schedule, and/or any other financially-binding Schedule, market instruction or dispatch for the Facility for a given period of time.

“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.

“**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).

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

“**Settlement Period**” has the meaning set forth in the CAISO Tariff, which as of the Effective Date is the period beginning at the start of the hour and ending at the end of the hour.

“**Showing Deadline**” means the initial deadline that a Scheduling Coordinator must meet to submit its RA Supply Plan, as established by CAISO, CPUC, or any other Governmental Authority. For illustrative purposes only, as of the Effective Date, the CPUC monthly Showing Deadline is forty-five (45) days prior to the compliance month.

“**Site**” means the real property on which the Facility is or will be located, as further described in Exhibit A.

“**Site Control**” means that Seller: (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 electric 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 electric energy produced by the Facility that is consumed within the Facility’s electric energy distribution system as losses.

“**System Emergency**” means any condition that: (a) 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, and (b) directly affects the ability of any Party to perform under any term or condition in this Agreement, in whole or in part.

“System Resource Adequacy Benefits” means the attributes, however defined, of a resource that can be used to satisfy the resource adequacy obligations of a load serving entity, other than Flexible Resource Adequacy Benefits and Local Resource Adequacy Benefits.

“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.

“Terminated Transaction” has the meaning set forth in Section 11.2.

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

“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 Iberdrola, S.A.

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

“Variable Energy Resource Forecast” or **“VER Forecast”** means, for a given period, the final forecast of the Energy to be produced by the Facility prepared by the CAISO in accordance with the Eligible Intermittent Resources Protocol.

“WECC” means the Western Electricity Coordinating Council or its successor.

“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(d).

“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 December 2010, 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 shall mean 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) the expression “and/or” when used as a conjunction shall connote “any or all of”;

(l) 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

(m) 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

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**”).

(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 19 shall remain in full force and effect for two (2) years following the termination of this Agreement, and all indemnity and audit rights shall remain in full force and effect for one (1) year following the termination of this Agreement.

ARTICLE 3
PURCHASE AND SALE

3.1 **Sale of Product.** Subject to the terms and conditions of this Agreement, during the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase and receive from Seller at the Contract Price, all of the Product produced by 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 such resale or use for another purpose will not relieve Buyer of any of its obligations under this Agreement. Except for Deemed Delivered Energy, Buyer has no obligation to pay Seller for any Product that is not delivered to the Delivery Point as a result of any circumstance, including, an outage of the Facility, a Force Majeure Event, or a Curtailment Order. In no event shall Seller have the right to procure any element of the Product from sources other than the Facility for sale or delivery to Buyer under this Agreement, except with respect to Replacement RA.

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 of the Green Attributes produced by the Facility.

3.3 **Compensation.** Buyer shall compensate Seller for the Product in accordance with this Section 3.3.

(a) Subject to Seller’s obligation to remit to Buyer the CAISO Delivery Revenues in accordance with Section 4.3(e), Buyer shall pay Seller the Contract Price for each MWh of Product, as measured by the amount of Metered Energy plus Deemed Delivered Energy, if any, up to [REDACTED] of the Expected Energy for such Contract Year.

(b) If, at any point in any Contract Year, the amount of Metered Energy plus the amount of Deemed Delivered Energy exceeds [REDACTED] of the Expected Energy for such Contract Year, for each additional MWh of Product, as measured by the amount of Metered Energy plus Deemed Delivered Energy, if any, delivered to Buyer in such Contract Year, the price to be paid shall be [REDACTED]

[REDACTED]

(c) If during any Settlement Interval, Seller delivers Product in amounts, as measured by the amount of Metered Energy, in excess of the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours (“Excess MWh”), [REDACTED]

[REDACTED]

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, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. Buyer shall have the right to obtain such Future Environmental Attributes; *provided*, that Buyer shall be responsible for any additional costs required to effectuate this right. Subject to Section 3.10, Seller shall take all reasonable actions necessary to realize the full value of such Future Environmental Attributes for the benefit of Buyer, and shall cooperate with Buyer in Buyer’s efforts to do the same.

(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, 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 **Capacity Attributes.**

(a) Throughout the Delivery Term, subject to Section 3.10, Seller grants, pledges, assigns and otherwise commits to Buyer all of the Capacity Attributes from the Facility; provided that Buyer shall be responsible for any additional costs related to the provision of Ancillary Services.

(b) Throughout the Delivery Term, subject to Section 3.10, Seller shall use commercially reasonable efforts to maintain eligibility for Full Capacity 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. Throughout the Delivery Term, subject

to Section 3.10, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits to Buyer.

(c) For the duration of the Delivery Term, subject to Section 3.10, Seller shall take all commercially reasonable actions, including complying with all applicable registration and reporting requirements, and execute any and all documents or instruments necessary to enable Buyer to use all of the Capacity Attributes committed by Seller to Buyer pursuant to this Agreement.

3.7 **Resource Adequacy Failure.**

(a) **RA Deficiency Determination.** Notwithstanding Seller's obligations set forth in Section 4.3 or anything to the contrary herein, the Parties acknowledge and agree that if Seller has indicated that the Facility will have FCDS on the Cover Sheet, but has failed to provide Resource Adequacy Benefits as required hereunder, then Seller shall pay to Buyer the RA Deficiency Amount for each RA Shortfall Month as liquidated damages due to Buyer for the Capacity Attributes that Seller failed to convey to Buyer.

(b) **RA Deficiency Amount Calculation.** For each RA Shortfall Month, Seller shall pay to Buyer an amount (the "**RA Deficiency Amount**") equal to the product of the difference (such difference, the "**RA Shortfall**"), expressed in kW, of

3.8 **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 3.8 means efforts consistent with and subject to Section 3.10.

3.9 **California Renewables Portfolio Standard.** Subject to Section 3.10, Seller shall also take all other actions necessary to ensure that the Energy produced from the Facility is tracked for purposes of satisfying the California Renewables Portfolio Standard requirements, as may be amended or supplemented by California statute or by the CPUC or CEC from time to time.

3.10 **Compliance Expenditure Cap.** If Seller establishes to Buyer's reasonable satisfaction that a change in Laws occurring after the Effective Date has increased Seller's cost above the cost that could reasonably have been contemplated as of the Effective Date to take all

actions to comply with Seller's obligations under the Agreement with respect to obtaining, maintaining, conveying or effectuating Buyer's use of (as applicable), the items listed in Sections 3.10(a) and (b), then the Parties agree that the maximum amount of costs and expenses Seller shall be required to bear during the Delivery Term shall be capped [REDACTED] ("**Compliance Expenditure Cap**"):

- (a) Green Attributes;
- (b) Future Environmental Attributes; and,
- (c) Capacity Attributes.

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 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 does not respond to a Notice given by Seller under this Section 3.10 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 Contract 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 reasonable documentation of such costs from Seller.

ARTICLE 4 **OBLIGATIONS AND DELIVERIES**

4.1 Delivery.

(a) **Energy.** Subject to the terms and conditions of this Agreement, Seller shall make available and Buyer shall accept all Metered Energy on an as-generated, instantaneous basis. Each Party shall perform all generation, scheduling, and transmission services in compliance with (i) the CAISO Tariff, (ii) WECC scheduling practices, and (iii) Prudent Operating Practice.

(b) Green Attributes. Seller hereby provides and conveys all Green Attributes associated with the Facility as part of the Product being delivered. 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 Metered Energy shall pass and transfer from Seller to Buyer at the Delivery Point.

(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 Operating Rules.

4.3 Scheduling Coordinator Responsibilities.

(a) Seller as Scheduling Coordinator for the Facility. Seller shall be the Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO for the Facility for both the delivery and the receipt of the Product at the Delivery Point. Buyer shall have the right to direct Seller to Bid into the Day-Ahead Market or Real-Time Market, which Bid shall be based on (i) with respect to quantity, the VER Forecast, and (ii) with respect to price, Buyer's election to Self-Schedule or Buyer's Economic Bid price (pursuant to Section 4.5(b) of this Agreement).

(b) Bidding Strategy. Buyer shall notify Seller with at least one (1) Business Day's written notice of its election to submit a Bid into the Day-Ahead Market. Buyer shall provide the specific Day-Ahead Market Bid parameters by 5:00 am on the respective WECC pre-schedule calendar day. For Bids in the FMM, Buyer shall provide Bid parameters no later than thirty (30) minutes before the CAISO deadline for FMM Bids; provided that Buyer's FMM Bid parameters shall apply to at least two (2) consecutive fifteen (15) minute intervals. If Buyer does not elect to have Seller submit a Bid into the Day-Ahead Market, then Seller will only offer the Bid into the FMM. If Buyer elects to have Seller submit a Bid into the Day-Ahead Market, and/or into the FMM, but does not provide the Bid parameters within the time frames provided for above, Seller shall submit Bids in accordance with Buyer's most recently communicated Bid parameters in the Day-Ahead and FMM, respectively. Seller shall submit Bids to the CAISO in accordance with this Agreement and the applicable CAISO Tariff, protocols and scheduling practices for Product according to Buyer's election.

(c) Economic Bids. Buyer shall provide Seller with thirty (30) days' notice for changes to Buyer's instruction to submit Self-Schedules or Economic Bids through the end of calendar year 2021 and with one (1) Business Day's notice thereafter. If the Seller, its scheduling entity, or the Facility incurs any costs, sanctions or penalties as a result of Buyer's Economic Bid price being in violation of an Applicable Law, Buyer shall be responsible for such costs, sanctions or penalties. Seller reserves the right to reject (and not enter) any Buyer Economic Bid price over zero dollars (\$0.00) if Seller determines in its reasonable discretion that such Economic Bid price or resultant bidding strategy could reasonably be or become a violation of an Applicable Law. In

such instance, Seller will, to the extent practical given applicable time parameters, consult with Buyer to agree upon an appropriate course of action and, failing agreement, submit an Economic Bid price equal to zero dollars (\$0.00).

(d) Notices. Seller shall provide Buyer with access to all notices and updates required under the CAISO Tariff regarding the Facility's status, including, but not limited to, all outage requests, Forced Facility Outages, Forced Facility Outage reports, clearance requests, or must offer waiver forms. Seller will cooperate with Buyer to provide such notices and updates. Seller shall promptly submit such information to the CAISO and Buyer (in order of preference) telephonically, by electronic mail, or facsimile transmission to the personnel designated to receive such information.

(e) CAISO Costs and Revenues. Buyer shall be entitled to all CAISO Delivery Revenue and Seller shall remit such CAISO Delivery Revenue to Buyer through netting in accordance with Section 8.6. Seller shall be responsible for all other CAISO costs and revenues including penalties resulting from any failure by Seller to abide by the CAISO Tariff or this Agreement. For purposes of calculating the CAISO Delivery Revenue in the case of a Forced Facility Outage, 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, and any such sanctions or penalties are imposed upon the Facility or to Buyer due to the actions or inactions of Seller, the cost of the sanctions or penalties shall be the Seller's responsibility.

(f) CAISO Settlements. Seller shall be responsible for all settlement functions with the CAISO related to the Facility. Seller shall net CAISO revenues received, and CAISO costs for which Buyer is responsible under Sections 4.3(c) or 4.5(b) of this Agreement on each monthly invoice in accordance with Exhibit F and shall provide documentation with such invoice reasonably acceptable to Buyer establishing Buyer's responsibility for any CAISO costs. Seller shall provide Buyer settlement information once it 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. Seller will review, validate, and if requested by Buyer, dispute any charges that are the responsibility of Buyer in a timely manner and consistent with Seller's existing settlement processes for charges that are Seller's responsibilities. Buyer may request that Seller dispute CAISO settlements with respect to the Facility.

(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 this Facility consistent with this Agreement. Neither Party shall change such data without the other Party's prior written consent, not to be unreasonably withheld.

(h) NERC Reliability Standards. Buyer 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.

4.4 **Forecasting.** Seller shall provide the forecasts described below. Seller's Available Capacity forecasts shall include availability and updated status of key equipment for the Facility. Seller shall use commercially reasonable efforts to forecast the Available Capacity and expected Metered Energy of the Facility accurately and to transmit such information in a format reasonably acceptable to Buyer (or Buyer's designee).

(a) Annual Forecast of Expected Metered Energy. No less than ninety (90) 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 a non-binding forecast of each month's average-day expected Metered Energy, by hour, for the following calendar year in a form reasonably acceptable to Buyer.

(b) Monthly Forecast of Available Capacity. No less than thirty (30) days before the beginning of the Delivery Term, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer and Buyer's designee (if applicable) a non-binding forecast of the hourly Available Capacity for each day of the following month in a form reasonably acceptable to Buyer.

(c) Daily Forecast of Available Capacity. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, Seller shall provide Buyer with a non-binding forecast of the Facility's Available Capacity (or if requested by Buyer, the expected Metered 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 Facility's Available Capacity (or if requested by Buyer, the expected Metered Energy).

(d) Real-Time Available Capacity. During the Delivery Term, Seller shall notify Buyer of any changes in Available Capacity of five (5) MW or more, whether due to Forced Facility Outage, a Force Majeure Event 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 Capacity 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 likewise notify Buyer. Such Notices shall contain information regarding the beginning date and time of the event resulting in the change in Available Capacity, the expected end date and time of such event, the expected Available Capacity in MW, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Facility Outage, Seller shall use commercially reasonable efforts to notify Buyer of such outage within ten (10) minutes of the commencement of the Forced Facility Outage. Seller shall inform Buyer 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 notices and changes to Available Capacity shall be communicated in a method acceptable to Buyer; provided that Buyer specifies the method no later than sixty (60) days prior to the effective date of such requirement. In the event Buyer fails to provide Notice of an acceptable method for communications under this Section 4.4(d), then Seller shall send such communications by telephone and e-mail to Buyer.

4.5 **Dispatch Down/Curtailment.**

(a) **General.** Seller agrees to reduce the Facility's generation 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. Buyer has no obligation to purchase or pay for any Product delivered in violation of any Curtailment Order, Buyer Curtailment Order, or notice received from CAISO in respect of a Buyer Bid Curtailment, or for any Product that could not be delivered to the Delivery Point due to a Force Majeure Event.

(b) **Buyer Curtailment.** Buyer shall have the right to order Seller to curtail deliveries of Energy from the Facility to the Delivery Point for reasons unrelated to Force Majeure Events or Curtailment Orders pursuant to a dispatch notice delivered to Seller (at least fifteen (15) minutes before the applicable scheduling interval), provided that any such Curtailment Order shall apply to at least two (2) settlement intervals. Buyer shall pay Seller for all Deemed Delivered Energy associated with a Buyer Curtailment Period in excess of the Curtailment Cap at the applicable Contract Price.

(c) **Failure to Comply.** If Seller fails to comply with a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, then, for each MWh of Metered Energy that the Facility generated in contradiction to the Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, [REDACTED]

[REDACTED] In addition, Seller shall bear any penalties or other charges resulting from Seller's failure to comply with the Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order.

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

(a) **Facility Maintenance.** Seller shall be permitted to reduce deliveries of Product during any period of scheduled maintenance on the Facility previously agreed to between Buyer and Seller.

(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, Buyer Curtailment Period, or upon Notice of a Curtailment Order, or pursuant to the terms of 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.

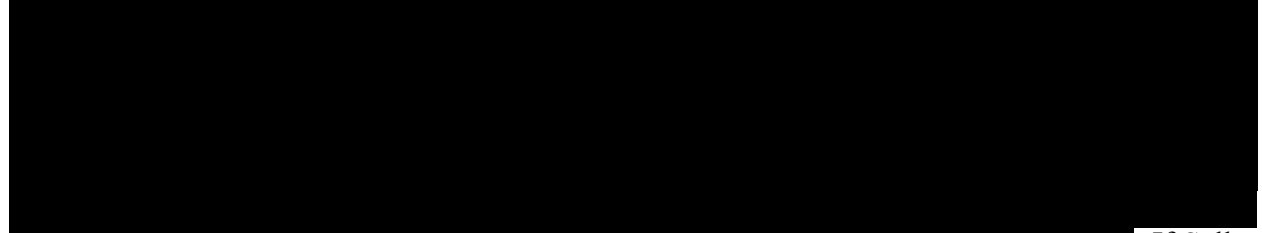
(f) Buyer's Failure to Take. If Buyer fails to take or receive deliveries of Product, then, for each such MWh of Metered Energy that the Facility generated that Buyer failed to take or receive,



4.7 Expected Energy and Guaranteed Energy Production. The quantity of Product, as measured by Metered Energy, that Seller expects to be able to deliver to Buyer during each Contract Year is set forth on the Cover Sheet ("Expected Energy"). Seller shall be required to deliver to Buyer an amount of Energy, not including any Excess MWh, equal to no less than the Guaranteed Energy Production (as defined below) in any period of two (2) consecutive Contract Years during the Delivery Term ("Performance Measurement Period").



Seller shall be excused from achieving the Guaranteed Energy Production during any Performance Measurement Period only to the extent that Buyer failed to take delivery of energy, or Seller was unable to deliver energy as a result of any Force Majeure Events, Buyer Default, Curtailment Periods and Buyer Curtailment Periods; to effectuate the foregoing excuse, Seller shall be deemed to have generated (1) the Deemed Delivered Energy in respect of Buyer Curtailment Periods and in the case of a Buyer failure to take or receive Product,



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 D.

4.8 WREGIS. Seller shall, at its sole expense, but subject to Section 3.10, 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 Metered Energy are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard for Buyer's sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer within fifteen (15) days of their creation in the WREGIS system. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification, issuance and transfer of such WREGIS Certificates to Buyer, and Buyer shall be given sole title to all such WREGIS Certificates. In addition:

(a) Seller shall be responsible for all expenses associated with paying WREGIS Certificate issuance and transfer fees. Buyer shall be responsible for all expenses associated with establishing and maintaining Buyer's WREGIS account.

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

(c) 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 issued 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.

(d) A "**WREGIS Certificate Deficit**" means any deficit or shortfall in WREGIS Certificates issued to Buyer for a calendar month as compared to the Metered Energy for the same calendar month ("**Deficient Month**"). If any WREGIS Certificate Deficit is caused, or is the result of any action or inaction, by Seller or its agent, then Seller shall cure the deficiency and transfer the missing WREGIS Certificates associated with the Metered Energy to Buyer within five (5) days of receiving Notice from Buyer of the WREGIS Certificate Deficit. If Seller fails to complete such transfer (i) the amount of Metered Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for purposes of calculating Buyer's Guaranteed Energy Production for the applicable Performance Measurement Period and (ii) without releasing Seller of its obligation to remit to Buyer the CAISO Delivery Revenues in accordance with Section 4.3(e) for any Metered Energy that is Delivered by Buyer without corresponding WREGIS Certificates, [REDACTED]

[REDACTED] 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. Seller shall use commercially reasonable efforts to rectify any WREGIS Certificate Deficit as expeditiously as possible.

(e) 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 Metered Energy in the same calendar month.

(f) Seller warrants that all necessary steps to allow the Renewable Energy Credits to be issued to Buyer and tracked in WREGIS will be taken prior to the first delivery under the contract.

4.9 **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, 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. Seller shall be deemed to have satisfied such delivery requirement if unaudited and audited (as applicable) financial statements of the Guarantor are publicly available on the U.S. Securities and Exchange

Commission (“SEC”) EDGAR information retrieval system or on an Internet page maintained by such entity for those fiscal periods that such entity is required to prepare such statements under applicable Law.

4.10 **Access to Data and Installation and Maintenance of Weather Station.**

(a) Commencing thirty (30) days prior to the Delivery Start Date, and continuing throughout the Delivery Term, Seller shall provide to Buyer, in a form reasonably acceptable to Buyer, the data set forth below on a real time basis; provided that Seller shall agree to make and bear the cost of changes to any of the data delivery provisions below, as requested by Buyer, throughout the Delivery Term, which changes Buyer determines are necessary to forecast output from the Facility, and/or comply with Law:

(i) read-only access to meteorological measurements, transformer availability, any other facility availability information, and, if applicable, all parameters necessary for use in the equation under item (vii) of this list;

(ii) read-only access to energy output information collected by the supervisory control and data acquisition (SCADA) system for the Facility; provided that if Buyer is unable to access the Facility’s SCADA system, then upon written request from Buyer, Seller shall provide energy output information and meteorological measurements to Buyer in 1 minute intervals in the form of a flat file to Buyer through a secure file transport protocol (FTP) system with an e-mail back up for each flat file submittal;

(iii) read-only access to the Facility’s CAISO revenue meter and all Facility meter data at the Site;

(iv) full, real time access to the Facility’s Scheduling and Logging for the CAISO (OMS) client application, or its successor system;

(v) net plant electrical output at the CAISO revenue meter;

(vi) instantaneous data measurements at sixty (60) second or increased frequency for the following parameters, which measurements shall be provided by Seller to Buyer in a consolidated data report at least once every five minutes via flat file through a secure file transport protocol (FTP) system with an e-mail backup: (i) wind speed (measured at hub height), (ii) peak wind speed (within one minute, measured at hub height), (iii) wind direction (measured at hub height), (iv) wind speed standard deviation, (v) wind direction standard deviation, (vi) ambient air temperature (measured at hub height), and (vii) barometric pressure (measured at hub height); and

(vii) an equation, updated on an ongoing basis to reflect the potential generation of the Facility as a function of wind speed (and, if applicable, other weather factors). Such equation shall employ the power curve provided by the Facility’s turbine supplier and will take into account the expected availability of the Facility. Seller shall reasonably cooperate with any request from Buyer to adjust the equation due to results that are inconsistent with the observed Facility output.

For any month in which the above information and access was not available to Buyer for longer than twenty-four (24) continuous hours, Seller shall prepare and provide to Buyer upon Buyer's request a report with the Facility's monthly actual available capacity in a form reasonably acceptable to Buyer.

(b) Seller shall maintain at least a minimum of one hundred twenty (120) days' historical data for all data required pursuant to Section 4.10(a), which shall be available on a minimum time interval of one-hour basis or an hourly average basis, except with respect to the meteorological measurements which shall be available on a minimum time interval of ten (10) minute basis. Seller shall provide such data to Buyer within five (5) Business Days of Buyer's request.

(c) Installation, Maintenance and Repair.

(i) Seller, at its own expense, shall install and maintain at least one (1) stand-alone meteorological station at the Site to monitor and report the meteorological data required in Section 4.10(a) of this Agreement. Seller, at its own expense, shall install and maintain a secure communication link in order to provide Buyer with access to the data required in Section 4.10(a) of this Agreement.

(ii) Seller shall maintain the meteorological stations, telecommunications path, hardware, and software necessary to provide accurate data to Buyer or Buyer's. Seller shall promptly repair and replace as necessary such meteorological stations, telecommunications path, hardware and software and shall notify Buyer as soon as Seller learns that any such telecommunications paths, hardware and software are providing faulty or incorrect data.

(iii) If Buyer notifies Seller of the need for maintenance, repair or replacement of the meteorological stations, telecommunications path, hardware or software, Seller shall maintain, repair or replace such equipment as necessary within five (5) days of receipt of such Notice; provided that if Seller is unable to repair or replace such equipment within five (5) days, then Seller shall make such repair or replacement as soon as reasonably practical.

(iv) For any occurrence in which Seller's telecommunications system is not available or does not provide quality data and Buyer notifies Seller of the deficiency or Seller becomes aware of the occurrence, Seller shall transmit data to Buyer through any alternate means of verbal or written communication, including cellular communications from onsite personnel, facsimile, blackberry or equivalent mobile e-mail, or other method mutually agreed upon by the Parties, until the telecommunications link is re-established.

(d) No later than ninety (90) days before the Commercial Operation Date, Seller shall provide one (1) year, if available, but no less than six (6) months, of recorded meteorological data to Buyer in a form reasonably acceptable to Buyer from a weather station at the Site. Such weather station shall provide, via remote access to Buyer, all data relating to (i) the parameters identified in Section 4.10(a)(vi) above (all data, except peak values, should be 1-second samples averaged into 10-minute periods); (ii) elevation, latitude and longitude of the weather station; and

(iii) any other data reasonably requested by Buyer.

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 Energy to Buyer, that are imposed on Energy prior to the Delivery Point. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of Energy that are imposed on Energy at and from the Delivery Point (other than withholding or other Taxes imposed on Seller's income, revenue, receipts or employees). 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 Energy 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 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 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, reasonable action to prevent such damage or injury and shall give Buyer's emergency contact identified on Exhibit D Notice of such condition. Such action may include disconnecting and removing all or a portion of the Facility, or suspending the supply of Energy to Buyer.

ARTICLE 7 **METERING**

7.1 **Metering.** Seller shall measure the amount of Energy produced by the Facility using a CAISO Approved Meter, using a CAISO-approved methodology. Such meter shall be installed on the high side of the Seller's transformer and maintained at Seller's cost. The 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 that 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 applicable to the Facility and all inspection, testing and calibration data and reports. Seller and Buyer shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Operational Meter Analysis and Reporting (OMAR) web and/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. If a meter is inaccurate by more than one percent (1%) and it is not known when the meter inaccuracy commenced (if such evidence exists such date will be used to adjust prior invoices), then the invoices covering the period of time since the last meter test shall be adjusted for the amount of the inaccuracy on the assumption that the inaccuracy persisted during one-half of such period.

