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(650) 260-0005 | peninsulacleanenergy.com

Regular Meeting of the Board of Directors of the Peninsula Clean Energy Authority (PCEA)
AGENDA
Thursday, January 26, 2023
6:30 p.m.

Zoom Link: https://pencleanenergy.zoom.us/j/82772843517
Meeting ID: 827-7284-3517 **Passcode:** 2075 **Phone:** +1(669) 444-9171

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

In accordance with AB 361, the Board will adopt findings that meeting in person would present imminent risks to the health or safety of attendees of in-person meetings. Consistent with those findings, this Board Meeting will be held remotely. 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 to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials should contact Nelly Wogberg, Board Clerk, at least 2 working days before the meeting at nwogberg@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 of Directors, please use the "Raise Your Hand" function in the Zoom platform or press *6 if you phoned into the meeting. If you have anything that you wish to be distributed to the Board of Directors and included in the official record, please send to nwogberg@peninsulacleanenergy.com.*

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT
This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. Members of the public who wish to address the Board are customarily limited to two minutes per speaker. The Board Chair may increase or decrease the time allotted to each speaker.

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. Adopt Findings Pursuant to AB 361 to Continue Fully Teleconferenced Committee Meetings Due to Health Risks Posed by In-Person Meetings

2. Approval of the Minutes for the November 17, 2022 Board of Directors Meeting

3. Adopt Amendments to Policy 1, "Delegation of Authority to Chief Executive Officer Regarding the Legislative Platform"

4. Adopt Operational Amendments to Policy 14, "Delegation of Authority Policy"

REGULAR AGENDA

5. Chair Report (Discussion)

6. CEO Report (Discussion)

7. Citizens Advisory Committee Report (Discussion)

8. Appointment of Ad-hoc Chair and Vice Chair Nominating Committee

9. Appointment of Ad-hoc Citizens Advisory Committee (CAC) Nominating Committee

10. Appointment of Two Citizens Advisory Committee (CAC) Liaisons

11. Report out of new Peninsula Clean Energy Rates Effective February 1, 2023 with a net 5% Discount in Generation Charges for ECOplus Compared to PG&E Generation Rates (Discussion)

12. Approval of Amendments to California Community Power Project Participation Share Agreements (Action)

13. Approval of the 2023 Policy Platform (Action)

14. Approval of Solar + Storage for Public Building agreements: (Action)
    a. Engineering, Procurement, and Construction (EPC) Contract with Intermountain Electric Company in an amount not to exceed $10,000,000
    b. Power Purchase Agreements with public agencies

15. Board Members' Reports (Discussion)

INFORMATIONAL REPORTS

16. Update on Marketing, Outreach Activities, and Account Services

17. Update on Regulatory Policy Activities

18. Update on Legislative Activities

19. Update on Community Energy Programs

20. Update on Energy Supply Procurement

21. Report on California Community Power (CCP) Joint Powers Authority

22. Industry Acronyms and Terms

ADJOURNMENT

Public records that relate to any item on the open session agenda are available for public inspection. The records are available at the Peninsula Clean Energy offices or on PCEA's Website at: https://www.peninsulacleanenergy.com.

Instructions for Joining a Zoom 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 2 below) rather than your computer audio

Options for Joining

A. **Videoconference with Computer Audio – see Option 1 below**
B. **Videoconference with Phone Call Audio– see Option 2 below**
C. **Calling in via Telephone/Landline – see Option 3 below**