ARTICLE 8

INVOICING AND PAYMENT; CREDIT

8.1 **Invoicing.** Seller shall deliver an invoice to Buyer for Product no later the tenth (10th) day of the month following the monthly billing period. Each invoice shall provide Buyer (a) records of metered data, including CAISO metering and transaction data sufficient to document and verify the generation of Product by the Facility for any Settlement Period during the preceding month, including the amount of Product in MWh produced by the facility as read by the CAISO Approved Meter, the amount and calculation of CAISO Delivery Revenue, the amount of Replacement RA delivered to Buyer, the calculation of Deemed Delivered Energy and Adjusted Energy Production, and the Energy Payment Amount; and (b) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount. Invoices shall be in a format specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement.

8.2 **Payment.** Buyer shall make payment to Seller for Product by wire transfer to the bank account provided on each monthly invoice or by check. If Seller's invoice is received on or before the fifteenth (15th) day of the month, Buyer shall pay undisputed invoice amounts by the twenty-fifth (25th) day of the month following the monthly billing period. If Seller's invoice is received after the fifteenth (15th) day of the month, Buyer shall pay undisputed invoice amounts by the twenty-fifth (25th) day of the month following the month that Buyer receives Seller's invoice. 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 an annual interest rate equal to the prime 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 two (2) years or as otherwise required by Law. Either Party, upon fifteen (15) days written Notice to the other Party, shall be granted reasonable 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.

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, an adjustment to an amount previously invoiced or paid is required due to a correction of data by the CAISO, or there is determined to have been a meter inaccuracy sufficient to require a payment adjustment. 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. Except for adjustments required due to a correction of data by the CAISO, any adjustment described in this Section 8.4 is waived if Notice of the adjustment is not provided within twelve (12) months after the invoice is rendered or subsequently adjusted.

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 upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. 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 party other than the Party seeking the adjustment and such 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, including any related damages calculated pursuant to Exhibit D, 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 Performance Security.

If the Performance Security is provided in the form of a Guaranty, it shall be substantially in the form set forth in Exhibit C. If the Guaranty is from Avangrid Inc. and Avangrid, Inc. ceases to Control, directly or indirectly, Seller, Seller shall, within five (5) Business Days of such cessation provide a substitute form of Performance Assurance, which may be in the form of an alternative Guaranty and, upon receipt of such substitute Performance Assurance, Buyer shall return to Seller the Avangrid, Inc. Guaranty. Seller shall maintain the Performance Security in full force and effect and Seller shall replenish the Performance Security (including by issuing a new Guaranty) in the event Buyer collects or draws down any portion of the Performance Security for any reason permitted under this Agreement other than to satisfy a Termination Payment. Seller shall maintain the Performance Security in full force and effect until the following have occurred: (A) the Delivery Term has expired or terminated early; and (B) all payment obligations of the Seller arising under this Agreement, including compensation for penalties, Termination Payment, Change of Control Settlement Amount, 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, 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.

8.8 Buyer's Financial Statements. Promptly following Seller's request, Buyer will provide to Seller a copy of Buyer's most recently completed annual report containing audited consolidated financial statements for the prior fiscal year; provided that such request will be deemed satisfied if Buyer's annual report is available at www.peninsulacleanenergy.com. As soon as practicable following Seller's request, Buyer will provide to Seller a copy of Buyer's quarterly unaudited consolidated financial statements for the most recent quarterly accounting period. It shall not be a default of Buyer if such financial statements cannot be provided to Seller because of a delay in their completion.

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 the Buyer a present and continuing first-priority security interest ("Security Interest") in, and lien on (and right to net against), and assignment of the Performance Security, any other cash collateral and cash equivalent collateral posted pursuant to Section 8.7 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 the Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect such 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, an Early Termination Date resulting from an Event of Default, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the 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 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 as Performance Security; and

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

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 after such application), subject to the obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

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 the Cover Sheet 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, five (5) 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, facsimile, 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 or Energy Payment Amount unprofitable or otherwise uneconomic (including Buyer’s ability to buy Energy at a lower price, or Seller’s ability to sell Energy at a higher price, than the Contract Price or Energy Payment Amount); (ii) Seller’s inability to obtain permits or approvals of any type for the operation or maintenance of the Facility; (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 Period, except to the extent such Curtailment Period 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; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller’s Affiliates, Seller’s contractors, their subcontractors thereof or any other third party employed by Seller to work on the Facility; or (vii) 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. Buyer shall not be obligated to pay for any Product that Seller was not able to deliver as a result of 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 remove such inability with due speed and diligence. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. The obligation to use due speed and diligence shall not be interpreted to require resolution of labor

disputes by acceding to demands of the opposition when such course is inadvisable in the discretion of the Party having such difficulty. 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. The occurrence and continuation of a Force Majeure Event shall not suspend or excuse the obligation of a Party to make any payments due hereunder.

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) as soon as practicable, 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) 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.** If a Force Majeure Event has occurred that has caused either Party to be wholly or partially unable to perform its obligations hereunder, and has continued for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon written Notice to the other Party with respect to the Facility experiencing the Force Majeure Event. Upon any such termination, neither Party shall have any liability to the other, save and except for those obligations specified in Section 2.1(b), and Buyer shall promptly return to Seller any Performance Security then held by Buyer.

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 five (5) 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;

(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) and such failure is not remedied within thirty (30) days after Notice thereof;

(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, Seller delivers or attempts to deliver to the Delivery Point for sale under this Agreement Energy that was not generated by the Facility;

(ii)



(iii) failure by Seller to satisfy the collateral requirements pursuant to Section 8.7, including the failure to replenish the Performance Security amount in accordance with this Agreement in the event Buyer draws against either for any reason other than to satisfy a Termination Payment, if such failure is not remedied within five (5) Business Days after Notice thereof;

(iv) 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 five (5) 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 which remains uncured after five (5) Business Days' Notice;

(C) the Guarantor becomes Bankrupt;

(D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in clauses (a) or (b) of 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

(v) 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 thirty (30) 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 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; and/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 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 Settlement Amount plus any or all other amounts due to or from the Non-Defaulting Party netted into a single amount. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement, the net Settlement Amount shall be zero. 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; provided, however, that any lost Capacity Attributes and Green Attributes shall be deemed direct damages covered by this Agreement. 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 Termination Payment described in this Section is a reasonable and appropriate approximation of such damages, and (c) the Termination Payment described in this Section 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 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 16.

11.6 **Rights And Remedies Are Cumulative.** Except where liquidated damages are provided as the exclusive remedy, 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.

11.7 **Mitigation.** Any Non-Defaulting Party shall be obligated to mitigate its Costs, Losses and damages resulting from any Event of Default of the other Party under 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, INDEMNITY PROVISION, OR MEASURE OF DAMAGES HEREIN, 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, BY STATUTE, IN TORT OR CONTRACT.

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 THE TERMINATION PAYMENT UNDER SECTION 11.3, AND AS PROVIDED IN EXHIBIT D, 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.

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 State of Oregon, and is qualified to conduct business in 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 corporate 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.

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, including but not limited to community choice aggregation, the Joint Powers Act, competitive bidding, public notice, open meetings, election, referendum, or prior appropriation requirements, 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, (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.

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

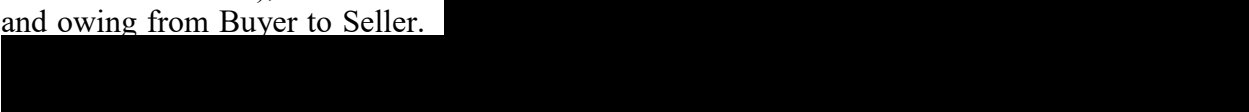
(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and any contracts to which it is a party and in material compliance with any Law.

ARTICLE 14 **ASSIGNMENT**

14.1 **General Prohibition on Assignments.** Except as provided below and in Article 15, neither Seller nor Buyer may voluntarily assign its rights nor delegate its duties under this Agreement, or any part of such rights or duties, without the written consent of the other Party. Neither Seller nor Buyer shall unreasonably withhold, condition or delay any requested consent to an assignment that is allowed by the terms of this Agreement. Any such assignment or delegation made without such written consent or in violation of the conditions to assignment set out below shall be null and void.

14.2 **Permitted Assignment; Change of Control of Seller.** Seller may, without the prior written consent of Buyer, transfer or assign this Agreement to: (a) an Affiliate of Seller; or (b) subject to Section 15.1, a Lender as collateral. Any direct or indirect Change of Control of Seller (whether voluntary or by operation of Law) shall be deemed an assignment under this Article 14 and will require the prior written consent of Buyer, which consent shall not be unreasonably withheld. Notwithstanding the immediately prior sentence, it shall not be a default of Seller if a Change of Control occurs without Buyer's consent directly as a result of a transaction at a corporate level upstream of the Interim Parent (including by a sale of the Interim Parent); provided that, within five (5) Business Days after the execution of any agreement that results in or will, upon satisfaction of conditions, result in a Change of Control, Seller shall send written notification of such Change of Control to Buyer, including reasonably detailed information concerning the acquiring entity's financial wherewithal, operating capabilities with respect to wind power generation, Affiliates, and business activities engaged in by such entity and its Affiliates. Such information requirement shall be deemed satisfied if the acquiring entity is a publicly-traded company that is required to file reports pursuant to the Securities Exchange Act of 1934 and is not delinquent in the filing of such reports. Within thirty (30) days of receiving Seller's notice and information, Buyer may terminate this Agreement in its sole discretion by delivering notice to Seller of such termination, which notice shall be effective as of the date of the notice, and of the Change of Control Settlement Amount. If the Change of Control Settlement Amount is a positive number (Buyer's Costs and Losses exceed its Gains), it shall be due and owing from Seller to Buyer; if the Change of Control Settlement Amount is a negative number (Buyer's Gains exceed its Costs and Losses), the absolute value of the Change of Control Settlement Amount shall be due and owing from Buyer to Seller.



14.3 **Permitted Assignment; Change of Control of Buyer.** Buyer may assign its interests in this Agreement to an Affiliate of Buyer or to any entity that has acquired all or substantially all of Buyer's assets or business, whether by merger, acquisition or otherwise without Seller's prior written consent, *provided*, that in each of the foregoing situations, the assignee (a) has a Credit Rating of Baa2 or higher by Moody's or BBB or higher by S&P, and (b) is a community choice aggregator or publicly-owned electric utility with retail customers located in the state of California; *provided, further*, that in each such case, no fewer than fifteen (15) Business Days before such assignment Buyer (x) notifies Seller of such assignment and (y) provides to Seller a written agreement signed by the Person to which Buyer wishes to assign its interests stating that such Person agrees to assume all of Buyer's obligations and liabilities under this Agreement and under any consent to assignment and other documents previously entered into by Seller as described in Section 15.2(b). Any assignment by Buyer, its successors or assigns under this Section 14.3 shall be of no force and effect unless and until such Notice and agreement by the assignee have been received and accepted by Seller.

ARTICLE 15

LENDER ACCOMMODATIONS

15.1 **Granting of Lender Interest.** Notwithstanding Section 14.2 or Section 14.3, either Party may, without the consent of the other Party, grant an interest (by way of collateral assignment, or as security, beneficially or otherwise) in its rights and/or obligations under this Agreement to any Lender. Each Party's obligations under this Agreement shall continue in their entirety in full force and effect. Promptly after granting such interest, the granting Party shall notify the other Party in writing of the name, address, and telephone and facsimile numbers of any Lender to which the granting Party's interest under this Agreement has been assigned. Such Notice shall include the names of the Lenders to whom all written and telephonic communications may be addressed. After giving the other Party such initial Notice, the granting Party shall promptly give the other Party Notice of any change in the information provided in the initial Notice or any revised Notice.

15.2 **Rights of Lender.** If a Party grants an interest under this Agreement as permitted by Section 15.1, the following provisions shall apply:

(a) Lender shall have the right, but not the obligation, to perform any act required to be performed by the granting Party under this Agreement to prevent or cure a default by the granting Party in accordance with Section 11.2 and such act performed by Lender shall be as effective to prevent or cure a default as if done by the granting Party.

(b) The other Party shall cooperate with the granting Party or any Lender, to execute or arrange for the delivery of certificates, consents, opinions, estoppels, direct agreements, amendments and other documents reasonably requested by the granting Party or Lender in order to consummate any financing or refinancing and shall enter into reasonable agreements with such

Lender that provide that the non-granting Party recognizes the Lender's security interest and such other provisions as may be reasonably requested by the granting Party or any such Lender; *provided*, however, that all costs and expenses (including reasonable attorney's fees) incurred by the non-granting Party in connection therewith shall be borne by the granting Party, and that the non-granting Party shall have no obligation to modify this Agreement; *provided, further*, that the non-granting Party shall have no obligation to offer more favorable terms to Lender in such consents or other agreements than those in this Agreement.

(c) Each Party agrees that no Lender shall be obligated to perform any obligation or be deemed to incur any liability or obligation provided in this Agreement on the part of the granting Party or shall have any obligation or liability to the other Party with respect to this Agreement except to the extent any Lender has expressly assumed the obligations of the granting Party hereunder; *provided* that the non-granting Party shall nevertheless be entitled to exercise all of its rights hereunder in the event that the granting Party or Lender fails to perform the granting Party's obligations under this Agreement.

15.3 **Cure Rights of Lender.** The non-granting Party shall provide Notice of the occurrence of any Event of Default described in Section 11.1 or 11.2 hereof to any Lender, and such Party shall accept a cure performed by any Lender and shall negotiate in good faith with any Lender as to the cure period(s) that will be allowed for any Lender to cure any granting Party Event of Default hereunder but shall not be required to accept a cure period longer than that provided in this Agreement except in its sole discretion. The non-granting Party shall accept a cure performed by any Lender so long as the cure is accomplished within the applicable cure period so agreed to between the non-granting Party and any Lender. Notwithstanding any such action by any Lender, the granting Party shall not be released and discharged from and shall remain liable for any and all obligations to the non-granting Party arising or accruing hereunder. The cure rights of Lender may be documented in the certificates, consents, opinions, estoppels, direct agreements, amendments and other documents reasonably requested by the granting Party pursuant to Section 15.2(b).

ARTICLE 16 **DISPUTE RESOLUTION**

16.1 **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 litigation arising with respect to this Agreement is to be venued in the Superior Court for the county of San Mateo, California.

16.2 **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, 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 17
INDEMNIFICATION

17.1 **Indemnification.**

(a) Each Party (the “**Indemnifying Party**”) agrees to indemnify, defend and hold harmless the other Party and its Affiliates, directors, officers, employees and agents (collectively, the “**Indemnified Party**”) from and against all third-party claims, demands, losses, liabilities, penalties, and expenses (including reasonable attorneys’ fees) for personal injury or death to Persons and damage to the property of any third party to the extent arising out of, resulting from, or caused by the violation of Law or the negligent or willful misconduct of the Indemnifying Party, its Affiliates, its directors, officers, employees, or agents.

(b) Nothing in this Section 17.1 shall enlarge or relieve Seller or Buyer of any liability to the other for any breach of this Agreement. Neither Party shall be indemnified for its damages resulting from its sole negligence, intentional acts or willful misconduct. These indemnity provisions shall not be construed to relieve any insurer of its obligation to pay claims consistent with the provisions of a valid insurance policy.

17.2 **Claims.** Promptly after receipt by a Party of any claim or Notice of the commencement of any action, administrative, or legal proceeding, or investigation as to which the indemnity provided for in this Article 17 may apply, the Indemnified Party shall notify the Indemnifying Party in writing of such fact. The Indemnifying Party shall assume the defense thereof with counsel designated by such Party and satisfactory to the Indemnified Party, *provided, however,* that if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party’s expense, unless a liability insurer is willing to pay such costs. If the Indemnifying Party fails to assume the defense of a claim meriting indemnification, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim, *provided* that settlement or full payment of any such claim may be made only following consent of the Indemnifying Party or, absent such consent, written opinion of the Indemnified Party’s counsel that such claim is meritorious or warrants settlement. Except as otherwise provided in this Article 17, in the event that a Party is obligated to indemnify and hold the other Party and its successors and assigns harmless under this Article 17, the amount owing to the Indemnified Party will be the amount of the Indemnified Party’s damages net of any insurance proceeds received by the Indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

ARTICLE 18

INSURANCE

18.1 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 One Million Dollars (\$1,000,000) per occurrence, and an annual aggregate of not less than Two Million Dollars (\$2,000,000), endorsed to provide contractual liability in said amount, specifically covering Seller's obligations under this Agreement and naming 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 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) Subcontractor Insurance. Seller shall require all of its subcontractors to carry: (i) comprehensive general liability insurance; (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, in each case, with limits determined to be appropriate by Seller. All subcontractors shall name Seller as an additional insured to insurance carried pursuant to clauses (f)(i) and (f)(iii). All subcontractors shall provide a primary endorsement and a waiver of subrogation to Seller for the required coverage pursuant to this Section 18.1(e).

(f) 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. 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. Seller shall also comply with all insurance requirements by any renewable energy or other incentive program administrator or any other applicable authority.

(g) Failure to Comply with Insurance Requirements. If Seller fails to comply with any of the provisions of this Article 18, Seller, among other things and without restricting Buyer's remedies under the Law or otherwise, shall, at its own cost and expense, act as an insurer and provide insurance in accordance with the terms and conditions above. With respect to the required general liability, umbrella liability and commercial automobile liability insurance, Seller shall provide a current, full and complete defense to Buyer, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third-party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the terms and conditions set forth above. In addition, alleged violations of the provisions of this Article 18 means that Seller has the initial burden of proof regarding any legal justification for refusing or withholding coverage and Seller shall face the same liability and damages as an insurer for wrongfully refusing or withholding coverage in accordance with the laws of California.

ARTICLE 19

CONFIDENTIAL INFORMATION

19.1 **Definition of Confidential Information.** The following constitutes "**Confidential Information**," whether oral or written, and whether delivered by Seller to Buyer or by Buyer to Seller including: (a) proposals and negotiations of the Parties in the negotiation of this Agreement; (b) the terms and conditions of this Agreement; and (c) information that either Seller or Buyer stamps or otherwise identifies as "confidential" or "proprietary" or words of similar import 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; (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.

19.2 **Duty to Maintain Confidentiality.** The Party receiving Confidential Information shall treat it as confidential, and shall adopt reasonable information security measures to maintain its confidentiality, employing the higher of (a) the standard of care that the receiving Party uses to preserve its own confidential information, or (b) a standard of care reasonably tailored to prevent unauthorized use or disclosure of such Confidential Information. Confidential Information may be disclosed by the recipient if and to the extent such disclosure is required (i) by Law, (ii) pursuant to an order of a court or (iii) in order to enforce this Agreement. The Party that originally discloses Confidential Information may use such information for its own purposes, and may publicly disclose such information at its own discretion. Notwithstanding the foregoing, Seller acknowledges that Buyer is required to make portions of this Agreement available to the public in connection with the process of seeking approval from its board of directors for execution of this Agreement. Buyer may, in its discretion, redact certain terms of this Agreement as part of any such public disclosure, and will use reasonable efforts to consult with Seller prior to any such public disclosure. Seller further acknowledges that Buyer is a public agency subject to the requirements of the California Public Records Act (Cal. Gov. Code section 6250 et seq.). Upon request or demand from any third person not a Party to this Agreement for production, inspection and/or copying of this Agreement or other Confidential Information provided by Seller to Buyer,

Buyer shall, to the extent permissible, notify Seller in writing in advance of any disclosure that the request or demand has been made; provided that, upon the advice of its counsel that disclosure is required, Buyer may disclose this Agreement or any other requested Confidential Information, whether or not advance written notice to Seller has been provided. Seller shall be solely responsible for taking whatever steps it deems necessary to protect Confidential Information that is the subject of any Public Records Act request submitted by a third person to Buyer.

19.3 **Irreparable Injury; Remedies.** Buyer and Seller each agree that disclosing Confidential Information of the other in violation of the terms of this Article 19 may cause irreparable harm, and that the harmed Party may seek any and all remedies available to it at Law or in equity, including injunctive relief and/or notwithstanding Section 12.2, consequential damages.

19.4 **Disclosure to Lender.** Notwithstanding anything to the contrary in this Article 19, Confidential Information may be disclosed by Seller to any potential Lender or any of its agents, consultants 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 19 to the same extent as if it were a Party.

19.5 **Disclosure to Credit Rating Agency.** Notwithstanding anything to the contrary in this Article 19, Confidential Information may be disclosed by either Party to any nationally recognized credit rating agency (e.g., Moody's Investors Service, Standard & Poor's, or Fitch Ratings) in connection with the issuance of a credit rating for that Party or its affiliates, provided that any such credit rating agency agrees in writing to maintain the confidentiality of such Confidential Information.

19.6 **Public Statements.** 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 press release.

ARTICLE 20 **MISCELLANEOUS**

20.1 **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.

20.2 **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.

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

20.4 **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).

20.5 **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.

20.6 **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, a non-Party or the FERC acting *sua sponte* 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).

20.7 **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.

20.8 **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.

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

20.10 **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 of Buyer or its constituent members, in connection with this Agreement.

20.11 **Change in Electric Market Design.** If a change in the CAISO Tariff renders this Agreement or any provisions hereof incapable of being performed or administered, then any Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. If a change to any Law occurs after the Effective Date, including any rule or requirement of WREGIS, that impacts the number or quality of Resource Adequacy Benefits or Green Attributes (including Renewable Energy Credits) available to Buyer from the Facility, then Buyer may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date, it being understood that (i) Buyer is to receive the maximum amount of Resource Adequacy Benefits and Green Attributes available from the Facility (ii) Seller's ongoing compliance costs associated with the provision of Resource Adequacy Benefits and Green Attributes available from the Facility, among other things, are subject to the Compliance Expenditure Cap. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith. If Buyer and Seller are unable, within sixty (60) days after delivery of such request, to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then any Party may submit issues pertaining to changes to this Agreement to the dispute resolution process set forth in Article 16. Notwithstanding the foregoing, a change in cost shall not in and of itself be deemed to render this Agreement or any of the provisions hereof incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure Event and (ii) this Agreement shall remain in full force and effect, subject to any necessary changes, if any, agreed to by the Parties or determined through dispute resolution.

EXHIBIT A

DESCRIPTION OF THE FACILITY

Site Name:

Shiloh I Wind Project

APNs:





County: Solano County

Installed Capacity: 150 MW AC (net, at the Delivery Point)

P-node/Delivery Point: the PNode designated by the CAISO for the Facility at the PG&E Bird's Landing Substation

EXHIBIT B

EMERGENCY CONTACT INFORMATION

BUYER:

Peninsula Clean Energy
2075 Woodside Road
Redwood City, CA 94061
Attn: Director of Power Resources

Phone No.: 650-260-0005
Email: contracts@peninsulacleanenergy.com

SELLER:

Contract Administration
Avangrid Renewables, LLC

Phone No.: 503-796-7034
Fax No.: 503-796-6907
Email: contracts.admin@avangrid.com

With a copy to:

Office of the General Counsel
Avangrid Renewables, LLC

Phone No.: 503-796-7127
Fax No.: 503-796-6904
Email: benjamin.lackey@avangrid.com

EXHIBIT C

FORM OF GUARANTY

This Guaranty (this “Guaranty”) is entered into as of [_____] (the “Effective Date”) by and between [_____] a [_____] (“Guarantor”), and [Party] (together with its successors and permitted assigns, “Guaranteed Party”).

Recitals

- A. Guaranteed Party and [_____] a [_____] (“Obligor”), entered into that certain Power Purchase and Sale Agreement (as amended, restated or otherwise modified from time to time, the “PPA”) dated as of [____], 2020.
- B. Guarantor is entering into this Guaranty as Performance Security to secure Obligor’s obligations under the PPA, as required by [Section 8.7] 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 Guaranteed Party the full, complete and prompt payment by Obligor of any and all amounts and payment obligations now or hereafter owing from Obligor to Guaranteed Party 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 in an aggregate liability not to exceed [_____] (the “Guaranteed Amount”). The Parties understand and agree that any payment by Guarantor or Obligor 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 not of collection, of the Guaranteed Amount and, except as otherwise expressly addressed herein, is in no way conditioned upon any requirement that Guaranteed Party first attempt to collect the payment of the Guaranteed Amount from Obligor, 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 Obligor shall fail to duly, completely or punctually pay any Guaranteed Amount as required pursuant to the PPA, Guarantor shall promptly, after giving effect to all applicable notice and grace, 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 Obligor to Guaranteed Party under the terms and conditions of the PPA. If Obligor fails to pay any Guaranteed Amount as required pursuant to the PPA for five (5) Business Days following Obligor’s receipt of Guaranteed Party’s written notice of such failure (the “Demand Notice”), then Guaranteed Party 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 Obligor has failed to pay and an explanation of why such payment is due and owing, with a specific statement that Guaranteed Party 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 Guaranteed Party.

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 all Guaranteed Amounts have been paid in full (whether directly or indirectly through set-off or netting of amounts owed by Guaranteed Party to Obligor). Notwithstanding the foregoing, this Guaranty shall automatically terminate and be of no further force or effect if Obligor replaces this Guaranty with an alternative form of Performance Security acceptable to Guaranteed Party. 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 Obligor 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, Obligor or any of its assets, including but not limited to any rejection or other discharge of Obligor'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 Guaranteed Party by Obligor that Guaranteed Party subsequently returns to Obligor 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 Obligor and any representative of Obligor 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) Obligor'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.

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 Guaranteed Party in reliance hereon, (c) any requirement that Guaranteed Party exhaust any right, power or remedy or proceed against Obligor 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 Obligor into or with any other entity, (b) sale of substantial assets by, or restructuring of the corporate existence of, Obligor or (c) change in ownership of any membership interests of, or other ownership interests in, Obligor; or

(iv) the failure by Guaranteed Party or any other person to create, preserve, validate, perfect or protect any security interest granted to, or in favor of, Guaranteed Party or any person.

Notwithstanding any other provision of this Guaranty to the contrary, Guarantor hereby reserves all rights and remedies accorded by applicable laws to sureties or guarantors based on the defense of the statute of limitations related to the enforceability of this Guaranty in any action or proceeding for the payment of any Guaranteed Amount.

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 Obligor or seek contribution or reimbursement of such payments from Obligor.

6. Representations and Warranties. Guarantor hereby represents and warrants that (a) it has all necessary and appropriate 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 Guaranteed Party, to it at

Peninsula Clean Energy

Attn: Director of Power Resources

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 San Francisco, California.

9. Miscellaneous. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Guaranteed Party 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 Guaranteed Party. This Guaranty is not assignable by Guarantor without the prior written consent of Guaranteed 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.

10. WAIVER OF JURY TRIAL; JUDICIAL REFERENCE.

(a) JURY WAIVER. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(b) JUDICIAL REFERENCE. IN THE EVENT ANY LEGAL PROCEEDING IS FILED IN A COURT OF THE STATE OF CALIFORNIA (THE “COURT”) BY OR AGAINST ANY PARTY HERETO IN CONNECTION WITH ANY CONTROVERSY, DISPUTE OR CLAIM DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) (EACH, A “CLAIM”) AND THE WAIVER SET FORTH IN THE PRECEDING PARAGRAPH IS NOT ENFORCEABLE IN SUCH ACTION OR PROCEEDING, THE PARTIES HERETO AGREE AS FOLLOWS:

- (i) ANY CLAIM (INCLUDING BUT NOT LIMITED TO ALL DISCOVERY AND LAW AND MOTION MATTERS, PRETRIAL MOTIONS, TRIAL MATTERS AND POST-TRIAL MOTIONS) WILL BE DETERMINED BY A GENERAL REFERENCE PROCEEDING IN ACCORDANCE WITH THE PROVISIONS OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 THROUGH 645.1. THE PARTIES INTEND THIS GENERAL REFERENCE AGREEMENT TO BE SPECIFICALLY ENFORCEABLE IN ACCORDANCE WITH CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638.
- (ii) UPON THE WRITTEN REQUEST OF ANY PARTY, THE PARTIES SHALL SELECT A SINGLE REFEREE, WHO SHALL BE A RETIRED JUDGE OR JUSTICE. IF THE PARTIES DO NOT AGREE UPON A REFEREE WITHIN TEN (10) DAYS OF SUCH WRITTEN REQUEST, THEN, ANY PARTY MAY REQUEST THE COURT TO APPOINT A REFEREE PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 640(B).

- (iii) THE PARTIES RECOGNIZE AND AGREE THAT ALL CLAIMS RESOLVED IN A GENERAL REFERENCE PROCEEDING PURSUANT HERETO WILL BE DECIDED BY A REFEREE AND NOT BY A JURY.

[Signatures 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: _____

GUARANTEED PARTY:

[_____]

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

EXHIBIT D

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 = [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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

Within sixty (60) days after each Performance Measurement Period, 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.

Additional Definitions:

“**Adjusted Energy Production**” shall mean the sum of the following: Metered Energy + Deemed Delivered Energy + Lost Output – Excess MWh.

“**Lost Output**” means the sum of Energy in MWh that would have been generated and delivered, but was not, on account of Force Majeure Event, Buyer Default, or Curtailment Order. The additional MWh shall be calculated using an equation provided by Seller, as approved by Buyer in its reasonable discretion, to reflect the potential generation of the Facility as a function of Available Capacity, wind speed and using relevant Facility availability, weather, historical and other pertinent data for the period of time during the period in which the Force Majeure Event, Buyer Default, or Curtailment Order occurred.

“**Replacement Green Attribute Price**” means the value of Renewable Energy Credits of the same Portfolio Content Category (e.g., PCC1) as 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 determined based on a Renewable Energy Credit pricing index that has been mutually agreed upon by Seller and Buyer or, if such index is not available, as determined by the average of three (3) nationally-recognized broker quotes. [REDACTED]

EXHIBIT E

FORM OF LETTER OF CREDIT

[Issuing Bank Letterhead and Address]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [XXXXXXXX]

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

Beneficiary:

[Peninsula Clean Energy Authority]

[Address]

Ladies and Gentlemen:

On behalf of [XXXXXXXX] (“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 **[Party]**, Address _____, for an amount not to exceed the aggregate sum of U.S. \$[XXXXXXXX] (United States Dollars [XXXXXXXX] and 00/100), (the “**Available Amount**”) pursuant to that certain **[Agreement]** dated as of _____ (the “**Agreement**”) between Applicant and Beneficiary. This Letter of Credit shall become effective immediately and shall have an initial expiry date of _____, 201_ subject to the automatic extension provisions herein.

Funds under this Letter of Credit are available to you against your draft(s) drawn on us at sight, mentioning thereon our Letter of Credit No. [XXXXXXXX] accompanied by your 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.

We hereby agree with the Beneficiary that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation to the Issuer in person, by courier at **[insert bank address]**. Payment shall be made by Issuer in U.S. dollars with Issuer’s own immediately available funds.

Partial draws are permitted under this Letter of Credit, provided that the Available Amount shall be reduced by the amount of each such drawing.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without an amendment for a one year period beginning on the present expiry date hereof and upon each anniversary for such date, unless at least sixty (60) days prior to any such expiry date we have sent to you written notice by overnight courier service that we elect not to permit this Letter of Credit to be so extended, in which case it will expire on its then current expiry date. No presentation made under this Letter of Credit after such expiry date will be honored.

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 Article 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 expiry 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.

[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 **[Party]**, Address _____ 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 **[XXXXXXXX]** (the "Applicant"), hereby certifies to the Bank as follows:

1. Applicant and Beneficiary are party to that certain Agreement dated as of **[XXXXXXXX]** (the "Agreement").
2. Pursuant to the Agreement, an Event of Default as defined in said Agreement has occurred and as a result, Beneficiary is entitled to payment of an amount equal to \$ _____. Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. \$ _____, which amount does not exceed (i) the amount under which Beneficiary is entitled under the Agreement and (ii) the Available Amount under the Letter of Credit as of the date hereof.

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 the Bank has provided notice of its intent to not extend the expiry date of the Letter of Credit and Applicant failed to provide acceptable replacement security to Beneficiary at least thirty (30) days prior to the expiry date of the Letter of Credit.

3. The undersigned is a duly authorized representative of Peninsula Clean Energy 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 Peninsula Clean Energy by wire transfer in immediately available funds to the following account:

[Specify account information]

[Party]

Name and Title of Authorized Representative

Date _____



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Siobhan Doherty, Director of Power Resources
Dave Fribush, Distributed Energy Resources Technical Advisor

SUBJECT: Authorize Chief Executive Officer to execute a contract with McCalmont Engineering for \$137,500 and an additional as-needed budget of \$129,500 for a total authorized expenditure not to exceed \$267,000 in support of Distributed Energy Resources site evaluation and procurement activities.

RECOMMENDATION:

(1) Authorize Chief Executive Officer to execute a contract with McCalmont Engineering for Distributed Energy Resources (DER) Site Evaluation and Engineering Services in an amount not to exceed \$137,500 for a term through December 31, 2021; and
(2) Approve an additional budget of up to \$129,500 to be used on an as-needed basis to support additional DER site evaluations and procurement activities (should some/all projects advance to procurement), for a total authorized expenditure not to exceed \$267,000.

BACKGROUND:

The Board has set a goal to create a minimum of 20 MW of new power sources in San Mateo County by 2025. This contract and budget will help staff to meet this goal.

In July 2020, Peninsula Clean Energy launched a Request for Proposals (RFP) for DER Site Evaluation and Engineering Services to assist in the evaluation of seven sites owned by the County of San Mateo for potential DER deployment. These sites had been identified as ideal candidates through conversations between Peninsula Clean Energy and County of San Mateo staff and include the San Carlos Airport, Half Moon

Bay Airport, Pescadero Landfill, San Mateo County Events Center, Maple Street Correctional Facility, San Mateo County Youth Services, and the San Mateo County Medical Center.

Staff recommends proceeding with McCalmont Engineering. McCalmont has exceptional experience in solar PV and energy storage deployments both in-front-of and behind-the-meter and provided the most competitive pricing.

In addition to first order goals of evaluating these specific sites for potential DER projects, Peninsula Clean Energy staff recognized an opportunity to concurrently utilize the experiences of conducting these site evaluations to develop best practices for DER site evaluations and deployments to streamline and improve a deployment process. The initial evaluation stage is where many DER projects stall and is an area that Peninsula Clean Energy could potentially help address via its status as a load serving entity, a trusted public partner to customers and municipal/county stakeholders, its financial resources, and its goals for DER deployments. Thus, the second order goals of the solicitation are to utilize the experience of evaluating the specified sites to inform the creation of a time and cost-efficient process through which future potential DER sites can be evaluated.

The RFP was run in two steps, with an initial qualifying step to screen for the most qualified candidate firms. The qualifying group was then invited to provide a more detailed response and pricing.

DISCUSSION:

Peninsula Clean Energy received 13 responses to Step 1 (qualifying) of the RFP and invited nine firms to Step 2 (detailed response). Eight of the nine invited firms submitted a detailed Step 2 response.

Peninsula Clean Energy staff undertook a thorough and rigorous approach to evaluations, with the staff assigning qualitative and quantitative scores to responses based on the following key metrics:

- Experience and qualifications
- Thoughtfulness and completeness of response
- Creativity and adaptability
- Location
- Fit
- Information Presentation
- Pricing

The quality of the responses received was exceptional and evaluation scoring was close. The four top-scoring respondents were invited to a one-hour shortlist interview. Following the interviews, staff re-ranked each of the four firms on the qualitative metrics above, and combined, with pricing, made the recommendation to select McCalmont Engineering.

McCalmont has exceptional experience in solar PV and energy storage deployments both in-front-of and behind-the-meter. Its responses in writing and at the shortlist interviews were consistently clear, logical, and thorough while also being concise. With headquarters in Campbell, CA and a mostly in-house team to support the project, it presents as a good candidate for a short and long-term partner in DER-related efforts. Finally, its pricing was the least expensive with the most modularity; for example, if structural engineering evaluation is not required at a site(s), Peninsula Clean Energy does not have to incur its associated costs, which were broken out.

Key Activities for the 4 Phases of the project are as follows:

Phase 1 Key Activities:

- Working with PCEA Staff at start of project and iteratively throughout project, develop and refine required components of Project Package, which shall be broadly defined as the minimum minimum-but-sufficient level of documentation for the purposes of an equipment vendor providing an accurate bid, as if the DER vendor itself had done the site walkdown to prepare a bid.
- Conduct walkdown at each facility to document/take measurements of site attributes as necessary to develop DER sizing and configuration options and for creation of Project Packages. It shall include drawings, diagrams, notes, and report(s) that characterize the proposed DER deployment and provides sufficient information for a DER vendor to provide a high confidence bid on the project.
- Analyze facility loads to inform DER equipment selection, including analysis of financial benefits/impacts to end customer
- Identify critical loads (with facility manager input) and costs required for segregating those loads for backup by DER (if applicable to site)
- Evaluate structural integrity and requisite load-bearing capabilities of any structures in or on which DER equipment would be installed
- Evaluate potential interconnection options - Behind-the-Meter Rule 21 Non-Export, Rule 21 Export, and in-front-of-the-meter WDAT.
- Evaluate eligibility of proposed DERs to qualify for ITC, SGIP, and other applicable incentives and quantify expected incentives
- Estimate financial revenues for considered DER configurations over the course of equipment lifetime

Phase 2 - 4 Key Activities:

- Consulting support as necessary in creation of a follow-on solicitation to procure a DER vendor(s) to deploy specified DERs and technical evaluation of DER vendor proposals in response to follow-on solicitation

- If solicitation moves to deployment, conduct periodic oversight activities to ensure projects are deployed and function as specified and assist Peninsula Clean Energy staff, DER vendors, facility staff, county personnel as necessary in the resolution of any technical problems that arise during deployment
- Work with PCEA Staff to expand the methods, workflows, and learnings developed in this project to develop a standardized process to expedite future DER site evaluations

We are seeking Board approval for contracting with McCalmont Engineering to conduct Phase 1 activities for seven County sites in an amount not to exceed \$137,500.

McCalmont Engineering notes the actual price may be less as all services (structural engineering evaluation, critical load segmentation evaluation) will likely not be required at all sites.

We are seeking Board approval for an additional \$129,500 budget to be used on an as-needed basis for:

- ***Additional Phase 1 site evaluations: \$80,500***
- ***Phase 1 engineering consulting support: \$10,000***
- ***Phase 2 engineering consulting support: \$15,000***
- ***Phase 3 engineering consulting support: \$24,000***

This additional budget would give Peninsula Clean Energy staff the option to utilize McCalmont Engineering for evaluation support of additional sites. Phase 2 and Phase 3 support would be utilized if one or more sites move to RFP for procurement and a contract(s) is executed for deployment. We also would ask for flexibility to move budget between categories above on an as-needed basis in support of overall project goals.

Total budget request (not to exceed): \$267,000

Peninsula Clean Energy Staff sees this project as an important step forward in achieving Peninsula Clean Energy's DER deployment goals, both with the specifically identified sites as well as its potential to better enable future DER deployments through work to develop a more time and cost-efficient process for DER evaluations.

FISCAL IMPACT:

The fiscal impact will not exceed \$267,000 and the costs for these consulting services were included in the approved FY2021 budget.

STRATEGIC PLAN

The McCalmont Engineering contract supports the following objectives and key tactics in Peninsula Clean Energy's strategic plan:

- Priority 1: Design a power portfolio that is sourced by 100% carbon free energy¹ by 2025 that aligns supply and consumer demand on a 24x7 basis
- Power Resources Goal 1: Secure sufficient, low-cost, clean sources of electricity that achieve Peninsula Clean Energy's priorities while ensuring reliability and meeting regulatory mandates
 - Objective C Local Power Sources: Create a minimum of 20 MW of new power sources in San Mateo County by 2025
 - Key tactic 1: Analyze total available opportunity for implementing new clean energy projects in San Mateo County
 - Key tactic 2: Implement Board-approved strategy to increase community resilience.
 - Key tactic 3: Work with local government partners to identify and catalog opportunities for distributed energy resources across San Mateo County.

¹ Carbon Free = California RPS-eligible renewable energy, excluding biomass, that can be scheduled by Peninsula Clean Energy on an hourly basis.

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

* * * * *

(1) AUTHORIZE CHIEF EXECUTIVE OFFICER TO EXECUTE AGREEMENT WITH MCCALMONT ENGINEERING FOR DISTRIBUTED ENERGY RESOURCE SITE EVALUATION AND ENGINEERING SERVICES IN AN AMOUNT NOT TO EXCEED \$137,500 AND FOR A TERM THROUGH DECEMBER 31, 2021.

(2) APPROVE AN ADDITIONAL BUDGET NOT TO EXCEED \$129,500 FOR USE ON AN AS-NEEDED BASIS TO SUPPORT FURTHER SITE EVALUATIONS AND FOLLOW-ON PROCUREMENT ACTIVITIES.

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California (“Peninsula Clean Energy” or “PCE”), that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, the Board of Directors of Peninsula Clean Energy approved a deployment target of 20 MW of Distributed Energy Resources in Peninsula Clean Energy territory; and

WHEREAS, Peninsula Clean Energy has been approached by the County of San Mateo and other public partners for support in developing DERs at public facilities and site evaluation is a vital enabling step for the deployment of DERs; and

WHEREAS, in July 2020, Peninsula Clean Energy released a Request for Proposals for DER Site Evaluation and Engineering Services at seven San Mateo County facilities, ran a 3-step selection process, and determined McCalmont Engineering the most qualified and least expensive respondent for executing on the scope of work; and

WHEREAS, McCalmont Engineering will conduct DER site evaluations at facilities to create document packages from which DER projects will be specified and an efficient RFP for the procurement, deployment, and operations of DERs can be conducted should site owner(s) wish to proceed to this step; and

WHEREAS, Peninsula Clean Energy has negotiated a contract with McCalmont Engineering for the services identified herein; and

WHEREAS, there may additional facilities that are good candidates for DER evaluations and supporting DER deployments at public facilities is strongly aligned with organizational goals;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves (1) the authorization of the Chief Executive Officer to execute a contract with McCalmont Engineering for Distributed Energy Resources (DER) Site Evaluation and Engineering Services in an amount of \$137,500 for a term through December 31, 2021 and (2) approves an additional budget of up to \$129,500 to be used on an as-needed basis to support additional DER site evaluations and procurement activities in the event that some/all projects advance to procurement, for a total authorized expenditure not to exceed \$267,000.

* * * * *

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND McCAlMONT ENGINEERING

This Agreement is entered into this 22nd day of October, 2020 by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and McCalmont Corporation d/b/a McCalmont Engineering, hereinafter called "Contractor."

* * *

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; and

Whereas, it is necessary and desirable that Contractor be retained for the purpose of providing Distributed Energy Resource (DER) Site Evaluation and Engineering Services.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Services

Exhibit B—Payments and Rates

2. Services to be performed by Contractor

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for PCEA in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. 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. If PCEA determines that the quantity or quality of the work performed by Contractor is unacceptable, it shall provide written notice of same to Contractor. Contractor shall have a 10-day period to correct such questioned work, followed by a 5-day period for PCEA to review and approve such corrections. PCEA reserves the right to withhold

payment during such correction and review periods and in the event that the parties cannot reach a mutually agreeable result. The Parties agree to make best efforts to resolve any concerns regarding quality of work. In no event shall PCEA's total fiscal obligation under this Agreement exceed two hundred and sixty-seven thousand dollars (\$267,000). 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.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from October 22, 2020 through December 31, 2021.

5. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief Executive Officer of the PCEA or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

PCEA may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or PCEA funds by providing written notice to Contractor as soon as is reasonably possible after PCEA learns of said unavailability of outside funding.

6. Intellectual Property and Ownership of Works for Hire

PCEA shall and does own all titles, rights, and interests in all materials, tangible or not, created in whatever medium pursuant to this Agreement, including without limitation publications, promotional or educational materials, reports, manuals, specifications, drawings and sketches, schematics, marks, logos, graphic designs, notes, and matters and combinations therefore ("Works for Hire") created by Contractor and any subcontractors under this Agreement. Contractor hereby assigns all titles, rights, and interests in all Works for Hire to PCEA. At the end of this Agreement, or in the event of termination, all Works for Hire shall be promptly delivered to PCEA.

Contractor may not sell, transfer, or permit the use of any Works for Hire without the express written consent of PCEA. Contractor shall not dispute, directly or indirectly, PCEA's exclusive right and title to the Works for Hire, nor the validity of the intellectual property embodied therein.

Contractor may (1) retain its rights to and ownership of pre-existing or open-source materials and/or (2) retain one copy of Works for Hire for archival use, but in either instance must notify PCEA and identify any such materials in writing prior to the commencement of work under this Agreement.

Notwithstanding anything stated in this section, Contractor shall retain full intellectual property rights to the software tools, programs, processes, and procedures it uses to develop Works for Hire for PCEA and for its other customers.

a. Intellectual Property Indemnification

Contractor hereby certifies that it owns, controls, and/or licenses and retains all right, title, and/or interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and/or other technology relating to any part of the services it provides under this Agreement and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as "IP Rights") except as otherwise noted by this Agreement.

Contractor warrants that the services it provides under this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Contractor shall defend, indemnify, and hold harmless PCEA from and against all liabilities, costs, damages, losses, and expenses (including reasonable attorney fees) arising out of or related to any claim by a third party that the services provided under this Agreement infringe or violate any third-party's IP Rights provided any such right is enforceable in the United States.

Contractor's duty to defend, indemnify, and hold harmless under this Section applies only provided that:

- (a) PCEA notifies Contractor promptly in writing of any notice of any such third-party claim;
- (b) PCEA cooperates with Contractor, at Contractor's expense, in all reasonable respects in connection with the investigation and defense of any such third-party claim;
- (c) Contractor retains sole control of the defense of any action on any such claim and all negotiations for its settlement or compromise (provided Contractor shall not have the right to settle any criminal action, suit, or proceeding without PCEA's prior written consent, not to be unreasonably withheld, and provided further that any settlement permitted under this Section shall not impose any

financial or other obligation on PCEA, impair any right of PCEA, or contain any stipulation, admission, or acknowledgement of wrongdoing on the part of PCEA without PCEA's prior written consent, not to be unreasonably withheld); and

- (d) Should services under this Agreement become, or in Contractor's opinion be likely to become, the subject of such a claim, or in the event such a third party claim or threatened claim causes PCEA's reasonable use of the services under this Agreement to be seriously endangered or disrupted, Contractor shall, at Contractor's option and expense, either: (i) procure for PCEA the right to continue using the services without infringement or (ii) replace or modify the services so that they become non-infringing but remain functionally equivalent.

Notwithstanding anything in this Section to the contrary, Contractor will have no obligation or liability to PCEA under this Section to the extent any otherwise covered claim is based upon: (a) any aspects of the services under this Agreement which have been modified by or for PCEA (other than modification performed by, or at the direction of, Contractor) in such a way as to cause the alleged infringement at issue; and/or (b) any aspects of the services under this Agreement which have been used by PCEA in a manner prohibited by this Agreement.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

7. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of PCEA and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

8. Hold Harmless

a. General Hold Harmless

Contractor shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

- (A) injuries to or death of any person, including Contractor or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of PCEA and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which PCEA has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

9. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of PCEA. Any such assignment or subcontract without PCEA's prior written consent shall give PCEA the right to automatically and immediately terminate this Agreement without penalty or advance notice.

10. Payment of Permits/Licenses

Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

11. W-9 Form and Submission of Invoices

Invoices shall only be submitted by electronic form by sending an email to both the **PCEA project contact's email address** and to **PCEA's Finance email address** (finance@peninsulacleanenergy.com). Contractor shall submit a completed W-9 form electronically to the same email addresses. Contractor understands that no invoice will be paid by PCEA unless and until a W-9 Form is received by PCE.

12. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by PCEA, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish PCEA with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor’s coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days’ notice must be given, in writing, to PCEA of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers’ Compensation and Employer’s Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers’ compensation and employer’s liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor’s operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

Yes	Comprehensive General Liability (Applies to all agreements)	\$1,000,000
Yes	Motor Vehicle Liability Insurance (Yes, if motor vehicle is used in performing services)	\$1,000,000

Yes	Professional Liability Insurance (Yes, if Contractor is a licensed professional)	\$1,000,000
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PCEA and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to PCEA and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the PCEA or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, PCEA, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

13. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

14. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to PCEA upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Employee Benefits

With respect to the provision of benefits to its employees, Contractor shall ensure that employee benefits provided to employees with domestic partners are the same as those provided to employees with spouses.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:

No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.

Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide PCEA with a written explanation of the outcome(s) or remedy for the discrimination.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 13, above. Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the Chief Executive Officer, including but not limited to the following:

- i. termination of this Agreement;
- ii. disqualification of the Contractor from being considered for or being awarded a PCEA contract for a period of up to 3 years;
- iii. liquidated damages of \$2,500 per violation; and/or
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the Chief Executive Officer.

To effectuate the provisions of this Section, the Chief Executive Officer shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and PCEA.

15. Retention of Records; Right to Monitor and Audit

(a) Contractor shall maintain all required records relating to services provided under this Agreement for three (3) years after PCEA makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

(b) Contractor shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by PCEA.

(c) Contractor agrees upon reasonable notice to provide to PCEA, to any Federal or State department having monitoring or review authority, to PCEA's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

16. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

17. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

18. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Jan Pepper, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-260-0100
Email: jpepper@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Tom McCalmont, President
Address: 1624 Dell Ave., Campbell, CA, 95008
Telephone: 408-871-9600
Email: tommccalmont@mccalmont.net

19. Electronic Signature

PCEA and Contractor wish to permit this Agreement, and future documents executed pursuant to this Agreement, to be digitally signed in accordance with California law. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

20. No Recourse Against PCEA's Member Agencies

Contractor acknowledges and agrees that PCEA is a Joint Powers Authority, which is a public agency separate and distinct from its member agencies. All debts, liabilities, or obligations undertaken by PCEA in connection with this Agreement are undertaken solely by PCEA and are not debts, liabilities, or obligations of its member agencies. Contractor waives any recourse against PCEA's member agencies.

* * *

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

PENINSULA CLEAN ENERGY AUTHORITY

By: _____

Chief Executive Officer, Peninsula Clean Energy Authority

Date: _____

McCalmont Corporation (d/b/a McCalmont Engineering)

Contractor's Signature

Date: _____

Exhibit A: Scope of Work, Key Tasks, and Deliverables (Services)

It is understood by Contractor and PCEA that this Project has “pilot” elements for which not everything can be known in advance. As such, both Contractor and PCEA Staff shall work together in good faith to achieve project goals as specified in this Agreement and documentation/conversations from the RFP process that has resulted in this Agreement. In the event of any disagreement about responsibilities or requirements, both parties shall work in good faith to resolve such disagreements in a mutually satisfactory way that is aligned with achieving Project goals.

For the purposes of definition:

A “Site” shall be defined as a physical location for which a Distributed Energy Resource (DER) evaluation is conducted.

A “Project Package” shall be defined as the minimum sufficient documentation required for a DER vendor to confidently bid to deploy the proposed DER(s) from the documentation in the package alone, without needing to conduct site visits and do a separate engineering review. It shall also include financial information related to the expected costs and value streams generated by the DER(s) based on realistic estimations of DER performance. The determination of Project Package elements shall be a cooperative effort between Contractor and PCEA Staff, per tasks below.

The default “Distributed Energy Resource (DER)” in scope per Site shall include a Solar Photovoltaic (PV) System coupled to a Battery Energy Storage System (BESS). If PV-BESS-coupled system is not practical at a given Site, upon mutual agreement of Site Owner, Contractor, and PCEA Staff, then Contractor shall proceed with evaluation of DER(s) deemed in scope for the Site per mutual agreement of these same parties. For purpose of clarity, EV Charging Station(s) shall qualify as a DER.

“NTP” shall be defined as “Notice to Proceed” to specified work that is then considered authorized. NTP shall be provided via email.

The Project shall be broken down into Phases as broadly described below. It is possible that some Sites may be in different Project Phases at different times.

Project Phase	Overview
Phase 1	Evaluation of sites for Distributed Energy Resources (DERs) and development of Project Packages for Sites
Phase 2 (upon NTP by PCEA Staff)	Consulting support to PCEA Staff in the development of a follow-on solicitation to contract a DER vendor(s) for deployment of proposed DERs and evaluation of vendor(s).
Phase 3 (upon NTP by PCEA Staff)	Consulting support to provide independent engineering oversight during project construction, commissioning, and initial operations.
Phase 4 (upon NTP by PCEA Staff)	Consulting support to evaluate opportunities to expand the methods, workflows, and learnings developed in this project to develop a standardized process to expedite future DER site evaluations.

Phase 1 Key Tasks:

Task	Deliverable	Notes
Working with PCEA staff at start of project and iteratively throughout project, develop and refine required components of Project Package, which shall be broadly defined as the minimum-but-sufficient level of documentation for the purposes of an equipment vendor providing an accurate bid, as if the DER vendor itself had done the site walkdown to prepare a bid.	Project Package Definition Document that details components of Project Package	This shall be a cooperative effort between Contractor and PCEA staff. Both shall validate as necessary with DER vendors/potential bidders.
Conduct walkdown at each facility to document/take measurements of site attributes as necessary to develop DER sizing and configuration options and for creation of Project Packages	Notification of completed site walkdown, unless PCEA staff attends at which point notification is understood as given	PCEA staff shall have the right to accompany Contractor on site walkdowns

<p>Analyze facility loads to inform DER equipment selection, including analysis of financial benefits/impacts to end customer</p>	<p>[intermediate task with later deliverable]</p>	<p>PCEA staff shall provide site load data and historic electric utility bills to Contractor</p>
<p>Identify critical loads (with facility manager input) and costs required for segregating those loads for backup by DER</p>	<p>[intermediate task with later deliverable]</p> <p>PCEA staff shall provide Notice to Proceed to Contractor to undertake this task. See Note on decision-making process.</p>	<p>This may not be required at all sites. The decision as to whether to evaluate a given site for critical load backup shall be a cooperative decision between facility managers/owners, Contractor, and PCEA Staff. If facility managers are unable to identify critical loads, PCEA Staff and Contractor shall work cooperatively with facility manager to make such assessments.</p>
<p>Evaluate structural integrity and requisite load-bearing capabilities of any structures in or on which DER equipment would be installed, along with informed cost estimation of any required structural improvements to enable DER deployments (if applicable to site)</p>	<p>[intermediate task with later deliverable]</p> <p>Contractor shall notify PCEA staff via email if it will engage external resources for a given site to complete task</p>	<p>Contractor shall at its own discretion determine whether external resources are required. If so, Cost Item 2 in Exhibit B, Payment Milestones shall be approved.</p>

Evaluate potential interconnection options - Behind-the-Meter Rule 21 Non-Export, Rule 21 Export, and in-front-of-the-meter WDAT. This includes identification and preliminary cost estimation for any required electrical equipment, assessment of likelihood of interconnection approval by PG&E, expected timeline, and potential upgrade costs	[intermediate task with later deliverable]	
Estimate monthly production of energy delivered to electric grid that accounts for any site-specific attributes that would affect onsite generation, such as tree shading, PV module orientation limitations (away from optimal), etc.	[intermediate task with later deliverable]	
Identify and evaluate permitting requirements, costs, and any required facility upgrades or other costs to obtain necessary permits	[intermediate task with later deliverable]	
Determine DER system sizing and associated validation of required space and capability to connect to facility electrical panel, along with identification and pricing of any required site electrical or other upgrades to support DER equipment	[intermediate task with later deliverable]	
Evaluate eligibility of proposed DERs to qualify for ITC, SGIP, and other applicable incentives and quantify expected incentives	[intermediate task with later deliverable]	
Estimate financial revenues for considered DER configurations over the course of equipment lifetime	[intermediate task with later deliverable]	

Create Project Package for each site, which shall include drawings, diagrams, results/outputs from Tasks above, notes, report(s), and other documents as necessary per definition of Project Package above	Complete Project Package (as defined in Project Package Definition document) for each Site	
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Phase 2 Consulting Key Activities:

- Assist PCEA staff as necessary in creation of a follow-on solicitation to procure a DER vendor(s) to deploy specified DERs
- Assist PCEA in technical evaluation of DER vendor proposals in response to follow-on solicitation
- Determine oversight activities for Phase 3

Phase 3 Consulting Key Activities:

- Conduct periodic oversight activities as determined in Phase 2 to ensure projects are deployed and function as specified
- Work with PCEA staff, DER vendors, facility staff, county personnel as necessary in the resolution of any technical problems that arise during deployment

Phase 4 Consulting Key Activities:

- Work with PCEA Staff to expand the methods, workflows, and learnings developed in this project to develop a standardized process to expedite future DER site evaluations.

Exhibit B – Payment and Rates

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, milestones, and terms.

Payment Milestones:

PCEA shall make payment to Contractor per the following milestones and procedures. Contractor shall provide invoices to PCEA by email to PCEA Staff and to finance@peninsulacleanenergy.com. PCEA Staff shall advise Contractor of approval/disapproval of invoice within 5 business days of receipt of invoice. Payments shall be made within 30 days of approval. If PCEA Staff does not approve invoice, the resolution process shall be in accordance with Section 3 (Payments) of this Agreement.

For each Site Number in the table below, the Individual Site Cost shall be calculated as:

Individual Site Cost = Cost Item 1 + Cost Item 2 + Cost Item 3 for that site

McCalmont Engineering shall at its own discretion determine if Cost Item 2 is necessary work for the site. The decision of whether to conduct Cost Item 3 work shall be cooperatively determined as noted in Phase 1 Tasks above.

Milestone 1: Upon completion of on-site evaluation of Site Numbers 1 through 7 below: 25% of Individual Site Cost for the relevant site(s)

Milestone 2: Upon delivery of completed and approved Project Package for Site Numbers 1 through 7, 75% of Individual Site Cost for relevant site(s).

Phase 1		Site Evaluation and Creation of Project Packages		
Site Number	Site	Cost Item 1 Cost (\$/site) (Phase 1 only) solar + storage without critical load backup	Cost Item 2 (if necessary) Structural Analysis	Cost Item 3 (if necessary) Incremental cost to evaluate critical load backup and include with Project Package (\$/site)
1	Half Moon Bay Airport	\$ 9,145	\$ 4,200	\$ 4,375
2	Maple Street Correctional Facility	\$ 7,285	\$ 3,600	\$ 4,375
3	Pescadero Landfill	\$ 6,085	\$ 4,200	\$ 4,375
4	San Carlos Airport	\$ 9,925	\$ 4,200	\$ 4,375
5	San Mateo County Events Center	\$ 14,845	\$ 4,200	\$ 6,125
6	San Mateo County Youth Services	\$ 13,345	\$ 3,600	\$ 5,250
7	San Mateo Medical Center OR Government Center Parking Structure	\$ 13,345	\$ 3,600	\$ 7,000
SUBTOTAL		\$ 73,975	\$ 27,600	\$ 35,875

Additional Sites:

PCEA staff at its discretion may request that Contractor conduct Phase 1 activities for Additional Sites. In such cases:

1. PCEA staff shall notify Contractor via email of the request and provide site information for Contractor's review.
2. Contractor shall provide a firm quote for Phase 1 activities for that site. If a firm quote cannot be provided, it shall provide a contingent quote with contingencies clearly delineated. However, a Not-To-Exceed pricing quotation will be required for work to be authorized.
3. Phase 1 work by Contractor for the specified site(s) shall be deemed authorized for payment up to the Not-To-Exceed quotation upon provision by PCEA staff to Contractor of NTP for the specified site(s).

For Phase 2 through 4 Consulting Work

PCEA Staff at its discretion may request consulting support for Phase 2, 3, and 4 work. In such cases:

1. PCEA Staff shall notify Contractor via email of interest to engage Contractor and provide a Scope of Work (SOW) and Deliverable(s) for such engagement
2. Contractor and PCEA Staff shall iterate as necessary in good faith on SOW and to resolve any uncertainties about required work. Time spent on iterating on SOW and determining required hours shall be a normal cost of business for Contractor and not billed to PCEA, unless both parties agree to this in writing.
3. Contractor shall provide PCEA Staff a quotation of not-to-exceed hours to complete SOW at a consulting rate of \$200/hour
4. Upon NTP by PCEA Staff, consulting work by Contractor for completing SOW shall be deemed authorized. Contractor shall keep PCEA Staff apprised of utilized hours on a no-less-than weekly basis and invoice PCEA monthly for actual incurred hours per calendar month.
5. PCEA Staff may also request consulting support on an as-needed basis for specific tasks that come up during the Project; for such requests PCEA shall provide Contractor with an allotment of hours for the as-needed support, and Contractor shall advise PCEA weekly of hours utilized and invoice monthly, as with above.



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: October 7, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs

SUBJECT: Approve Updated EV (Electric Vehicle) Incentives Programs and Budget for Fiscal Years 2022 to 2024 in the Amount of \$4,700,00

RECOMMENDATION

Approve an updated vehicle incentive programs budget which includes an expanded Used EV Incentive and updated New EV Incentive. The request includes:

- Three-year \$4.7 million for New and Used Vehicle Incentive Programs for FY21-22 through FY 23-24 (\$3.82M in net new funds plus reallocated funds), and
- A revised and expanded Used EV Incentive Program, which would offer EV incentives for used EVs for County residents and include larger incentives for low income residents, and
- Continuation of the New EV Incentive program, with proposed revisions, which provides for an annual fourth quarter promotion with incentives to County residents for new EVs purchased irrespective of purchase source.

This was reviewed by the Executive Committee in August and is recommended for approval.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions in San Mateo County. California's goal is to be carbon neutral by 2045, which PCE aims to support through investment in local community programs. On-road transportation emissions account for 61% of direct emissions within the County and are still increasing. Half (54%) of transportation emissions are from personally owned vehicles such as sedans, light-duty trucks, and SUVs. There are approximately 650,000 personal vehicles registered in San Mateo County, of which only 4% are full battery electric vehicles (BEVs) or plug-in hybrid electric vehicles (PHEVs). Increasing EV adoption is critical to achieve deep decarbonization in San Mateo County.

The importance of an accelerated transition to electric vehicles was highlighted recently with Governor Newsom's Executive Order that all new vehicle sales shall be zero-emissions, beginning in 2035. Meeting this ambitious target will put San Mateo County on schedule to completely replace all personally owned gas vehicles by 2045, in keeping with Governor Brown's 2045 carbon neutrality target. Currently, in San Mateo County 2019 electric vehicles sales comprised 17% of new personal vehicle sales and 8% of total new vehicle sales (including commercial and rental fleet sales). However, the EV adoption rate of personal vehicles will need to increase an average of 13% year over year to meet the Governor's targets. The up-front cost of EVs is one of the key barriers to adoption thus incentive programs remain important to continue to encourage EV adoption and create the market conditions for the Governor's Executive Order to succeed. Research by the Massachusetts Institute of Technology (MIT) and National Renewable Energy Lab (NREL) indicates that every \$1,000 in incentives yields an 8% increase in adoption of EVs¹.

In April 2018, the Board approved the first phase of EV programs, including a pilot for New EV incentives in Q4 through local dealerships, Used EV incentives for low income residents, and a pilot for EV Ride & Drive events. Staff implemented these programs in 2018, with the exception of the Used EV low income program which did not launch until 2019. In September 2018, the Board approved the PCE Program Roadmap, which identifies programs for 2019 and beyond including transportation electrification measures, such as new and used vehicle purchase incentives, a multi-year electric vehicle (EV) infrastructure program, fleets, and shared mobility. In January 2019, the Board approved a contract with Peninsula Family Service to assist with the low income Used EV program. The program launched and has been running since March 2019 but expires in February 2021.

In February and April 2019, the Board approved a three-year extension of the EV Ride & Drive program and New EV program, respectively. The proposal discussed here revises and extends that approval and aligns the EV incentive programs with other PCE programs.

In July 2020, the Executive Committee was consulted on changes to the New EV program, which will be implemented in Q4 2020. In addition to the modifications to the New EV program, staff is proposing an expanded Used EV program to include not only low-income incentives (revising and extending the current program which expires in February), but also incentives for non-low-income San Mateo County residents. If approved, this revamped Used EV program would launch Q1 2021. Funding from approved budgets is estimated to be enough to run both modified programs in the FY20-21 budget, however they are conceived to be models for future years. As such, staff is seeking Board approval of a three-year budget for both New and Used EV programs for FY22 through the end of FY24. The proposed program budget is within the forecasted budget for Community Energy Programs and Peninsula Clean Energy overall, including sustaining reserves above the reserve policy minimum.

Each additional EV that is purchased by a customer brings added value to PCE from the generated value from Low Carbon Fuel Standard (LCFS) credits. LCFS credits are a state mechanism which require high carbon fuels to purchase credits from low-carbon alternatives, incentivizing low carbon

¹ <https://www.sciencedirect.com/science/article/abs/pii/S0095069618303115>

alternatives. Funds generated must be reinvested in additional EV program. . PCE plans to capture LCFS credits beginning next year through its managed charging program, still in development. This program utilizes vehicle data, which can be turned into credits with the California Air Resources Board (CARB). The value of the credit will fluctuate and is contingent currently on data access PCE is establishing. Each EV could generate a net value of about \$100 per year after administration costs. CARB anticipates that LCFS prices will decrease over the next 10 years, so the sum 10-year net value to PCE per EV may be between \$350 to \$450, which can be reinvested into additional EV infrastructure in the county. Additional societal economic benefit will be derived from the avoided climate change impacts as well.

This memo describes the revamped New and Used EV program models and approximate allocation of the requested three-year budget starting next fiscal year.

DISCUSSION

PCE has been running two separate incentive programs to address up-front cost, which is one of the key barriers to EV adoption: a New EV incentive which runs in the 4th quarter of each year and a year-long low-income Used EV program. Staff is proposing making modifications and enhancements to both programs to address new economic conditions and the need to drive greater adoption.

New EV Program

The Board approved the continuation of the “New EV Dealer Incentive Program” over three years (2019-2021) following a 2018 pilot. The program provided time-limited discounts and incentives on the purchase or lease of new EVs in the 4th quarter of 2018 and 2019. The PCE incentive, \$700 for plug-in hybrid electric vehicles (PHEVs) and \$1,000 for all-battery electric vehicles (BEVs), was only available through participating dealerships which were selected annually through a competitive process in which San Mateo County dealers were eligible to apply by offering discounts below the Manufacturer’s Suggested Retail Price (MSRP) on their EVs. In addition to incentives, the program provided a “hook” for broad based marketing across the county intended to not only motivate immediate purchases but also increase awareness and interest in EVs to foster future purchases. The marketing for the incentive did appear to increase awareness and interest. PCE’s 2020 market survey indicates high awareness (88%) and favorability (78%) but low familiarity (39%) suggesting that market education remains very important. Also, buyers reported high significance in the PCE incentive: 46% stated the program was crucial in their decision and 38% stated that it was very important.

Vehicles sold/leased through the program were 120 in 2018 and 167 in 2019. Low uptake on the program primarily relates to the program approach. In 2019 only 16% of all EVs purchased by San Mateo County residents were purchased at dealers within San Mateo County. These factors make the potential of the in-County dealer-based sales model highly limited.

The incentive program remains important to continue to encourage EV adoption. The State budget is severely impacted by the economic downturn and state incentives are expected to decline or be eliminated. Following consultation with the Executive Committee at the July 2020 meeting, staff is restructuring the program for the 2020 Q4 cycle to address the need to drive

greater adoption while applying the incentive to purchase more likely to be “additive” (i.e., purchases that occur because of the incentive). The program will still be run as a 4th quarter promotion to provide marketing motivation and only be available to San Mateo County residents, but the following modifications will be introduced to the incentives. The revised incentives can be utilized:

- For in-county *and* out-of-county purchases
- Only for vehicles with a purchase price of under \$45,000
- Targeted to “first time” EV buyers; past PCE EV incentive recipients will be ineligible for another incentive
- For purchases, not leases
- All post-purchase rebates mailed directly to the customer

It is anticipated that this approach will increase uptake while still ensuring strong additionality (incentives being used by individuals who would not otherwise have purchased an EV). This revamped program was launched on October 1 and will run until December 31, 2020. A press release went out the day of launch, and emails to residential customers went out on October 8 and October 12. Other marketing and outreach for the program include digital ads, radio ads, Nextdoor posts, outreach to dealerships which sell EVs, outreach through city and partner community organization newsletters, as well as targeted postcards in November after the election. No applications have been received as of October 9, however, a couple of customer inquiries have been received and it is anticipated that a large majority of applications will come towards the end of the program period and beyond, as customers have until January 1, 2021 to submit their applications (though purchases have to take place before December 31, 2020).

This new program model is also assumed to be the model for following three years (2021-2023) if the new budget is approved. Funding for this year is already approved through the 2019 request.

Used EV Program (incl. low income)

In March 2019, PCE launched the low income Used EV incentive program, also referred to as “DriveForward Electric,” which provides incentives up to \$4,000 for low income (defined as 400% of Federal Poverty Level) San Mateo County residents to purchase used PHEVs or BEVs. The program operates in partnership with Peninsula Family Service’s DriveForward program, a program that provides vehicle loans and financial coaching to help participants purchase used vehicles. PCE’s incentive may be combined with other low income EV incentive programs such as the Clean Cars for All Program from the Bay Area Air Quality Management District or the state-wide Clean Vehicle Assistance Program. When combined with another program, the PCE incentive is \$2,000; when not combined it is \$4,000. PCE provides robust EV education and personalized assistance to all participants, typically by phone. All participants are told about the other programs and encouraged to apply. In some cases, assistance includes helping participants apply for the other programs and “handholding” throughout the process. When stacking incentives, participants can get a combined amount between \$6,500 to \$11,500 (depending on the program and participant’s income). Though most participants combine with another program and get \$2,000 from PCE, PCE still offers the \$4,000 standalone option to assist residents who are in urgent need of a vehicle and cannot wait to be approved for one of the other programs which can take a couple of weeks to process their application. Additionally, if funding for those programs were to run out,

having the increased incentive allows PCE to continue to offer substantial assistance to make used EVs more affordable for low income residents. The program is under continuous operation and as of October 9, 2020 has provided rebates to 67 residents.

Because the economic downturn is anticipated to shift more buyers to the used car market and the general lack of incentives for used EVs, staff proposes to offer Used EV incentives to non-low-income San Mateo County residents in addition to the larger incentive for low-income San Mateo County residents. The used vehicle market is roughly 3 times the size of the new vehicle market; however used EV sales in 2019 were roughly half of that of new EVs.

There are no “general” incentive programs for used EVs (i.e. that aren’t limited to low-income individuals) so PCE’s incentive would be the only incentive available to non-income qualifying San Mateo County residents. To decrease customer confusion, staff proposes to join the current low income used EV program and the general used EV program under one program. This transition is also timed with the conclusion of the current contract with Peninsula Family Service.

This revamped program would have a “base” incentive available to any resident and an “add on” for low income residents. The program would retain the current incentive levels for low income residents for BEVs but reduce it by \$300 for PHEVs. The proposed incentive levels would be as follows:

- Base incentive: \$700 for PHEVs or \$1,000 for BEVs
- Low income add on: +\$1,000 if stacking with another program OR +\$3,000 if not, which would result in \$1,700 or \$3,700 for PHEVs (changed offering) or \$2,000 or \$4,000 for BEVs (same offering)

The incentive would be a post-purchase rebate, though participants would have the option to apply before purchasing and get their rebate reserved. As with the current program, participants could purchase their vehicle at an in-county or out-of-county dealership of their choice (no private sales allowed). Similar to the New EV Program, the Used EV Program would introduce an eligibility requirement that only vehicles with a purchase price of under \$25,000 are eligible for the incentive.

PCE staff intend to release of Request for Proposals (RFP) for a program implementer for the overall Used EV Program. The implementer would be tasked with managing both general and low-income program applications, however a primary focus of their scope would be to provide one-on-one education and assistance to low income residents as the current program does. The contract for the selected implementer would be brought to the Board at a later date, and the projected costs for this administration are included in the proposed budget below.

Peninsula Family Service (PFS) has been a partner on the low income used EV program since inception and has provided important support to the program. PCE’s contract with PFS is coming to a closure in February 2021 and staff anticipates PFS’ continued participation in the program.

The current low income used EV program will continue to run until the new expanded Used EV program is launched. If approved, PCE staff is aiming for a Q1 2021 launch.

Three-Year Budget Request

Staff estimates there are enough funds from previously approved budgets to run the revised New EV program and Used EV program for the current fiscal year (FY21), approximately \$900,000 as shown in the table on the following page. The proposed three-year budget would be starting next fiscal year, from FY21-22 through FY 23-24. The budget is within approved and forecasted budgets. It also includes reallocation of unused funds: \$480,000 from the New EV Incentive (projected “left over” funds after this FY), \$200,000 from the low income EV program (only \$170,000 have been used as of July 31, 2020 from the approved \$500,000 budget), and \$200,000 from the EV Ride & Drive program (this assumes FY21-22 returns to a “normal” event level thus retains some of its budget).

The following table outlines the approximate distributions of the proposed 3-year \$4.7 million budget for FY21-22 to FY23-24. This authorization request is consistent with the overall Community Energy Programs budget adopted in June. Previously approved funds and the current request are detailed in the table on the following page.

Segment	Projected 3-yr total	Target Vehicle Sales volume total
New EV incentives	\$2.06 M	~2,200
Used EV incentives (general)	\$1.4 M	~1,800
Used EV incentives (low income)	\$850k	~300
Admin	\$180k	
Marketing	\$210k	
Total	\$4.7 M	~4,100

Segment budget and counts are approximate as uptake may vary across segments.

FISCAL IMPACT:

Up to \$4,700,000 over 3 years (Fiscal Year 2021-2022 through Fiscal Year 2023-2024) for new and used vehicle incentive programs. This includes reallocation of previously authorized funds: \$480,000 from the New EV Incentive, \$200,000 from the low income EV program and \$200,000 from the EV Ride & Drive program. Net new proposed funds total \$3,820,000. The chart below shows the current vehicle programs and this proposed update.

Community Energy Programs Approved by Board	Program Budget	Future Fiscal Year Spending for Approved and Proposed EV Programs (FY22-24)
<u>Approved by the Board</u>		
New EV Incentives	1,500,000	480,000
Low Income Used EV - Contract with Peninsula Family Services	500,000	200,000
Ride & Drive EV Marketing - Contract with Reach Strategies	750,000	485,000
Approved Vehicle Incentives & Engagement Programs	2,750,000	1,165,000
<u>Proposed Program</u>		
Updated New and Used EV Incentives	4,700,000	
Reallocated Funds from New EV Incentives	(480,000)	
Reallocated Funds from Low Income Used EV	(200,000)	
Reallocated Funds from Ride & Drive EV Marketing	(200,000)	
Requested New Funds	3,820,000	3,820,000
Approved and Proposed Vehicle Incentives & Engagement Programs		4,985,000

STRATEGIC PLAN:

The proposal is consistent with the approved organizational budget and implements the following Strategic Plan elements:

Goal 3: Community Energy Programs

Objective A. Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation towards majority adoption

Objective B. Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities
- Key Tactic 2: Develop programs that support the satisfaction and retention of residential and key accounts
- Key Tactic 4: Ensure programs are broadly deployed across the County

RESOLUTION NO. _____

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

* * * * *

**RESOLUTION APPROVING UPDATED ELECTRIC VEHICLE INCENTIVE
PROGRAMS AND BUDGET FOR FISCAL YEARS 2022 TO 2024 IN THE AMOUNT
OF \$4,700,000**

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

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, reducing greenhouse gasses to reduce the adverse public wellbeing and economic impacts of climate change is an organizational priority for PCE; and

WHEREAS, supporting electric vehicles (“EVs”) are an important mechanism for reducing greenhouse gas emissions and improving the local economy; and

WHEREAS, the importance of an accelerated transition to electric vehicles was highlighted recently with Governor Newsom’s Executive Order that that all new vehicle sales shall be zero-emissions beginning in 2035; and

WHEREAS, meeting this ambitious target will put San Mateo County on schedule to completely replace all personally owned gas vehicles by 2045, in keeping with Governor Brown’s 2045 carbon neutrality target; and

WHEREAS, vehicle incentives are important in reducing the high cost barrier for customers and increasing sales above business as usual; and

WHEREAS, PCE has been running a New EV incentive program which runs in the fourth quarter of each year and a year-long low-income Used EV incentive program with Board approval; and

WHEREAS, PCE plans to modify and enhance both programs to address the need to drive greater adoption; and

WHEREAS, electrifying all powered modes of transportation to reduce greenhouse gasses is part of PCE's program roadmap as approved by this Board.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves a \$4,700,000 program budget for the years 2022 to 2024 for new and used EV incentive programs which includes reallocation of \$880,000 from the previously approved program.

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PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: October 14, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Siobhan Doherty, Director of Power Resources

SUBJECT: Update Board on Status of Strategic IRP (Integrated Resource Plan) Targets (Discussion)

BACKGROUND:

In 2018, the Board approved and Peninsula Clean Energy published a strategic Integrated Resources Plan (IRP). The IRP set certain targets for Peninsula Clean Energy's 2025 power portfolio. The IRP is available here:

<https://www.peninsulacleanenergy.com/wp-content/uploads/2018/01/PCE-FINAL-2017-IRP-Updated.pdf>

Staff will provide a status update on the IRP targets.



PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: October 15, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Siobhan Doherty, Director of Power Resources
Sara Maatta, Renewable Energy Analyst
SUBJECT: 2019 Power Content Label

RECOMMENDATION:

Approve Resolution Attesting to the Veracity of the Information Provided in Peninsula Clean Energy’s 2019 Power Source Disclosure Annual Reports and Power Content Label and Delegating Authority to the Chief Executive Officer to Execute Any Required Documentation. (Action)

BACKGROUND:

California Public Utilities Code requires all retail sellers of electric energy, including Peninsula Clean Energy, to disclose “accurate, reliable, and simple-to-understand information on the sources of energy” that are delivered to their respective customers. Applicable regulations direct retail sellers to provide such communications no later than October 1 for the previous calendar year. However, for 2020, the California Energy Commission (CEC) has extended the deadline to December 31st due to the delay in releasing the template materials until October 5th, 2020. The format for the required communications is highly prescriptive, offering little flexibility to retail sellers when presenting such information to customers. This format has been termed the “Power Content Label” by the California Energy Commission (CEC). Information presented in the Power Content Label includes the proportionate share of total energy supply attributable to various resource types, including both renewable and conventional fuel sources.

In the event that a retail seller meets a certain percentage of its supply obligation from unspecified resources, the report must identify such purchases as “unspecified sources of power.” As the Board is aware, certain of Peninsula Clean Energy’s supply agreements allow for the use of such unspecified purchases to satisfy a portion of Peninsula Clean Energy’s energy requirements. These purchases have been appropriately identified as “unspecified sources of power” in the Power Content Label.

DISCUSSION:

During the 2019 calendar year, Peninsula Clean Energy successfully delivered a substantial portion of its electric energy supply from various renewable energy sources, including solar, wind and small hydroelectricity. For our ECOplus customers, the percentage of supply attributable to renewable energy sources approximated fifty-two percent (52%), and the total supply from carbon-free resources approximated ninety percent (90%)¹. These amounts meet or exceed our targets of fifty percent (50%) renewable and (90%) carbon-free. For our ECO100 customers, the percentage of supply attributable to renewable energy sources comprised one hundred percent (100%).

Beginning with reporting for the 2019 calendar year, the CEC requires supplies purchased from Asset Controlling Suppliers (ACS supplies) to be disaggregated in the Power Content Label into distinct fuel types, such as large hydroelectric, nuclear, and unspecified sources of power. Peninsula Clean Energy purchased ACS supplies in 2019 to help meet Peninsula Clean Energy’s carbon free goal. These ACS systems include generation primarily from large hydroelectric resources, and also include small amounts of nuclear resources, and unspecified sources of power. The purchase of ACS supply is the source of nuclear power on Peninsula Clean Energy’s 2019 Power Content Label: Peninsula Clean Energy did not directly contract for nuclear supplies.

Consistent with applicable regulations, Peninsula Clean Energy will complete requisite customer communications in accordance with the December 31st, 2020 deadline.

While developing Peninsula Clean Energy’s 2019 Power Content Label, staff performed a detailed review of all power purchases completed for the 2019 calendar year. This review included an inventory of all renewable energy transfers within Peninsula Clean Energy’s Western Renewable Energy Generation Information System (WREGIS) accounts and pertinent transaction records. Staff developed the Power Source Disclosure Annual Reports (Annual Reports) for the ECOplus and ECO100 products and submitted these reports to the CEC by July 20, 2020 (the typical June 1st deadline was extended for 2020). Based on staff’s review of available data, the information presented in the Annual Reports and the Power Content Label was determined to be accurate.

¹ The percentages on the Power Content Label may not add up exactly due to rounding. The Power Content Label template is provided by the California Energy Commission as a “locked” Excel spreadsheet. The template does not allow us to make any changes to add a decimal place or fix rounding.

To fulfill its Power Content Label reporting obligation, Peninsula Clean Energy must also provide the CEC with an attestation regarding the veracity of information included in the Power Content Label. In consideration of the aforementioned internal review and applicable regulations, staff requests that the Board accept this determination and attest to the veracity of information included in Peninsula Clean Energy's 2019 Power Content Label, which will soon be distributed to Peninsula Clean Energy customers.

Copies of Peninsula Clean Energy's 2019 Power Source Disclosure Reports are included as Exhibits A and B. A copy of Peninsula Clean Energy's 2019 Power Content Label is reproduced below:

Version: October 2020

2019 POWER CONTENT LABEL			
Peninsula Clean Energy Authority			
https://www.peninsulacleanenergy.com/energy-sources			
ENERGY RESOURCES	(Portfolio 1 Name)	(Portfolio 2 Name)	2019 CA Power Mix
Eligible Renewable¹	52.2%	100.0%	31.7%
Biomass & Biowaste	8.0%	0.0%	2.4%
Geothermal	9.2%	0.0%	4.8%
Eligible Hydroelectric	5.3%	0.0%	2.0%
Solar	11.9%	50.0%	12.3%
Wind	17.8%	50.0%	10.2%
Coal	0.0%	0.0%	3.0%
Large Hydroelectric	36.9%	0.0%	14.6%
Natural Gas	0.0%	0.0%	34.2%
Nuclear	0.8%	0.0%	9.0%
Other	0.0%	0.0%	0.2%
Unspecified sources of power²	10.1%	0.0%	7.3%
TOTAL	100%	100%	100%
Percentage of Retail Sales Covered by Retired Unbundled RECs³	0.0%	0.0%	
<p>¹The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology.</p> <p>²Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source.</p> <p>³Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.</p>			
For specific information about this electricity product, contact:	Peninsula Clean Energy Authority 1-866-966-0110		
For general information about the Power Content Label, please visit:	http://www.energy.ca.gov/pcl/		
For additional questions, please contact the California Energy Commission at:	Toll-free in California: 844-454-2906 Outside California: 916-653-0237		

STRATEGIC PLAN:

The Power Content Label supports the Power Resources Objective A for Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost,

reliable power and specifically Key Tactic 4 to Manage portfolio to meet risk, cost and reliability objectives.

RESOLUTION NO. _____

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

* * * * *

**RESOLUTION ATTESTING TO THE VERACITY OF THE INFORMATION PROVIDED
IN PENINSULA CLEAN ENERGY’S 2019 POWER SOURCE DISCLOSURE ANNUAL
REPORTS AND POWER CONTENT LABEL AND DELEGATE AUTHORITY TO THE
CHIEF EXECUTIVE OFFICER TO EXECUTE ANY REQUIRED DOCUMENTATION**

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 “PCEA”) was formed on February 29, 2016; and

WHEREAS, launch of service for Phase I occurred in October 2016, and launch of service for Phase II occurred in April 2017; and

WHEREAS, the California Public Utilities Code requires all retail sellers of electric energy, including Peninsula Clean Energy, to disclose “accurate, reliable, and simple-to-understand information on the sources of energy” that are delivered to their respective customers; and

WHEREAS, staff completed a detailed review of all power purchases for the 2019 calendar year and developed the 2019 Power Source Disclosure Annual Reports; and

WHEREAS, staff is presenting to the Board for its review the 2019 Power Content Label, which is based on the information in the 2019 Power Source Disclosure Annual Reports; and

WHEREAS, the Board wishes to attest to the veracity of information presented in the 2019 Power Content Label.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board attests to the veracity of information provided in Peninsula Clean Energy's 2019 Power Source Disclosure Annual Reports and Power Content Label and delegates authority to the Chief Executive Officer to execute any required documentation.

* * * * *

[CCO-113499]



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure
For the Year Ending December 31, 2019**

Retail suppliers are required to use the posted template and are not allowed to make edits to this format. Please complete all requested information.

GENERAL INSTRUCTIONS

RETAIL SUPPLIER NAME
Peninsula Clean Energy Authority

ELECTRICITY PORTFOLIO NAME
ECO100

CONTACT INFORMATION

Name Siobhan Doherty

Title Director of Power Resources

Mailing Address 2075 Woodside Road

City, State, Zip Redwood City, CA, 94063

Phone 650-817-7076

E-mail sdoherty@peninsulacleanenergy.com

Website URL for PCL Posting www.peninsulacleanenergy.com

Submit the Annual Report and signed Attestation in PDF format with the Excel version of the Annual Report to PSDprogram@energy.ca.gov. Remember to complete the Retail Supplier Name, Electricity Portfolio Name, and contact information above, and submit separate reports and attestations for each additional portfolio if multiple were offered in the previous year.

NOTE: Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the California Energy Commissions's website at <https://www.energy.ca.gov/about/divisions-and-offices/chief-counsels-office>.

If you have questions, contact Power Source Disclosure (PSD) staff at PSDprogram@energy.ca.gov or (916) 654-3954.



INTRODUCTION

Retail suppliers are required to submit separate Annual Reports for each electricity portfolio offered to California retail consumers in the previous calendar year. Enter the Retail Supplier Name and Electricity Portfolio Name at the top of Schedule 1, Schedule 2, Schedule 3, and the Attestation.

A complete Annual Report includes the following tabs:

PSD Intro
Instructions
Schedule 1 - Procurements and Retail Sales
Schedule 2 - Retired Unbundled Renewable Energy Credits (RECs)
Schedule 3 - Annual Power Content Label Data
Asset-Controlling Supplier (ACS) Procurement Calculator
PSD Attestation

INSTRUCTIONS

Schedule 1: Procurements and Retail Sales

Retail suppliers of electricity must complete this schedule by entering information about all power procurements and generation that served the identified electricity portfolio covered in this filing in the prior year. The schedule is divided into sections: directly delivered renewables, firm-and-shaped imports, specified non-renewables, and procurements from ACSs. Insert additional rows as needed to report all procurements or generation serving the subject product. Provide the annual retail sales for the subject product in the appropriate space. At the bottom of Schedule 1, provide the retail suppliers' other electricity end-uses that are not retail sales, such as transmission and distribution losses.

Any retail supplier that offered multiple electricity portfolios in the prior year must submit separate Annual Reports for each portfolio offered

Specified Purchases: A Specified Purchase refers to a transaction in which electricity is traceable to specific generating facilities by any auditable contract trail or equivalent, such as a tradable commodity system, that provides commercial verification that the electricity claimed has been sold once and only once to retail consumers. For specified purchases, include the following information for each line item:

Facility Name - Provide the name used to identify the facility.

Fuel Type - Provide the resource type (solar, natural gas, etc.) that this facility uses to generate electricity.

Location - Provide the state or province in which the facility is located.

Identification Numbers - Provide all applicable identification numbers from the Western Renewable Energy Generation Information System (WREGIS), the Energy Information Agency (EIA), and the California Renewables Portfolio Standard (RPS).

Gross Megawatt Hours Procured - Provide the quantity of electricity procured in MWh from the generating facility.

Megawatt Hours Resold - Provide the quantity of electricity resold at wholesale.

Net Megawatt Hours Procured - The Schedule automatically calculates the quantity of electricity procured minus resold electricity.

Unspecified Power: Unspecified Power refers to electricity that is not traceable to specific generation sources by any auditable contract trail or equivalent, or to power purchases from a transaction that expressly transferred energy only and not the RECs associated from a facility. Do not enter procurements of unspecified power. The schedule will calculate unspecified power procurements automatically.

Schedule 2: Retired Unbundled RECs

Complete this schedule by entering information about unbundled REC retirements in the previous calendar year. Unbundled RECs will be automatically displayed on Schedule 3 as a percentage of retail sales.

Schedule 3: Annual Power Content Label Data

This schedule is provided as an automated worksheet that uses the information from Schedule 1 to calculate the power content, or resource mix, for each electricity portfolio. The percentages calculated on this worksheet should be used for your Power Content Label.

ACS Resource Mix Calculator

Retail suppliers may report specified purchases from ACS system power if the ACS provided its fuel mix of its specified system mix to the Energy Commission. Use the calculator to determine the resource-specific procurement quantities, and transfer them to Schedule 1.

Attestation

This template provides the attestation that must be submitted with the Annual Report to the Energy Commission, stating that the information contained in the applicable schedules is correct and that the power has been sold once and only once to retail consumers. This attestation must be included in the package that is transmitted to the Energy Commission. Please provide the complete Annual Report in Excel format and the complete Annual Report with signed attestation in PDF format as well.



ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure
SCHEDULE 1: PROCUREMENTS AND RETAIL SALES
For the Year Ending December 31, 2019
(RETAIL SUPPLIER NAME)
(ELECTRICITY PORTFOLIO NAME)

Instructions: Enter information about power procurements underlying this electricity portfolio for which your company is filing the Annual Report. Insert additional rows as needed. All fields in white should be filled out. Fields in grey auto-populate as needed and should not be filled out. For firm-and-shaped imports, provide the EIA ID of the substitute power, not the generator ID of the RECs. For EIA IDs for unspecified power or specified system mixes from asset-controlling suppliers, enter "unspecified", "BPA," "Powerex," or "Tacoma" as applicable. For specified procurements of ACS power, use the ACS Procurement Calculator to calculate the resource breakdown comprising the ACS system mix. Procurements of unspecified power must not be entered as line items below; unspecified power will be calculated automatically in cell L9. Unbundled RECs must not be entered on Schedule 1; these products must be entered on Schedule 2. At the bottom portion of the schedule, provide the other electricity end-uses that are not retail sales including, but not limited to transmission and distribution losses or municipal street lighting. Amounts should be in megawatt-hours.

Retail Sales (MWh)	256,110
Net Specified Procurement (MWh)	256,110
Unspecified Power (MWh)	-
Procurement to be adjusted	-
Net Natural Gas	-
Net Coal & Other Fossil Fuels	-
Net Nuclear, Large Hydro & Renewables	256,110

DIRECTLY DELIVERED RENEWABLES

Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	N/A
Buena Vista Energy Windfarm - Buena Vista Energy Windfarm	Wind	CA	W165	60124A		56446	79,087		79,087	79,087	
Campo Verde Solar Project - Campo Verde Solar	Solar	CA	W3591	60652A		58467	128,055		128,055	128,055	
Shiloh I Wind Project - Shiloh I Wind Project LLC	Wind	CA	W231	60488A		56362	48,968		48,968	48,968	
									-	-	
									-	-	

FIRMED-AND-SHAPED IMPORTS

Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	EIA ID of REC Source	EIA ID of Substitute Power	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	Eligible for Grandfathered Emissions?
									-	-	
									-	-	
									-	-	
									-	-	

SPECIFIED NON-RENEWABLE PROCUREMENTS

Facility Name	Fuel Type	State or Province	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	N/A
									-	-	
									-	-	
									-	-	



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source
 SCHEDULE 3: ANNUAL POWER CONTENT LABEL DATA
 for the year ending December 31, 2019
 (RETAIL SUPPLIER NAME)
 (ELECTRICITY PORTFOLIO NAME)**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	256,110	100.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	128,055	50.0%
Wind	128,055	50.0%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	-	0.0%
Total	256,110	100.0%

Total Retail Sales (MWh)	256,110
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Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%
---------------------------------------------------------------------	-------------



ASSET CONTROLLING SUPPLIER RESOURCE MIX CALCULATOR

Instructions: Enter total net specified procurement of ACS system resources into cell A8, A23, or A38. In Column E, the calculator will determine quantities of resource-specific net procurement for entry on Schedule 1.

Powerex				
Net MWH Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.915	-
		Natural gas	0.013	-
		Nuclear	0.006	-
		Other	0.032	-
		Unspecified Power	0.034	-

Bonneville Power Administration				
Net MWH Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.85	-
		Natural gas		-
		Nuclear	0.11	-
		Other		-
		Unspecified Power	0.04	-

Tacoma Power				
Net MWH Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.896	-
		Natural gas		-
		Nuclear	0.064	-
		Other		-
		Unspecified Power	0.04	-



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure
ATTESTATION FORM
for the year ending December 31, 2019
(RETAIL SUPPLIER NAME)
(ELECTRICITY PORTFOLIO NAME)**

I, (print name) Janis Pepper,
(title) Chief Executive Officer, declare under penalty of perjury, that the
statements contained in this report including Schedules 1, 2, and 3 are true and correct
and that I, as an authorized agent of (print name of company) Peninsula Clean Energy
Authority, have authority to submit this report on the company's
behalf. I further declare that the megawatt-hours claimed as specified purchases as
shown in these Schedules were, to the best of my knowledge, sold once and only once to
retail customers.

Name: Janis Pepper

Representing (Retail Supplier): Peninsula Clean Energy Authority

Signature: *Janis C. Pepper*

Dated: June 16, 2020

Executed at: Redwood City, CA



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure
For the Year Ending December 31, 2019**

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GENERAL INSTRUCTIONS

RETAIL SUPPLIER NAME
Peninsula Clean Energy Authority

ELECTRICITY PORTFOLIO NAME
ECOplus

CONTACT INFORMATION

Name	Siobhan Doherty
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Title	Director of Power Resources
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Mailing Address	2075 Woodside Road
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City, State, Zip	Redwood City, CA 94063
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Phone	650-817-7076
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E-mail	sdoherty@peninsulacleanenergy.com
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Website URL for PCL Posting	www.peninsulacleanenergy.com
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ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure
SCHEDULE 1: PROCUREMENTS AND RETAIL SALES
For the Year Ending December 31, 2019
(RETAIL SUPPLIER NAME)
(ELECTRICITY PORTFOLIO NAME)

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Retail Sales (MWh)	3,313,348
Net Specified Procurement (MWh)	2,989,782
Unspecified Power (MWh)	323,566
Procurement to be adjusted	-
Net Natural Gas	-
Net Coal & Other Fossil Fuels	-
Net Nuclear, Large Hydro & Renewables	2,989,782

DIRECTLY DELIVERED RENEWABLES

Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	N/A	EIA ID	Gross MWh Procured	MWh Resold	Adjusted Net MWh		N/A
									Procured	Procured	
Agua Caliente Solar - Block 1	Solar	AZ	W2427	60894A		57373	5,983		5,983	5,983	
Agua Caliente Solar - Block 10	Solar	AZ	W3621	60894A		57373	5,026		5,026	5,026	
Agua Caliente Solar - Block 11	Solar	AZ	W3829	60894A		57373	5,026		5,026	5,026	
Agua Caliente Solar - Block 12	Solar	AZ	W3953	60894A		57373	2,262		2,262	2,262	
Agua Caliente Solar - Block 2	Solar	AZ	W2576	60894A		57373	5,983		5,983	5,983	
Agua Caliente Solar - Block 3	Solar	AZ	W2668	60894A		57373	26		26	26	
Alhambra Solar Facility - Alhambra Solar facility	Solar	CA	W4479	61646A		58592	6,760		6,760	6,760	
Alta Powerhouse - Alta Powerhouse	Eligible hydro	CA	W335	60033A		214	536		536	536	
Arkansas Solar Facility - Arkansas Solar Facility	Solar	CA	W4480	61844A		58592	1,694		1,694	1,694	
AV Solar Ranch 1, LLC - AVSR1 - Antelope Solar Ranch - Block 8 & 9	Solar	CA	W3849	63713A		57378	507		507	507	
CalRENEW-1 - CalRENEW-1	Solar	CA	W1519	60475A		56768	1,088		1,088	1,088	
Campo Verde Solar Project - Campo Verde Solar	Solar	CA	W3591	60652A		58467	81,101		81,101	81,101	
CED Corcoran - CED Corcoran	Solar	CA	W3408	60948A		58374	5,628		5,628	5,628	
Centinela Solar Energy - CSE - Block 1F	Solar	CA	W3961	60837A		58430	12,905		12,905	12,905	
Centinela Solar Energy - CSE - Block 1G	Solar	CA	W3964	60837A		58430	13,732		13,732	13,732	
Centinela Solar Energy - CSE - Block 1H	Solar	CA	W4011	60837A		58430	7,604		7,604	7,604	
Centinela Solar Energy - CSE - Block 2C	Solar	CA	W4133	60837A		58430	288		288	288	
Centinela Solar Energy - CSE - Block 2D	Solar	CA	W4134	60837A		58430	2,143		2,143	2,143	
Centinela Solar Energy - CSE - Blocks 1A, 1B, & 1C	Solar	CA	W3805	60837A		58430	8,176		8,176	8,176	
Centinela Solar Energy - CSE - Blocks 1D & 1E	Solar	CA	W3880	60837A		58430	8,222		8,222	8,222	



Chili Bar Powerhouse - Chili Bar Powerhouse	Eligible hydro	CA	W337	60035A		225	3,067		3,067	3,067
CM10 - CM10	Solar	NV	W883	60713A		57205	1,715		1,715	1,715
CM48 - CM48	Solar	NV	W1460	60786A		57205	8,838		8,838	8,838
Colgreen North Shore - Colgreen North Shore	Solar	CA	W7283	61666A		60825	17,200		17,200	17,200
CSolar IV South - ISEC South 11-12	Solar	CA	W3553	61657A		57490	4,849		4,849	4,849
CSolar IV South - ISEC South 1-3	Solar	CA	W3278	61657A		57490	3,837		3,837	3,837
CSolar IV South - ISEC South 13-15	Solar	CA	W3620	61657A		57490	7,108		7,108	7,108
CSolar IV South - ISEC South 4-6	Solar	CA	W3511	61657A		57490	5,820		5,820	5,820
CSolar IV South - ISEC South 7-10	Solar	CA	W3531	61657A		57490	9,050		9,050	9,050
CSolar IV West - ISEC West 1	Solar	CA	W4446	62278A		57491	371		371	371
CSolar IV West - ISEC West 2	Solar	CA	W4664	62278A		57491	4,727		4,727	4,727
CSolar IV West - ISEC West 3	Solar	CA	W4828	62278A		57491	24,815		24,815	24,815
CSolar IV West - ISEC West 4	Solar	CA	W4844	62278A		57491	7,878		7,878	7,878
De Sabla Powerhouse - De Sabla Powerhouse	Eligible hydro	CA	W351	60041A		232	5,394		5,394	5,394
Deer Creek Powerhouse - Deer Creek Powerhouse	Eligible hydro	CA	W350	60040A		233	2,440		2,440	2,440
Dinosaur Point - Dinosaur Point	Wind	CA	W608	60139A		10005	13,971		13,971	13,971
Dokie Wind - Dokie Wind	Wind	BC	W1992	61360A		#N/A	9,570		9,570	9,570
Dutch Flat No. 1 Powerhouse - Dutch Flat No. 1 Powerhouse	Eligible hydro	CA	W352	60042A		237	4,835		4,835	4,835
EI Dorado Powerhouse - EIDorado_7_unit1	Eligible hydro	CA	W905	60601A		238	2,219		2,219	2,219
EI Dorado Powerhouse - EIDorado_7_unit2	Eligible hydro	CA	W906	60601A		238	4,580		4,580	4,580
FPL Energy Montezuma Wind - FPL Energy Montezuma Wind	Wind	CA	W1745	60543A		57201	21,833		21,833	21,833
Geysers Power Plant - Calpine Geothermal Unit 11	Geothermal	CA	W119	60025A		286	123		123	123
Geysers Power Plant - Calpine Geothermal Unit 12	Geothermal	CA	W120	60004A		286	32,630		32,630	32,630
Geysers Power Plant - Calpine Geothermal Unit 13	Geothermal	CA	W121	60005A		286	43,050		43,050	43,050
Geysers Power Plant - Calpine Geothermal Unit 14	Geothermal	CA	W122	60026A		286	36,732		36,732	36,732
Geysers Power Plant - Calpine Geothermal Unit 16	Geothermal	CA	W123	60006A		286	60,229		60,229	60,229
Geysers Power Plant - Calpine Geothermal Unit 17	Geothermal	CA	W124	60007A		286	43,471		43,471	43,471
Geysers Power Plant - Calpine Geothermal Unit 7 8	Geothermal	CA	W118	60003A		286	43,791		43,791	43,791
Halsey Powerhouse - Halsey Powerhouse	Eligible hydro	CA	W353	60043A		241	6,057		6,057	6,057
Hat Creek No. 1 Powerhouse - Hat Creek No. 1 Powerhouse	Eligible hydro	CA	W355	60045A		243	2,928		2,928	2,928
Hat Creek No. 2 Powerhouse - Hat Creek No. 2 Powerhouse	Eligible hydro	CA	W356	60046A		244	3,522		3,522	3,522
Hatchet Ridge - Hatchet Ridge	Wind	CA	W1600	60741A		56654	29,659		29,659	29,659
Honey Lake Power Company - Honey Lake Power Company	Biomass & biowaste	CA	W604	60077A		10777	7,651		7,651	7,651
Imperial Valley Solar, LLC - Imperial Valley Solar 1, LLC - IVS1 Stage 1	Solar	CA	W3592	61292A		56917	24,615		24,615	24,615
Imperial Valley Solar, LLC - Imperial Valley Solar 1, LLC - IVS1 Stage 2	Solar	CA	W3931	61292A		56917	15,731		15,731	15,731



Imperial Valley Solar, LLC - Imperial Valley Solar 1, LLC - IVS1 Stage 3	Solar	CA	W3994	61292A		56917	5,533		5,533	5,533
Karen Avenue Windfarm - Energy Development & Const. Corp.	Wind	CA	W314	60396A		10718	30,702		30,702	30,702
Kelly Ridge Powerhouse - Kelly Ridge PowerHouse	Eligible hydro	CA	W761	60266A		418	6,910		6,910	6,910
Kumeyaay Wind Farm - Kumeyaay Wind Farm	Wind	CA	W138	60432A		56295	136,345		136,345	136,345
Manzana - Manzana Wind LLC	Wind	CA	W3105	61671A		57484	11,366		11,366	11,366
Mega Hydro #1 (Clover Creek) - Mega Hydro #1 (Clover Creek)	Eligible hydro	CA	W623	60227A		#N/A	4,549		4,549	4,549
Mega Renewables (Bidwell Ditch) - Mega Renewables (Bidwell Ditch)	Eligible hydro	CA	W625	60165A		10880	7,584		7,584	7,584
Mega Renewables (Hatchet Creek) - Mega Renewables (Hatchet Creek)	Eligible hydro	CA	W626	60166A		10882	23,913		23,913	23,913
Mega Renewables (Roaring Creek) - Mega Renewables (Roaring Creek)	Eligible hydro	CA	W627	60167A		10881	7,859		7,859	7,859
Narrows No. 1 Powerhouse - Narrows No. 1 Powerhouse	Eligible hydro	CA	W363	60052A		262	7,987		7,987	7,987
Newcastle Powerhouse - Newcastle Powerhouse	Eligible hydro	CA	W364	60053A		632	445		445	445
NRG Solar Borrego I - NRG Solar Borrego I	Solar	CA	W2874	61211A		57455	6,065		6,065	6,065
Oak Flat Powerhouse - Oak Flat Powerhouse	Eligible hydro	CA	W365	60276A		626	439		439	439
Ocotillo - Ocotillo Express LLC	Wind	CA	W3259	61400A		57514	11,410		11,410	11,410
Ocotillo 2 - Ocotillo Express LLC	Wind	CA	W3692	61400A		57514	2,185		2,185	2,185
Phoenix Powerhouse - Phoenix Powerhouse	Eligible hydro	CA	W366	60054A		264	744		744	744
Post Falls HED - Post Falls 2	Eligible hydro	ID	W794	60498A		835	2,552		2,552	2,552
Post Falls HED - Post Falls HED	Eligible hydro	ID	W220	60498A		835	10,687		10,687	10,687
Potter Valley Powerhouse - Potter Valley Powerhouse	Eligible hydro	CA	W367	60055A		274	1,718		1,718	1,718
Quality Wind - Quality Wind	Wind	BC	W3160	62247A		#N/A	9,116		9,116	9,116
Ramona Solar Energy - SDG&E UOG Creelman	Solar	CA	W5645	63612A		60995	446		446	446
Seneca Sustainable Energy - Seneca Sustainable Energy	Biomass & biowaste	OR	W2045	61090A		57457	15,642		15,642	15,642
Seville Solar One - Seville Solar One	Solar	CA	W4650	62562A		59722	2,363		2,363	2,363
Shiloh I Wind Project - Shiloh I Wind Project LLC	Wind	CA	W231	60488A		56362	16,374		16,374	16,374
Shiloh Wind Project 2, LLC - Shiloh Wind Project 2, LLC	Wind	CA	W811	60639A		57586	63,121		63,121	63,121
Sierra Pacific Burney Facility - Sierra Pacific Industry (Burney)	Biomass & biowaste	CA	W667	60087A		50110	5,864		5,864	5,864
Sierra Pacific Ind. (Lincoln) - Sierra Pacific Industry (Lincoln)	Biomass & biowaste	CA	W668	60088A		10144	6,736		6,736	6,736
Sierra Pacific Ind. (Quincy) - Sierra Pacific Industry (Quincy)	Biomass & biowaste	CA	W669	60089A		50112	15,696		15,696	15,696
Sierra Pacific Sonora - Sierra Pacific Sonora	Biomass & biowaste	CA	W852	60576A		54517	2,393		2,393	2,393
Sly Creek Powerhouse - Sly Creek Powerhouse	Eligible hydro	CA	W701	60267A		776	2,674		2,674	2,674
Solar Alpine LLC - Solar Alpine LLC	Solar	CA	W2872	60755A		57295	14,634		14,634	14,634
Sonora Solar Facility - Sonora Solar Facility	Solar	CA	W4481	61645A		58592	7,046		7,046	7,046



South Powerhouse - South Powerhouse	Eligible hydro	CA	W370	60059A		280	2,406		2,406	2,406
Spaulding No. 1 Powerhouse - Spaulding No. 1 Powerhouse	Eligible hydro	CA	W371	60060A		281	354		354	354
Spaulding No. 2 Powerhouse - Spaulding No. 2 Powerhouse	Eligible hydro	CA	W372	60061A		282	186		186	186
Spaulding No. 3 Powerhouse - Spaulding No. 3 Powerhouse	Eligible hydro	CA	W373	60062A		283	4,208		4,208	4,208
SPI Anderson 2 - SPI Anderson 2	Biomass & biowaste	CA	W4674	61146A		59658	11,465		11,465	11,465
Spring Gap Powerhouse - Spring Gap Powerhouse	Eligible hydro	CA	W374	60063A		284	227		227	227
Stockton Biomass - Stockton Biomass	Biomass & biowaste	CA	W3540	60964A		54238	34,219		34,219	34,219
Three Forks Water Power Project - Three Forks Water Power Project	Eligible hydro	CA	W758	60502A		54308	92		92	92
Toadtown Powerhouse - Toadtown Powerhouse	Eligible hydro	CA	W375	60064A		714	373		373	373
Upper Falls HED - Upper Falls HED	Eligible hydro	WA	W217	60499A		9096	7,726		7,726	7,726
Vaca Dixon Solar Station - Vaca Dixon Solar Station	Solar	CA	W1455	60966A		57041	336		336	336
Volta No. 1 Powerhouse - Volta No. 1 Powerhouse	Eligible hydro	CA	W377	60066A		290	3,815		3,815	3,815
Volta No. 2 Powerhouse - Volta No. 2 Powerhouse	Eligible hydro	CA	W378	60067A		180	463		463	463
West Point Powerhouse - West Point Powerhouse	Eligible hydro	CA	W379	60068A		291	8,398		8,398	8,398
Wheelabrator Shasta - Wheelabrator Shasta	Biomass & biowaste	CA	W759	60094A		50881	120,635		120,635	120,635
Wise No. 1 Powerhouse - Wise No. 1 Powerhouse	Eligible hydro	CA	W380	60069A		292	8,989		8,989	8,989
Geothermal 1_Unit 1 - Geothermal 1	Geothermal	CA	W1254	60908A		7368	29,328		29,328	29,328
Geothermal 1_Unit 2 - Geothermal 1	Geothermal	CA	W1255	60909A		7368	5,672		5,672	5,672
Ameresco Ox Mountain - Ameresco Ox Mountain	Biomass & biowaste	CA	W2033	60022A		56895	40,761		40,761	40,761
Coram Energy LLC (4.5MW) - Coram Energy LLC (4.5MW)	Wind	CA	W4886	63222A		54299	6,526		6,526	6,526
Coram Tehachapi, L.P. - Coram Tehachapi, L.P.	Wind	CA	W4897	63223A		54750	6,742		6,742	6,742
Mesa Wind Power Corporation - Mesa Wind Power Corporation	Wind	CA	W507	60370A		50535	1,516		1,516	1,516
Coram Brodie Wind Project - Brookfield Tehachapi 1	Wind	CA	W2773	60973A		57962	29,656		29,656	29,656
Monroe Street HED - Monroe Street HED	Eligible hydro	WA	W218	60496A		9095	15,828		15,828	15,828
Nine Mile HED - Nine Mile HED	Eligible hydro	WA	W216	60497A		3869	7,362		7,362	7,362
North Sky River - North Sky River - Phase I	Wind	CA	W3206	61385A		58121	26,520		26,520	26,520
Rising Tree Wind Farm II LLC - Rising Tree Wind Farm II LLC	Wind	CA	W4445	62426A		59235	901		901	901
Tehachapi Wind Resource I - Tehachapi Wind Resource I	Wind	CA	W519	61469A		10191	1,657		1,657	1,657
Tehachapi Wind Resource II - Pajuela Peak - Tehachapi Wind Resource II - Pajuela Peak	Wind	CA	W508	61468A		54909	5,051		5,051	5,051
RE Tranquillity - Tranquillity	Solar	CA	W4898	61269A		59939	21,559		21,559	21,559
Ivanpah - Unit 3	Solar	CA	W3190	62275A		57075	885		885	885



Victory Garden # 1 (Tehachapi) - Wind Stream Operations, LLC (VG # 1)	Wind	CA	W499	60381A		50532	2,866		2,866	2,866	
Victory Garden# 2 (Tehachapi) - Wind Stream Operations, LLC (VG# 2)	Wind	CA	W500	60382A		50532	3,530		3,530	3,530	
Victory Garden# 3 (Tehachapi) - Wind Stream Operations, LLC (VG# 3)	Wind	CA	W501	60383A		50532	1,905		1,905	1,905	
Post Falls HED - Post Falls 3	Eligible hydro	ID	W795	60498A		835	1,259		1,259	1,259	
Ameresco Johnson Canyon - Ameresco Johnson Canyon	Biomass & biowaste	CA	W3397	61353A		58397	180		180	180	
Ameresco Keller Canyon - Ameresco Keller Canyon	Biomass & biowaste	CA	W2071	61298A		56897	248		248	248	
Ameresco San Joaquin - Ameresco San Joaquin	Biomass & biowaste	CA	W3883	62433A		58436	405		405	405	
Frontier Solar - Crow Creek Solar I	Solar	CA	W4962	62248A		59776	1,298		1,298	1,298	
EE Kettleman Land - Centaurus - EE Kettleman Land - Centaurus	Solar	CA	W4695	62422A		59633	1,316		1,316	1,316	
Elevation Solar C - Elevation Solar C	Solar	CA	W5298	63192A		59964	2,460		2,460	2,460	
Hayworth Solar - Hayworth Solar	Solar	CA	W4719	62744A		59009	1,648		1,648	1,648	
High Winds - High Winds, LLC	Wind	CA	W229	60726A		56075	961		961	961	
Meikle Wind - Meikle Wind	Wind	BC	W5189	63268C		#N/A	4,221		4,221	4,221	
Ameresco Santa Cruz Energy - Santa Cruz	Biomass & biowaste	CA	W2014	61297A		56428	87		87	87	
Topaz Solar Farms LLC - Topaz 1-9	Solar	CA	W3193	61698A		57695	6,576		6,576	6,576	
Topaz Solar Farms LLC - Topaz 17 - 20	Solar	CA	W3227	61698A		57695	4,110		4,110	4,110	
Topaz Solar Farms LLC - Topaz 21 - 22	Solar	CA	W3229	61698A		57695	6,576		6,576	6,576	
Western Antelope Blue Sky Ranch B - Western Antelope Blue Sky Ranch B	Solar	CA	W5300	61518A		58626	1,266		1,266	1,266	
Altwind 1 - Altwind 1	Wind	CA	W516	60403A		54681	341		341	341	
Altwind 2 - Altwind 2	Wind	CA	W514	60402A		54682	1,258		1,258	1,258	
Altwind 3 - Altwind 3	Wind	CA	W749	60402A		50485	197		197	197	
Coso Energy Developers - BLM West Unit 9	Geothermal	CA	W748	60322A		10875	8,028		8,028	8,028	
Cape Scott Wind - Cape Scott Wind	Wind	BC	W3959	60600A		#N/A	3,282		3,282	3,282	
Kettle Falls Woodwaste Plant - Kettle Falls Woodwaste Plant	Biomass & biowaste	WA	W130	60495A		550	3,980		3,980	3,980	
Coso Finance Partners - Navy 1 - Unit 2	Geothermal	CA	W746	60309A		10873	1,248		1,248	1,248	
Nine Mile HED 2 - Nine Mile HED 2	Eligible hydro	WA	W283	60497A		3869	684		684	684	
Palouse Wind, LLC - Palouse Wind	Wind	WA	W2906	62288A		57530	118		118	118	
San Gorgonio Altwind - San Gorgonio Altwind	Wind	CA	W4960	60402A		50690	568		568	568	
San Gorgonio East - San Gorgonio East	Wind	CA	W4764	63228A		50690	1,793		1,793	1,793	
									-	-	
									-	-	

FIRMED-AND-SHAPED IMPORTS

Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	EIA ID of REC Source	EIA ID of Substitute Power	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	Eligible for Grandfathered Emissions?
Cedar Creek II - Cedar Creek II	Wind	CO	W1900	61384A	57210	unspecified	18,092		18,092	18,092	Yes
Peetz Table Wind Energy - Peetz Table	Wind	CO	W894	60816A	57134	unspecified	115,665		115,665	115,665	Yes
									-	-	
									-	-	



SPECIFIED NON-RENEWABLE PROCUREMENTS												
Facility Name	Fuel Type	State or Province	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	N/A	
Middle Fork / Ralston	Large hydro	CA				427	700,000		700,000	700,000		
Colgate Powerhouse Unit 1	Large hydro	CA				454	13,934		13,934	13,934		
Colgate Powerhouse Unit 2	Large hydro	CA				454	2,903		2,903	2,903		
Narrows 2 Powerhouse	Large hydro	CA				455	3,163		3,163	3,163		
BOUNDARY	Large hydro	WA				6433	68,304		68,304	68,304		
CHPD - Lake Chelan	Large hydro	WA				6424	6,153		6,153	6,153		
CHPD - Rock Island	Large hydro	WA				6200	108,647		108,647	108,647		
CHPD - Rocky Reach	Large hydro	WA				3883	78,746		78,746	78,746		
KERR	Large hydro	MT				2188	12,243		12,243	12,243		
Smith Creek	Large hydro	CA					528		528	528		
									-	-		
PROCUREMENTS FROM ASSET-CONTROLLING SUPPLIERS												
Facility Name	Fuel Type	N/A	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	N/A	
Bonneville Power Administration ACS System	Large hydro					BPA			202,747	202,747		
Bonneville Power Administration ACS System	Nuclear					BPA			26,238	26,238		
Bonneville Power Administration ACS System	Unspecified Power					BPA			9,541	9,541		
Tacoma ACS System	Large hydro					Tacoma			23,761	23,761		
Tacoma ACS System	Nuclear					Tacoma			1,697	1,697		
Tacoma ACS System	Unspecified Power					Tacoma			1,061	1,061		
										-		
										-		

END USES OTHER THAN RETAIL SALES	MWh



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source
 SCHEDULE 3: ANNUAL POWER CONTENT LABEL DATA
 for the year ending December 31, 2019
 (RETAIL SUPPLIER NAME)
 (ELECTRICITY PORTFOLIO NAME)**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	1,730,116	52.2%
Biomass & Biowaste	265,962	8.0%
Geothermal	304,302	9.2%
Eligible Hydroelectric	176,009	5.3%
Solar	394,825	11.9%
Wind	589,018	17.8%
Coal	-	0.0%
Large Hydroelectric	1,221,129	36.9%
Natural gas	-	0.0%
Nuclear	27,935	0.8%
Other	-	0.0%
Unspecified Power	334,168	10.1%
Total	3,313,348	100.0%

Total Retail Sales (MWh)	3,313,348
---------------------------------	------------------

Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%
---------------------------------------------------------------------	-------------



ASSET CONTROLLING SUPPLIER RESOURCE MIX CALCULATOR

Instructions: Enter total net specified procurement of ACS system resources into cell A8, A23, or A38. In Column E, the calculator will determine quantities of resource-specific net procurement for entry on Schedule 1.

Powerex				
Net MWH Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.915	-
		Natural gas	0.013	-
		Nuclear	0.006	-
		Other	0.032	-
		Unspecified Power	0.034	-

Bonneville Power Administration				
Net MWH Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
238,526		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.85	202,747
		Natural gas		-
		Nuclear	0.11	26,238
		Other		-
		Unspecified Power	0.04	9,541

Tacoma Power				
Net MWH Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
26,519		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.896	23,761
		Natural gas		-
		Nuclear	0.064	1,697
		Other		-
		Unspecified Power	0.04	1,061



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure
ATTESTATION FORM
for the year ending December 31, 2019
(RETAIL SUPPLIER NAME)
(ELECTRICITY PORTFOLIO NAME)**

I, (print name) Janis Pepper,
(title) Chief Executive Officer, declare under penalty of perjury, that the
statements contained in this report including Schedules 1, 2, and 3 are true and correct
and that I, as an authorized agent of (print name of company) Peninsula Clean Energy
Authority, have authority to submit this report on the company's behalf. I further
declare that the megawatt-hours claimed as specified purchases as shown in these
Schedules were, to the best of my knowledge, sold once and only once to retail
customers.

Name: Janis Pepper

Representing (Retail Supplier): Peninsula Clean Energy Authority

Signature: *Janis C. Pepper*

Dated: July 17, 2020

Executed at: Redwood City, CA



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors
FROM: Subcommittee on Citizens Advisory Committee Recruitment
SUBJECT: Appointment of Member to Citizens Advisory Committee (CAC)

RECOMMENDATION: Adopt a Resolution Appointing a New Member to the Peninsula Clean Energy Authority Citizens Advisory Committee.

BACKGROUND:

On February 23, 2017, the PCE Board of Directors approved a proposal and a resolution approving the formation of a Citizens Advisory Committee (CAC) and indicating that it should consist of 11 to 15 members. Peninsula Clean Energy staff have organized an annual recruitment in the spring of each year to recruit new members.

When meeting to review applications for the May 2020 recruitment period, the Board Subcommittee on Citizens Advisory Committee Recruitment, consisting of Carole Groom, Wayne Lee, and Marty Medina, also recommended that applicants that were not chosen for appointment at that time be considered alternates in case of a vacancy.

After the 2020 recruitment and selection period had closed, CAC member Walter Melville of San Bruno regrettably informed PCE staff that he would be stepping down from the CAC. PCE staff reached out to the subcommittee on Citizens Advisory Committee Recruitment to ask for their input in filling this new vacancy. Subcommittee members recommended applicant Alexander Melendrez, also from San Bruno, as a new appointee to the CAC.

Discussion:

The subcommittee on Citizens Advisory Committee Recruitment recommends that the PCE Board of Directors appoint Alexander Melendrez to fill a vacancy on the CAC. More information on his qualifications are included in Attachment 1 to the Resolution accompanying this memo.

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

* * * * *

**RESOLUTION APPOINTING MEMBER TO THE PENINSULA CLEAN ENERGY
AUTHORITY CITIZENS ADVISORY COMMITTEE (CAC)**

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California (“Peninsula Clean Energy” or “PCE”), that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, Section 3.5 of the PCE Joint Powers Agreement states that the “Board may establish any advisory commissions, boards, and committees as the Board deems appropriate to assist the Board”; and

WHEREAS, PCE believes that establishment of an advisory committee, made up of members drawn from the community, would assist PCE in carrying out its mission; and

WHEREAS, the Board approved the creation of a Citizens Advisory Committee (“Committee” or “CAC”) on February 23, 2017, to be appointed by the PCE Board through an application process including review and recommendation by a subcommittee of the PCE Board; and

WHEREAS, the Board appointed fifteen members to the Citizens Advisory Committee on May 24, 2017, and

WHEREAS, the Board publicly solicited applications for the Citizens Advisory Committee during the period of March 5, 2020 through April 12, 2020, these applications were reviewed by the subcommittee, and that subcommittee recommended specific applicants for appointment in May 2020, and

WHEREAS, the subcommittee also recommended that applicants that were not chosen for appointment in May 2020 be considered alternates in case of a vacancy, and

WHEREAS, a vacancy opened on the CAC after the 2020 recruitment period closed, and

WHEREAS, subcommittee members reviewed alternate applicants in September 2020 to fill this new vacancy and recommended a specific applicant for appointment.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board appoints the individual listed in Attachment 1 hereto as a member of the Citizens Advisory Committee for the term 2020-2023.

* * * * *

Attachment 1

October 2020 Recommendation for Appointment to the PCE Citizens Advisory Committee

Term (years)	First Name	Last Name	City	Key Strength(s)	Selected Background
3 <i>new term 2020-2023</i>	Alexander	Melendrez	San Bruno	Outreach, Advocacy	Organizer with the Housing Leadership Council of San Mateo County. Outside of work has experience in advocacy in affordable housing, education, criminal justice reform, Get Out The Vote campaigns, and more.



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors
FROM: Jeff Aalfs, Chair, Board of Directors
SUBJECT: Appointment of Citizens Advisory Committee (CAC) Board Liaison and Alternates

RECOMMENDATION: Appoint Board Chair Jeff Aalfs as Liaison, and appoint Rick Bonilla, Donna Colson, and Rick DeGolia as Alternate Liaisons to the Citizens Advisory Committee.

BACKGROUND:

Jeff Aalfs has been attending the CAC meetings acting as an informal liaison between the CAC and the Board. On June 25, 2020, the Board approved CAC Recommendations for Operational Improvements, including provision A.2. recommending that a PCE board member be appointed as an official liaison to the CAC. On July 23, 2020, the Board approved a motion creating a procedure for the Board Chair to appoint a CAC Liaison and Alternate annually.

DISCUSSION:

Board Chair Jeff Aalfs has volunteered to serve as the Board's CAC Liaison with Rick Bonilla, Donna Colson, and Rick DeGolia serving as Alternative Liaisons. The goal of the liaison is to work together to make sure there is Board representation at CAC meetings and to ensure that Board members continue to get to know and work with the CAC on the various projects they have taken on.

Thank you to those of you who have expressed interest in serving as Liaisons to the Citizens Advisory Committee. As I had suggested in a previous memo, I will be appointing a Liaison and a set of Alternates to share the role going forward.

I am writing today to propose that I, as the Board Chair, continue as Liaison to the Committee. I am also proposing that Rick Bonilla, Donna Colson, and Rick DeGolia be appointed as Alternate Liaisons, and that the three of us (and other Board Members who express an interest) work together to make sure there is Board representation to the CAC, and that we (and others) continue getting to know and work with the CAC on the various projects they have taken on.

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

* * * * *

**RESOLUTION APPOINTING BOARD LIAISON AND ALTERNATES TO CITIZENS
ADVISORY COMMITTEE (CAC)**

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California (“Peninsula Clean Energy” or “PCE”), that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, Section 3.5 of the PCE Joint Powers Agreement states that the “Board may establish any advisory commissions, boards, and committees as the Board deems appropriate to assist the Board”; and

WHEREAS, the Board approved the creation of a Citizens Advisory Committee (“Committee” or “CAC”) on February 23, 2017, and outlined the structure and objectives for the Committee; and

WHEREAS, at their meeting on June 11, 2020, the CAC took action to bring, among others, the following recommendation to the Board for consideration and approval:

A.2. Recommend that a PCE board member be appointed as an official liaison to the CAC; and

WHEREAS, on June 25, 2020, the Board approved CAC Recommendations for Operational Improvements, including provision A.2. to “Recommend that a PCE board member be appointed as an official liaison to the CAC”; and

WHEREAS, on July 23, 2020, the Board approved a motion creating a procedure for the Board Chair to appoint a CAC Liaison and Alternate annually.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the recommendation to appoint Board Chair Jeff Aalfs as Liaison, and appoint Rick Bonilla, Donna Colson, and Rick DeGolia as Alternate Liaisons to the Citizens Advisory Committee.

* * * * *



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Saturday, September 26, 2020
MINUTES**

Peninsula Clean Energy
Video conference and teleconference
8:30 a.m.

CALL TO ORDER

Meeting was called to order at 8:37 a.m.

ROLL CALL

Present: Dave Pine, County of San Mateo
Carole Groom, County of San Mateo
Jeff Aalfs, Town of Portola Valley, *Chair*
Rick DeGolia, Town of Atherton, *Vice Chair*
Julia Mates, City of Belmont
Donna Colson, City of Burlingame
Roderick Daus-Magbual, City of Daly City
Carlos Romero, City of East Palo Alto
Harvey Rarback, City of Half Moon Bay
Laurence May, Town of Hillsborough
Betsy Nash, City of Menlo Park
Wayne Lee, City of Millbrae
Deirdre Martin, City of Pacifica
Ian Bain, City of Redwood City
Marty Medina, City of San Bruno
Laura Parmer-Lohan, City of San Carlos
Rick Bonilla, City of San Mateo
Flor Nicolas, City of South San Francisco
Daniel Yost, Town of Woodside
Pradeep Gupta, Director Emeritus
John Keener, Director Emeritus

Staff: Jan Pepper, Chief Executive Officer
Andy Stern, Chief Financial Officer
Leslie Brown, Director of Customer Care

Rafael Reyes, Director of Energy Programs
Joseph Wiedman, Director of Legislative and Regulatory Affairs
KJ Janowski, Director of Marketing and Community Affairs
Kirsten Andrews-Schwind, Senior Manager of Community Relations
Jerry Gottheil, Marketing Communications Manager
Siobhan Doherty, Director of Power Resources
David Silberman, General Counsel
Jennifer Stalzer Kraske, Deputy County Counsel
Shayna Barnes, Administrative Assistant
Anne Bartoletti, Board Clerk/Office Manager/Executive Assistant to the CEO

A quorum was established.

PUBLIC COMMENT:

Tim Bussiek

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: May / Lee

Motion passed 18-0 (Absent: Brisbane, Colma, East Palo Alto, Foster City)

REGULAR AGENDA

8:45 – 8:50 a.m. CITIZEN ADVISORY COMMITTEE REPORT

Desiree Thayer—Chair—reported that the Citizen Advisory Committee (CAC) is identifying topics for future public forums, and the Equity Work Group is developing a Peninsula Clean Energy statement on equity to bring to the Board.

8:50 – 9:30 a.m. STRATEGIC PLAN UPDATE

- REVIEW AND DISCUSSION OF STRATEGIC PLAN DASHBOARD

Jan Pepper—Chief Executive Officer—provided an update on implementation of the Strategic Plan, introduced the Strategic Plan Dashboard of metrics, and reported that staff developed work plans to support strategic plan goals, objectives and key tactics. Jan reviewed organizational priorities, the measurement period, and metrics definitions.

Siobhan Doherty—Director of Power Resources—reviewed priorities for power resources, the measurement period and metrics definitions.

Joseph Wiedman—Director of Legislative and Regulatory Affairs—reviewed priorities for public policy, the measurement period and metrics definitions.

Rafael Reyes—Director of Energy Programs—reviewed priorities for community energy electrification programs in transportation and buildings, the measurement periods and metrics

definitions.

KJ Janowski—Director of Marketing and Community Affairs—reviewed priorities for marketing and customer care, the measurement period, and metrics definitions.

Andy Stern—Chief Financial Officer—reviewed priorities for financial stewardship, the measurement period and metrics definitions.

Jan pepper reviewed priorities for organizational excellence, the measurement period and metrics definitions.

Board members discussed the metrics under each of the strategic plan objectives, setting interim goals to achieve long-term targets, and collaboration with CalCCA (California Community Choice Association).

PUBLIC COMMENT:

J. Donahue

9:30 – 10:10 a.m. HIGH LEVEL REVIEW AND DISCUSSION OF MARKET RESEARCH RESULTS

KJ Janowski reviewed topline results and highlights from recent market research to assess awareness and perception of Peninsula Clean Energy among San Mateo County residents. KJ reported that responses showed 34% total brand awareness, and of those who are aware 63% have a favorable perception. KJ reviewed energy provider priorities identified by respondents, and reviewed opportunities to improve awareness and perception.

KJ reviewed awareness and perceptions of EVs (Electric Vehicles) and building electrification, reporting on the motivators and barriers, appliance priorities and perceptions, and educational opportunities.

Board members discussed reach codes, future tours of electric buildings and demonstrations of induction cooktops, potential video demonstrations and educational opportunities.

PUBLIC COMMENT:

Tim Bussiek

10:07 – 10:15 a.m. BREAK

10:15 – 11:00 a.m. FINANCIAL UPDATE

Andy Stern reviewed key assumptions in the Fiscal Year (FY) 2020-2021 approved budget and 5-year plan, including PG&E generation rates, PCIA (Power Charge Indifference Adjustment) increases, energy prices, and electricity load. Andy reported on total cash, expenses, and Unrestricted Days Cash on Hand, and reviewed a revised 5-year outlook, and a 10-year financial projection.

Conclusions included a recommendation to maintain program activities and commitments at current levels for now, and a proposed “trigger” to scale back program activities and/or commitments if it

appears that Unrestricted Days Cash on Hand drop below 200 in the following fiscal year. Andy outlined the program spending approval process, program budget process, and reviewed programs approved by the Board as of June 30, 2020.

Board members discussed energy forecasts, PCIA, Days Cash on Hand, credit ratings, and continued investing in programs.

PUBLIC COMMENT:

Tom Kabat

11:00 – 11:45 a.m. REVIEW OF APPROVED COMMUNITY ENERGY PROGRAMS AND BUDGETS/ALLOCATION

Rafael Reyes reviewed the programs roadmap and the approved budget by major area of focus. He outlined programs relating to resilience, transportation including electric vehicles and EV charging, new and existing building electrification, and compared program costs with GHG (greenhouse gas) emissions reductions.

Board members discussed EVITP (Electric Vehicle Infrastructure Training Program), GHG emissions reductions, EV charging infrastructure, adoption of reach codes and upgrading climate action plans.

PUBLIC COMMENT:

Tim Bussiek

11:45 – 12:00 p.m. CONCLUSIONS AND WRAP-UP

Jan Pepper thanked the Board and attendees, and announced that the strategic plan dashboard will be updated yearly. Jeff Aalfs thanked the staff, Executive Committee, Board, and all attendees, and Board members expressed their thanks as well.

ADJOURNMENT

Meeting was adjourned at 11:51 a.m.



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: October 7, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Karen Janowski, Director of Marketing and Community Affairs &
Leslie Brown, Director of Customer Care
SUBJECT: Update on Marketing, Outreach Activities, and Customer Care

BACKGROUND:

The Marketing, Community Affairs, and Customer Care Teams are responsible for enhancing Peninsula Clean Energy's brand reputation, educating and engaging customers, driving participation in programs, and ensuring customer satisfaction and retention. Tactics include community outreach, content creation and storytelling through owned (e.g. online, social media), earned (e.g. public relations), and paid media (advertising), school engagement programs, and customer care.

DISCUSSION:

The following is an update of activities that are currently underway. See "Strategic Plan" section below for how these activities support Peninsula Clean Energy's strategic plan objectives.

New EV Rebate Program Launches

The 2020 New EV Rebate Program has officially launched! The program offers rebates of \$1,000 towards the cost of a new fully electric vehicle and \$700 for a plug-in hybrid purchased by San Mateo County residents between Oct. 1 through Dec. 31. The 2020 program is limited to San Mateo County residents who have not previously purchased or leased an EV. Details on our [New EV Rebates](#) webpage.

The program marketing strategy includes emails to residential customers, direct mail letters, social media, digital ads, and networking with our existing partnerships. A media kit has been shared with the Board for help announcing the program.

We are also providing residents the opportunity to experience driving an EV with a \$200 rebate toward the rental of an EV and assistance in setting up at-home or at-dealership test drives. Details can be found on our [EV Test Drive & Rental](#) webpage.

\$250 Small Business Credit

A tri-lingual letter (in English, Spanish, and Chinese) was mailed to eligible small businesses (~12,000 customers) informing them of our [\\$250 electricity bill credit](#), at the end of September. As of 10/6 roughly 640 businesses have applied for their credit. The credit has been announced through various channels including: on our website, press announcement, social media, Nextdoor, Chambers of Commerce, and through our Citizens Advisory Committee. A follow-up email will be sent at the end of October or early November to eligible businesses who have not responded to the letter.

Bill credits are limited to the first 6,000 respondents. The deadline to apply is November 30, 2020. The application form will gather information about the small businesses so that we may better understand this segment of our customer base and better target programs to their needs.

Outreach Grants

Peninsula Clean Energy is again offering grants of up to \$40K to community organizations and local governments to collaborate with us on community outreach and getting the word out about Peninsula Clean Energy programs. The application deadline is October 30. More information can be found in the [Request for Proposals](#).

Youth Climate Ambassadors

Supporting the movement of schools and youth taking action on climate change, Peninsula Clean Energy sponsored a Youth Climate Ambassadors Leadership Program this year with the San Mateo County Office of Education, San Mateo County Office of Sustainability, and Citizens Environmental Council of Burlingame. The program is a yearlong youth leadership program that supports grade nine to eleven students in becoming environmental sustainability change-makers in their schools and the greater community. A core component of the program is for youth to translate their new knowledge and skills into local climate action through community impact projects. The projects are youth-created and youth-led and provide sustainable solutions to local problems that contribute to climate change. Projects address topics in biodiversity, energy, transportation, food, water, and waste, and seek to build awareness, drive positive environmental change, and inspire others to act on climate change. A summary of these projects can be found [here](#).

Power On Peninsula Resilience Program

Power On Peninsula is the innovative Peninsula Clean Energy program that is helping residents maintain power during grid outages. It also provides grid storage that helps

reduce greenhouse gas emissions and move Peninsula Clean Energy toward its goal of 100% renewable energy.

Power On Peninsula –Medically Vulnerable

Senior Coastsiders has captured (as of 10/6/20) information from over 267 interested customers. To date, 80 batteries (73 delivered and 7 pending) and 20 solar briefcases approved for delivery to residents.

Power On Peninsula – Homeowners

Since SGIP Equity Resilience funds have been exhausted, we are shifting program focus of co-marketing on homeowners more generally. Sunrun’s next marketing tactics include retail tabling at Home Depots in the county.

News & Media

Peninsula Clean Energy released three press announcements in the past month. Announcements include our launch of [\\$28M EV Ready program](#), [\\$1.55M Small Business Credit](#), and [New EV Rebate Program](#). Full coverage of Peninsula Clean Energy in the news can be found on our [News & Media](#) webpage.

Enrollment Update:

ECO100 Statistics

Total ECO100 accounts at end of September:	5991
ECO100 accounts added in the month:	59
ECO 100 accounts dropped in the month:	37
Total ECO100 accounts at the end of August:	5969

Enrollment Statistics

Opt-outs slightly increased from August 2020 (39) to September 2020 (43). As of the end of September, the opt-out rate adjusted for move-in/move-outs is 2.67% and our overall participation rate is 96.90% of eligible accounts.

Opt-Outs by City

CITY	Eligible Ac	TOTAL OPT OUT
ATHERTON INC	2,717	1.69%
BELMONT INC	11,934	2.68%
BRISBANE INC	2,529	2.21%
BURLINGAME INC	15,410	2.26%
COLMA INC	763	1.44%
DALY CITY INC	34,120	3.60%
EAST PALO ALTO INC	7,909	4.03%
FOSTER CITY INC	14,848	2.07%
HALF MOON BAY INC	4,976	3.14%
HILLSBOROUGH INC	4,042	2.33%
MENLO PARK INC	15,764	1.61%
MILLBRAE INC	9,334	3.20%
PACIFICA INC	15,474	3.88%
PORTOLA VALLEY INC	1,679	6.67%
REDWOOD CITY INC	35,198	2.36%
SAN BRUNO INC	16,476	4.22%
SAN CARLOS INC	14,659	2.62%
SAN MATEO INC	44,487	2.76%
SO SAN FRANCISCO INC	25,247	3.87%
UNINC SAN MATEO CO	24,613	3.01%
WOODSIDE INC	2,289	2.01%
Grand Total	304,468	2.97%
Adjusted Total	304,016	2.67%

Table reflects data as of 10/02/2020

In addition to the County of San Mateo, there are a total of 15 ECO100 cities. The ECO100 towns and cities as of October 7, 2020, include: Atherton, Belmont, Brisbane, Burlingame, Colma, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Portola Valley, Redwood City, San Carlos, San Mateo, and Woodside.

The opt-up rates below include municipal accounts, which may noticeably increase the rate in smaller jurisdictions.

Active Accounts by City and ECO100 Opt-Up Rate

City	Active Accounts	ECO100 Opt-Up %
Atherton	2,661	2.10%
Belmont	11,605	1.53%
Brisbane	2,470	3.44%
Burlingame	15,033	2.24%
Colma	753	3.98%

Daly City	32,956	0.27%
East Palo Alto	7,566	0.29%
Foster City	14,488	2.21%
Half Moon Bay	4,797	2.25%
Hillsborough	3,944	1.67%
Menlo Park	15,455	3.21%
Millbrae	9,053	1.17%
Pacifica	14,877	1.08%
Portola Valley	1,584	90.78%
Redwood City	34,256	2.07%
San Bruno	15,790	0.56%
San Carlos	14,258	2.20%
San Mateo	43,227	1.55%
So. San Francisco	24,264	0.46%
Uninc. San Mateo Co	23,687	2.37%
Woodside	2,238	2.55%
Grand Total	294,965	2.03%

Table reflects data as of 10/02/2020

Strategic Plan

This section describes how the above Marketing and Community Care activities and enrollment statistics relate to the overall goal and objectives laid out in the strategic plan. The table indicates which objectives and particular Key Tactics are supported by each of the Items/Projects discussed in this memo. The strategic goal for Marketing and Customer Care is: Develop a strong brand reputation that drives participation in Peninsula Clean Energy’s programs and ensures customer satisfaction and retention.

Item/Project	Objective A: Elevate Peninsula Clean Energy’s brand reputation as a trusted leader in the community and the industry	Objective B: Educate and engage stakeholders in order to gather input, inspire action and drive program participation	Objective C: Ensure high customer satisfaction and retention
New EV Rebate Launch	KT*3: Tell the story of Peninsula Clean Energy through diverse channels	KT5: Provide inspirational, informative content that spurs action to reduce emissions KT6: Promote programs and services, including community energy programs and premium energy services	
Power on Peninsula Resilience Program		KT6 (see above)	

Small Business Credit Outreach	KT3 (see above)		KT1: Assess needs and attitudes of all customer segments to support the development of and communication about programs and services
Outreach Grants		KT1: Foster relationships with community-based, faith-based, and non-profit organizations	
News and Media Announcements	KT1: Position leadership as experts on CCAs and the industry KT2: Cultivate relationships with industry media and influencers KT3 (see above)		
ECO100 and Enrollment Statistics			Reports on main objective C

* "KT" refers to Key Tactic



PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: Oct. 8, 2020
BOARD MEETING DATE: Oct. 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs
SUBJECT: Community Programs Report

SUMMARY

The following programs are in progress, and detailed information is provided below:

1. Building and EV Reach Codes
2. Existing Building Electrification
3. “EV Ready” Charging Incentive Program
4. EV Ride & Drives/Virtual Engagement
5. E-Bikes Rebate Program
6. Ride-Hail Electrification Pilot
7. MUD Low-Power EV Charging Pilot
8. EV Managed Charging Pilot
9. Curbside Charging Pilot

The Low-Income Used EV Program and New EV Program are not included in this update memo as they are covered in detail in the EV Incentives Update & FY 22-24 Budget memo.

DETAIL

1. Building and EV Reach Codes

Background: In 2018 the Board approved a building “reach code” initiative to support local governments in adopting enhancements to the building code for low-carbon and EV ready buildings. The initiative is a joint project with Silicon Valley Clean Energy (SVCE). The program includes small grants to municipalities, technical assistance, and

tools, including model codes developed with significant community input. The tools and model code language are available on the project website (www.PeninsulaReachCodes.org).

In PCE territory, Burlingame, Brisbane, Menlo Park, Pacifica, Redwood City, San Mateo and San Mateo County have adopted reach codes. Across San Mateo and Santa Clara Counties, 18 agencies have adopted some kind of reach code. Below is a sampling of agencies across PCE and SVCE territories:

City	Buildings			Electric Vehicles
	Choice All-Electric or High Efficiency Mixed-Fuel	All-Electric with Limited Gas Usage	Natural Gas Ban	
County of San Mateo		ADOPTED		EV Ready code (PCE model)
Brisbane		ADOPTED		Aggressive EV Ready code
Burlingame		ADOPTED		EV Ready code (similar to PCE model)
Menlo Park		ADOPTED		Increase chargers & EV Capable (2018)
Milpitas	ADOPTED			Increase chargers & EV Capable
Morgan Hill			ADOPTED	
Mountain View		ADOPTED		Aggressive EV Ready code
Pacifica		ADOPTED		Increase chargers (2017)
Palo Alto		ADOPTED		Aggressive EV Ready code
Redwood City		ADOPTED		EV Ready code (PCE model)
San Mateo		ADOPTED		Increase chargers & EV Capable
San Jose		ADOPTED	ADOPTED (low rise)	Increase chargers & EV Capable

In addition, the Board approved in January 2020 an extension of the reach code technical assistance plus additional elements:

- Education and training for developers and contractors
- Consumer education program on the benefits of all-electric buildings

This technical assistance is now publicly available at www.AllElectricDesign.org.

Status: Following a hiatus during Q2 due to the shelter-in-place order, a number of cities have begun reengaging to advance reach codes. Updates are as follows:

- **Belmont:** PCE staff is working with city staff which is aiming for a Council study session in the fall. The letter of intent was received on August 19.
- **Daly City:** City staff are working with PCE staff and consultants on a council briefing in the fall, beginning with a council sub-committee.
- **E. Palo Alto:** The Council unanimously approved the code on a first reading on October 6th and plans to put the second reading on consent on October 20th.
- **Foster City:** Mayor Mahanpour reports that staff is projecting a \$90,000 cost to study impacts of prospective reach code and the council views this as prohibitive for pursuing the reach codes.
- **Hillsborough:** City staff are working with PCE staff and consultants have held multiple meetings reviewing technical details and assessing next steps.
- **Millbrae:** Council approved moving forward with developing reach codes on June 23rd. The City is scheduling a study session for Oct. 27th.
- **Portola Valley:** The reach code is drafted and pending first hearing to be scheduled.

- **San Bruno:** With PCE consultant support, city staff is preparing a Council study session planned for October 27.
- **San Carlos:** With PCE consultant support, city staff is preparing a Council study session planned for October 26.
- **San Mateo:** October 5th the Council approved an update to the reach codes to be all-electric consistent with other adopter cities codes.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 3: Ensure nearly all new construction is all-electric and EV ready
- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

2. Existing Building Electrification

Background: In May, the Board approved a 4-year, \$6.1 million program for electrifying existing buildings. This program includes a number of elements including incentives for appliance replacements, a low-income home upgrade program, technology pilots and research. In June, the Board approved the draft contract with CLEAResult for the appliance incentive program which is to be integrated with the existing BayREN Home+ program for a streamlined customer experience.

Status: The contract with CLEAResult has been executed. It is anticipated that the heat pump water heater (HPWH) incentive program will go live January 2021 (pushed back from original plans for a fall launch due to forthcoming adjustments in Home+ eligibility). The RFP for the administrator of the low-income home upgrade program was released September 23 and responses are due October 23. Target launch is anticipated by the first quarter of 2021. Finally, contracting is in progress for the technology pilot with Harvest Thermal, the startup with the integrated electric space and water heating system.

This program is tied to the Building Electrification Awareness Program outlined in the Marketing report.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 1: Invest in programs that benefit underserved communities
- Key Tactic 3: Support workforce development programs in the County

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

3. “EV Ready” Charging Incentive Program

Background: In December 2018 the Board approved \$16 million over four years for EV charging infrastructure incentives (\$12 million), technical assistance (\$2 million), workforce development (\$1 million), and administrative costs (\$1 million). Subsequent to authorization of funding, PCE successfully applied to the California Energy Commission (CEC) for the CEC to invest an additional \$12 million in San Mateo County for EV charging infrastructure. That application was in conjunction with agencies in Santa Clara County.

Of PCE’s \$12 million in incentives, \$8 million will be administered under the CEC’s California Electric Vehicle Incentive Project (CALeVIP) and \$4 million under a dedicated, complementary PCE incentive fund. The dedicated PCE incentives will address critical market segments not addressed by CALeVIP including Level 1 charging, assigned parking in multi-family dwellings, affordable housing new construction, public agency new construction, and charging for resiliency purposes.

Status: PCE’s technical assistance service opened on June 23 and outreach has begun to workplace properties. In total 27 different locations are in the technical assistance process requesting 350+ charging ports. Onsite evaluations are occurring, and initial recommended installation scopes to sites have been delivered. PCE’s dedicated incentives launched on September 16th with a press release and supporting social media posts to promote the program opening. The contract for CALeVIP is finalized and awaiting execution and CALeVIP applications are expected to open on December 16th.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 1: Drive personal electrified transportation to majority adoption
- Key Tactic 5: Support local government initiatives to advance decarbonization

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 3: Support workforce development programs in the County

4. EV Ride & Drives / Virtual Engagement

Background: In February 2019, the Board approved continuation of the EV Ride & Drive program over three years (2019-2021) following a 2018 pilot. It provides for community and corporate events in which community members can test drive a range of EVs. The program generated 14 events and 1,879 experiences in 2019 and a total of 19 events and 3,033 experiences since inception in 2018. Events have included pre-test drive, post-test drive, and six-month trailing surveys to document changes in customer perception towards EVs and actions taken after the EV experience. Event surveys indicate that the ride and drive was the first EV experience for 64% of participants and 87% report an improved opinion of EVs. Trailing surveys 6 months or more after events

have yielded a 33% response rate and 17% of respondents indicate they acquired an EV after the event.

Status: Due to the COVID-19 pandemic, ride & drive events have been paused and it is uncertain when in-person events will become feasible again. As a result, staff has developed a suite of virtual EV engagement strategies that will replace the in-person ride & drive events but may continue on even if ride & drive events begin to take place again. The new engagement strategies aim to provide a platform for residents to learn about EVs and opportunities to experience driving an EV as a way to increase overall awareness and interest in EVs to increase adoption.

The new virtual EV engagement strategies are as follows:

- **EV Hotline:** a platform to enable residents to speak to an EV Specialist to get information about EVs and get questions answered.
- **Virtual EV Forums:** partner with San Mateo County corporate partners/large employers to offer virtual forums/webinars to their employees on EVs.
- **1-on-1 Dealer Test Drives:** partner with local dealerships who offer 'at-home' test drives and serve as a liaison between the resident and the dealership scheduling the test drive.
- **EV Rental Rebate:** provide a rebate (up to \$200) for residents to rent an EV through rental platforms.

On September 30 PCE had its first Virtual EV Forum with Genentech. There were 50 attendees and good engagement from attendees. PCE is in conversations with Visa and Oracle and Virtual EV Forums with them will tentatively take place in November. As for the 1-on-1 Test Drives & EV Rental Rebate, these were launched on October 1 along with the New EV Rebate program. The EV Hotline is scheduled to be launched mid-October.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 1: Drive personal electrified transportation towards majority adoption

5. E-Bikes Rebate Program

Background: The Board approved the E-Bikes Rebate program in July 2020. This program will run three-years for a total budget of \$300,000, which will provide approximately 300 rebates of up to \$800 to residents with low to moderate incomes over the course of the program. Silicon Valley Bicycle Coalition will be under contract to PCE as an outreach and promotional partner.

Status: The program is under development with an expected launch in Q1 2021.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 1: Invest in programs that benefit underserved communities

6. Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is PCE’s first program for the electrification of new mobility options. The project partners with Lyft and FlexDrive, its rental-car partner, to test strategies that encourage the adoption of all-electric vehicles in ride-hailing applications.

Status: PCE staff are finalizing contract negotiations with Lyft and FlexDrive. Pending legal uncertainty with ride-hailing operations in California, vehicles are anticipated to become available in mid-2021.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 2: Bolster electrification of fleets and shared transportation

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

7. MUD Low-Power EV Charging Pilot

Background: This project was initially approved by the Board in 2018. This pilot program has completed a needs assessment among various multi-unit dwelling (MUD) ownership types as well as a review of various low-power charging technology solutions and is now moving to the installation phase. Lessons learned from this pilot are already informing inclusion of low-power charging solutions in PCE’s EV Ready Program and may result in featuring additional technology solutions. Energy Solutions was selected as the consultant partner as part of a competitive bid process. The project was kicked off in August 2019.

Status: Business requirements and technology scouting has been completed with a number of innovative technologies identified and assessed. The project team selected Plugzio, an internet-connected 120V outlet, as the pilot technology for the first round of testing. Installations have been scheduled for three apartment properties in Foster City and Millbrae in mid-October. New regulations from the California Department of Food and Agriculture (CDFA), which regulates fuel measurement, have created potential uncertainty regarding requirements for digital displays on EV fuel dispensers which may impact Plugzio and other smart plug technologies which are not compliant. PCE staff is researching the CDFA issue.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 1: Invest in programs that benefit underserved communities

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

8. EV Managed Charging Pilot

Background: PCE contracted with startup FlexCharging to test managed charging through vehicle-based telematics. The system utilizes existing Connected Car Apps and allows PCE to manage EV charging via algorithms as a non-hardware-based approach to shift more charging to occur during off-peak hours.

Status: Phase 1 of the project, which tested basic functionality of the App and connectivity with Tesla and Nissan vehicles, ran from January - August 2020 and was a successful proof of concept, though certain technical limitations were discovered with Nissan and other vehicle OEMs, which limited the pilot to Tesla vehicles. PCE was able to analyze incoming data from this pilot and gather lessons learned from a vehicle-based approach to managed charging. Further, PCE was able to verify that these data could be utilized in the monetization of Low Carbon Fuel Standard Credits, which PCE is exploring.

Staff is now developing the approach for Phase 2. PCE is collaborating with an academic team from the University of California, Davis' Davis Energy Economics Program (DEEP) and the University of Chicago's Harris School of Public Policy to develop an incentive structure experiment that will be used to inform PCE's Managed Charging Program design. Staff anticipates coming to the board with a proposal soon.

Strategic Plan:

Goal 3 – Community Energy Programs

- Implement robust energy programs that reduce greenhouse gas emissions, align energy supply and demand, and provide benefits to community stakeholder groups

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

9. Curbside Charging Pilot

Background: Curbside charging has the potential benefit of bringing new charging solutions to current or potential EV drivers that lack residential charging such as many EV residents and renters. Originally approved in 2018 but delayed for various reasons, this pilot will first assess the cost effectiveness of curbside charging in various scenarios, including streetlight-mounted stations, and potential barriers that need to be addressed prior to installation. The first phase will assess the scaling potential, costs and feasibility of curbside charging. If the assessment phase shows curbside charging to be viable, PCE will facilitate pilot installations in 1-2 cities in the second phase.

Status: PCE has contracted with Arup to provide technical assistance in the first phase of this project and is seeking 2-3 agencies that are interesting in partnering with PCE to provide the data necessary and explore policy considerations for local feasibility assessments. These assessments anticipated take place through the first half of 2021.

Strategic Plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 1: Drive personal electrified transportation to majority adoption
- Key Tactic 5: Support local government initiatives to advance decarbonization

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 1: Invest in programs that benefit underserved communities

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Jan Pepper, Chief Executive Officer
SUBJECT: Energy Supply Procurement Report –October 2020

BACKGROUND:

This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in September. This summary is provided to the Board for information purposes only.

DISCUSSION:

The table below summarizes the contracts that have been entered into by the CEO in accordance with the following policy since the last board meeting.

Execution Month	Purpose	Counterparty	Term
September	Purchase of System Resource Adequacy	Southern California Edison	2 months
September	Sale of System Resource Adequacy	East Bay Community Energy	1 month

In January 2020, the Board approved the following Policy Number 15 – Energy Supply Procurement Authority.

Policy: “Energy Procurement” shall mean all contracting for energy and energy-related products for PCE, including but not limited to products related to electricity, capacity, energy efficiency, distributed energy resources, demand response, and storage. In Energy Procurement, Peninsula Clean Energy Authority will procure according to the following guidelines:

1) Short-Term Agreements:

- a. Chief Executive Officer has authority to approve Energy Procurement contracts with terms of twelve (12) months or less, in addition to contracts for Resource Adequacy that meet the specifications in section (b) and in Table 1 below.
- b. Chief Executive Officer has authority to approve Energy Procurement contracts for Resource Adequacy that meet PCE’s three (3) year forward capacity obligations measured in MW, which are set annually by the California Public Utilities Commission and the California Independent System Operator for compliance requirements.

Table 1:

Product	Year-Ahead Compliance Obligation	Term Limit
Local Resource Adequacy	In years 1 & 2, must demonstrate capacity to meet 100% of monthly local obligation for years 1 and 2 and 50% of monthly local obligation for year 3 by October 31 st of the prior year	Up to 36 months
System Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of system obligation for summer months (May – September) by October 31 st of the prior year	Up to 12 months
Flexible Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of monthly flexible obligation by October 31 st of the prior year	Up to 12 months

- c. Chief Financial Officer has authority to approve any contract for Resource Adequacy with a term of twelve (12) months or less if the CEO is unavailable and with prior written approval from the CEO.
- d. The CEO shall report all such agreements to the PCE board monthly.

- 2) Medium-Term Agreements:** Chief Executive Officer, in consultation with the General Counsel, the Board Chair, and other members of the Board as CEO deems necessary, has the authority to approve Energy Procurement contracts with terms greater than twelve (12) months but not more than five (5) years, in

addition to Resource Adequacy contracts as specified in Table 1 above. The CEO shall report all such agreements to the PCE board monthly.

- 3) **Intermediate and Long-Term Agreements:** Approval by the PCE Board is required before the CEO enters into Energy Procurement contracts with terms greater than five (5) years.
- 4) **Amendments to Agreements:** Chief Executive Officer, in consultation with the General Counsel and the Board Chair, or Board Vice Chair in the event that the Board Chair is unavailable, has authority to execute amendments to Energy Procurement contracts that were previously approved by the Board.

STRATEGIC PLAN:

The contracts executed in September support the Power Resources Objective A for Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost, reliable power.

Key Tactic 4: Manage portfolio to meet risk, cost and reliability objectives.



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: October 9, 2020
BOARD MEETING DATE: October 22, 2020
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Siobhan Doherty, Director of Power Resources
Peter Levitt, Associate Manager, Distributed Energy Resources (DER) Strategy

SUBJECT: Update on Energy Resiliency Strategy

SUMMARY

On January 23, 2020, the Peninsula Clean Energy Board of Directors approved staff's three-year, \$10 million strategy to deploy local electricity resiliency programs in San Mateo County. Each month, staff will provide an update report to the Board on the status of the programs deployed under this strategy. Any actual budget commitments would need to be approved by Peninsula Clean Energy's Board in accordance with our policies. The full Energy Resiliency Strategy is available on Peninsula Clean Energy's website: https://www.peninsulacleanenergy.com/wp-content/uploads/2020/02/Resiliency-Strategy_January.pdf

Below is a list of goals associated with each program, and progress towards each of those goals.

Program as specified in Resiliency Strategy	Initial Goal (MW)	Initial Goal (Customers Served) ¹	Updated Goal (MW)	Updated Goal (Customers Served)	MW Installed to Date	Customers Served to Date
Medically Fragile Customers	4 MW Solar / 16 MWh Storage	675	0.2 MW solar / 0.45 MWh storage ²	140	0 MW solar / 0.15 MWh storage	75
Municipal Community Resilience Centers (CRCs)	5.8 MW Solar / 23 MWh Storage	9,000 – 18,000	5.8 MW Solar / 23 MWh Storage	9,000 – 18,000	0	0
Distributed Resource Adequacy (RA)	40 MWh Storage	900	2.3-12.8 MW Solar / 8-44 MWh Storage	400-2,200	0 MW Solar / 0 MWh storage	0

The following programs are in progress, and detailed information is provided below:

1. Public Facility Resilience
2. San Mateo County Facilities DER Evaluation
3. Power on Peninsula – Homeowner
4. Power on Peninsula - Medical
5. Community Resiliency at Faith Institutions – Interfaith Power & Light
6. Future Programs – EVs for Backup Power

STRATEGIC PLAN

The activities and programs described below support the following objectives and key tactics in Peninsula Clean Energy's strategic plan:

- Power Resources Goal 1: Secure sufficient, low-cost, clean sources of electricity that achieve Peninsula Clean Energy's priorities while ensuring reliability and meeting regulatory mandates

¹ This figure refers to customers served directly and indirectly

² The wide difference in the initial goals and the updated goals for this program is due to a change in program direction, and due to the Distributed RA program serving a significant portion of medically vulnerable customers

- Objective C Local Power Sources: Create a minimum of 20 MW of new power sources in San Mateo County by 2025
 - Key tactic 2: Implement Board-approved strategy to increase community resilience.
 - Key tactic 3: Work with local government partners to identify and catalog opportunities for distributed energy resources across San Mateo County.

DETAIL

1. Public Facility Resilience (under Municipal CRCs Program)

Background

In Q3 2018, East Bay Community Energy (EBCE), in partnership with Peninsula Clean Energy, was awarded a Bay Area Air Quality Management District grant for a scoping study to identify critical facilities that can provide emergency services during natural disasters, including for community shelter, in the counties of Alameda and San Mateo. These facilities have been studied to evaluate the viability of deploying solar+storage to provide back-up power. Solar+storage at critical facilities can provide a cleaner and more reliable power source than diesel generators and reduce operating costs for the facilities.

This \$300,000, 12-month scoping project has achieved the following two objectives: 1) identified a subset of critical facilities in San Mateo and Alameda counties that can serve as community shelters and/or emergency response hubs during power outages related to Public Safety Power Shutoff events or natural disasters (e.g. police and fire depts, recreation centers, libraries, etc); and 2) narrowed that list to select priority sites based on site hazards, proximity to population, and location in a disadvantaged community or low income zone. The project will deliver the following two objectives next: 1) develop a financial model (e.g. rate design or financial incentive) that results in affordable and widespread deployment of resilient solar systems; and 2) design and assist in the collective procurement for solar+storage installations at priority critical facilities to reduce costs for interested agencies.

This project was initiated in Q3 2019, and Peninsula Clean Energy conducted outreach to cities to identify sites and form a preliminary list of prospective facilities. Eleven cities responded by the required deadline and identified 118 facilities for initial study: Belmont, Brisbane, Colma, Foster City, Half Moon Bay, Hillsborough, Millbrae, Pacifica, Redwood City, San Carlos, and San Mateo. These cities' facilities were studied for their solar potential, to understand their risk of fault as a result of natural disasters, and to evaluate the population within a 30-minute walk. This is the first phase of the project, and we intend to include additional cities and facilities in the future.

In January, February, and March, staff met with personnel from each of these 11 cities to review initial evaluations studies, discuss city priorities with respect to backup power needs, and consider potential procurement pathways. Based on the initial study and

conversations with the cities, we have narrowed the list of facilities for further evaluation to 49 out of the initial 118 facilities that cities identified.

On May 4, Peninsula Clean Energy released a [Request for Information \(RFI\)](#) in partnership with EBCE, seeking guidance from the solar+storage industry on recommendations for a joint procurement. The RFI posited that CCAs have the knowledge and capability to alleviate some of the pre-development work that goes into solar+storage projects and have a strong financial position to leverage for creative procurement practices. It asked industry how to best make use of these unique CCA attributes to drive down project cost and increase deployment scale.

Responses to the RFI were due on May 22, and we received 18 responses from solar and storage vendors. Staff at Peninsula Clean Energy, EBCE and our consultant, Arup, evaluated responses and had an initial workshop to discuss on June 11. The RFI revealed a strong preference by DER vendors to have one PPA contract with a CCA concerning multiple counterparties, rather than having to negotiate with each public agency individually. The next step in the process is for Peninsula Clean Energy and EBCE to determine in more detail how this might work.

The Power Resources Team began a detailed analysis of a sample of the sites that were evaluated by Arup and determined candidates for resiliency projects based on a scoring system that assessed sites' earthquake zone, accessibility to nearby community, existing building structural integrity, plans for near-term renovations or demolitions, load data, and other attributes. Out of approximately 150 candidate buildings, approximately 50 were run through Arup's analysis tool that generated recommended solar + storage system sizes based on the assumptions that critical loads represented 25% of the normal facility load and resiliency would be required for multiple days. Arup did not do a financial analysis of the costs/benefits of the proposed DERs, which was outside its scope.

Staff began a deeper evaluation of three representative sites analyzed by Arup to assess in detail the cost/benefit streams for DERs at those sites. The team is also exploring the value to ascribe to resiliency both generally and for these specific sites. Staff will meet with representatives from the cities participating in this analysis to understand what impacts they've experienced from previous PSPS events or other power outages and how they value the resilience benefits of a system. This question may be muddied by the COVID-19 crisis and its near-term impacts on municipal budgets. We will also let Board members from the cities know when we plan to schedule these meetings.

Current Status

The Power Resources Team presented to preliminary findings from its DER valuation work internally. We are sharing these preliminary findings with other CCAs and organizations to get their feedback and will continue to vet the calculations and assumptions and refine/explore cost and value streams further. Our determination at this time is that the incremental cost of DERs with enough capacity to provide

meaningful resilience will not be covered by directly capturable value streams. As such, these projects will likely require supplemental funding. While we continue to explore how we can monetize value streams from resilience-sized systems, such as using them to offset Peninsula Clean Energy's most costly energy purchases, we are also exploring customers' ability and willingness to pay for these incremental costs. We are scoping a small project to explore with our public partners the question of how to value resilience and what funding pathways they have for funding the associated costs. Internally, we have begun developing a DER strategy to be used as a basis for making decisions about which types of DER projects to partially or fully fund, ownership models, and associated costs and benefits. We expect this strategy work to be the focus for the next 2-3 months.

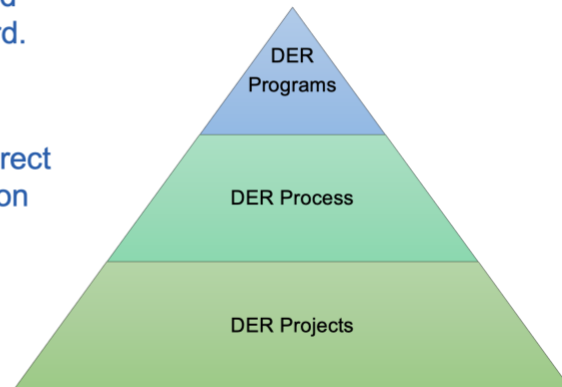
**2. San Mateo County Facilities DER Evaluation:
RFP for DER Site Evaluation and Engineering Services** (will inform Municipal CRC program, but funded separately)

Background and Current Status

In July, staff released a [Request for Proposals \(RFP\)](#) for offers from qualified providers of design and engineering services to assist in the evaluation of DERs at specific sites. The key scope of work will be to independently inform the deployment of DERs, but it does not include deployment, ownership, or operations of DERs. The consultant will prepare detailed engineering analysis to allow PCE to evaluate the suitability of DERs at specific sites. Not all sites will be suitable for hosting storage and providing resilience via stored energy, but we expect a number of these sites will be candidates. This engineering documentation will also form the basis for an RFP and inform project developers to bid on constructing DERs at these sites. The documentation is expected to include analysis of critical loads, structural integrity, interconnection options, and other drawings, diagrams, notes, and report(s) that characterize the proposed DER deployment and provides sufficient information for a DER vendor to provide a high confidence bid on the project. While this RFP is not specifically focused on resiliency, we will be looking at resiliency options in site evaluations and DER sizing recommendations. We expect that lessons learned and evaluation processes developed for these projects can inform future DER deployments, including those with a goal of providing resiliency.

Review of high-level project goals

- Many DER projects don't progress beyond concept due to a lack of clear path forward.
- PCEA can potentially help address this barrier
- Utilize the 7 county facilities to develop direct experience and learnings to inform creation of a process to put DER projects through
- With a process in place, effective and targeted DER programs can be provided



The RFP requires a two-part response. Initial responses were due August 5, and we received 13 responses. We chose nine of these responses to move onto the second part of the RFP. We received eight detailed responses and invited four Respondents to Shortlist Interviews, which were held the week of 9/21/20.

Current Status

The RFP Evaluation Team completed shortlist interviews and selected McCalmont Engineering for this project. A recommendation to approve the contract and associated budget will be made to the Board at the October 22, 2020 meeting. We are budgeting beyond the seven County sites originally planned as additional sites may be identified for evaluation over the term of the contract.

3. Power on Peninsula – Homeowner (Distributed RA Program)

Background

Power on Peninsula – Distributed Energy Storage (formerly referred to as Distributed Resource Adequacy) is an energy resiliency program run by Peninsula Clean Energy stemming from the energy resiliency strategy published by staff in January 2020, and the joint solicitation for Resource Adequacy Capacity with three other Load-Serving Entities (LSEs) in November 2019. Under this solicitation, Peninsula Clean Energy, East Bay Community Energy, Silicon Valley Clean Energy, and Silicon Valley Power are utilizing LSEs' connections to our customers and RA purchasing obligations to motivate new solar+storage systems to provide energy resiliency throughout the Bay Area.

In June, the Board approved and staff executed a Distributed Energy Storage Agreement, Customer Data Sharing Non-Disclosure Agreement, and a Co-Marketing Agreement with Sunrun. Under the Distributed Energy Storage Agreement, Sunrun will install 1 – 5 MW (4 – 20 MWh) of battery energy storage systems on single family and multi-family residences in San Mateo County, with a minimum of 10% installed for low income customers, customers on CARE, FERA or Medical Baseline rates, or located in a disadvantaged community. Staff is still evaluating options for a similar contract structure targeting commercial customers.

We launched a new section of the PCE website that highlights this program - <https://www.peninsulacleanenergy.com/pop-homeowner/>. Board members are encouraged to point their customers to this webpage. Peninsula Clean Energy customers who sign up for this program may receive an incentive between \$500 - \$1,250.

Current Status

Below is a summary of the activities from this program through the end of September and early October:

- Peninsula Clean Energy and Sunrun continued to implement the **co-marketing plan**, including the “Power On Peninsula” program on Peninsula Clean Energy’s website, social media outreach, direct mailings to targeted customers.
- Peninsula Clean Energy and Sunrun continued to address **customer hotline** issues as they arose. Given the unique offering available to Peninsula Clean Energy’s customers, it has been a challenge for Sunrun’s sales representatives to provide consistent messaging about the program. We have made a number of strides towards rectifying these communications issues.
- Sunrun refined its **monthly reporting statistics** for leads, opportunities, and sales based on input from Peninsula Clean Energy.
- TerraVerde presented to Peninsula Clean Energy staff a **draft load modification analysis**, using a targeted subset of customers, that quantified load modification impacts over a 10-year analysis period on retail and wholesale procurement costs, resource adequacy obligation, and greenhouse gas emissions.
- Peninsula Clean Energy and TerraVerde reviewed potential new strategies for implementing the **commercial load modification** program.

4. Power on Peninsula – Medical (Medically Fragile Customers Program)

Background

Grid outages can be life threatening for people that depend on electricity to power medical equipment. Clean backup power can help customers that depend on medical equipment to remain in their homes during a power outage and continue to have access to electricity. This could also reduce power outage-related calls to emergency services from these customers.

For renters and homeowners of condos or mobile homes where it is difficult to install solar, staff is implementing a program to donate portable backup batteries targeting customers that are currently on or eligible for the Medical Baseline rate tariff and live in high fire-threat districts³ or areas that were impacted by two or more PSPS events in 2019 (mostly the coast from Montara south to the County border and unincorporated rural mountainous areas). The Medical Baseline program is an assistance program for residential customers with special energy needs due to medical conditions. Enrollment in this program provides a lower rate on energy bills and extra notifications in advance of PSPS events.^{4,5} This portable battery donation program provides a long-term solution to increase safety, resilience, and independence for medically vulnerable residents.

In July, the Board approved a budget of \$750,000 for this program. Peninsula Clean Energy signed a contract with a local hardware store, Hassett Hardware, for purchase, storage, delivery, and customer training for Yeti 3000x batteries and Boulder 200 Briefcase foldable solar panels.

Peninsula Clean Energy has contracted with two non-profit community organizations – Senior Coastsiders and Puente de la Costa Sur—to educate customers regarding the PG&E Medical Baseline Rate, disaster preparedness planning, and this battery donation program. These two organizations are also helping us identify the customers who meet the eligibility criteria identified above.

Current Status

The initial batch of batteries were received August 19th and Hassett started delivering to high-priority customers immediately. As of mid-October, **Hassett has delivered 71 Yeti 3000x batteries to a total of 69 medically vulnerable Peninsula Clean Energy customers.**⁶ In addition, the full shipment of Boulder 200 Briefcase foldable solar panels was received in mid-September, and Hassett has delivered 12 units to medically vulnerable Peninsula Clean Energy customers

³ CPUC Fire Map: <https://ia.cpuc.ca.gov/firemap/#>

⁴ “Apply for the Medical Baseline Program”: https://www.pge.com/en_US/residential/save-energy-money/help-paying-your-bill/longer-term-assistance/medical-condition-related/medical-baseline-allowance/medical-baseline-allowance.page?WT.mc_id=Vanity_medicalbaseline

⁵ “Medical Baseline”: <https://www.cpuc.ca.gov/medicalbaseline/>

⁶ Customers with certain medical equipment may require more than one battery to provide the appropriate amount of backup power.

Staff is hosting weekly coordination calls among the following organizations:

- Senior Coastsiders;
- Puente de la Costa Sur;
- City of Half Moon Bay (Public Works and Emergency Services);
- Center for Independence for Individuals with Disabilities; and
- Central Coast Energy Services.

All these organizations are actively working on backup battery solutions for medically vulnerable residents in areas most likely to be impacted by future Public Safety Power Shutoff (PSPS) events.

5. Community Resiliency at Faith Institutions – Interfaith Power & Light

Background

This pilot project seeks to recruit and equip 3-5 faith institutions to be community resilience hubs with clean energy backup power and emergency preparedness plans to respond to community needs during a natural disaster or emergency. Through this pilot, Peninsula Clean Energy will capture practical knowledge to inform and design future resilience programs.

The project engaged four congregations across San Mateo County: (1) Hope United Methodist Church, (2) Congregational Church of San Mateo, (3) Peninsula Sinai Congregation, and (4) Unitarian Universalists of San Mateo. All projects were anticipated to start mid-2020, however, installations are delayed due to impacts of COVID-19.

The pilot project highlighted two key learnings: (1) what are the best practices for designing an emergency preparedness plan for off-grid operation, and (2) what standards exist for developers to properly size storage for resiliency needs. The seemingly larger storage requirement to support longer duration off-grid operation increases the cost of the storage system reducing financial feasibility of the project.

Current Status

Hope United: Installed a solar energy system that is operational. The vendor who installed the solar does not have the capabilities to pursue SGIP funds. The congregation is currently pursuing donations to receive funds for battery storage.

Peninsula Sinai Congregation: Received solar and storage bids that are currently being analyzed. They plan to present the results to their Board of Directors this month. Evaluating financing options for energy storage.

First Congregational Church of San Mateo: Currently receiving solar+storage bids. Selecting an EV charging station provider. Evaluating financing options for energy storage.

Unitarian Universalist Church of San Mateo: Received one bid for solar+storage; seeking additional bids.

The term of the contract between California Interfaith Power & Light and Peninsula Clean Energy has ended. Peninsula Clean Energy will evaluate the opportunity for follow-on engagement with California Interfaith Power & Light as we approach the one-year anniversary of having launched our Energy Resiliency Strategy.

6. Future Programs

EVs for Backup Power and/or Vehicle-to-Grid (V2G) functionality

EVs require powerful batteries and therefore represent an energy asset that can act as a virtual power plant, charging their batteries with renewable energy during the daytime, and discharging their batteries to the grid when there is high demand during evening hours. Additionally, these fleets can provide backup power by reserving a portion of their overall capacity in the event of a power outage. In the U.S., there are some limits around using EVs in this way due to limitations in warranties. However, we expect this to change over time as “V2Home” (Vehicle to Home) programs become implemented by car companies and/or other third-party suppliers.

Staff is tracking several Vehicle to Grid (V2G) companies and pilot projects for possible development with Peninsula Clean Energy. These range from light-duty vehicles (vehicles equipped with Chademo ports, mostly the Nissan Leaf) to heavy-duty school buses. We are developing a V2G program track, which will be incorporated into a larger fleet strategy, which will be presented to the board in the next couple of months.” This will include day-to-day customer bill management for EV fleets and could potentially include bi-directional grid support and backup emergency power demonstrations.

This program is managed by the Community Energy Programs team.

We will explore the feasibility of a V2G pilot, in coordination with the Community Energy Programs Team, at one of the San Mateo County facilities discussed in Item 2 above.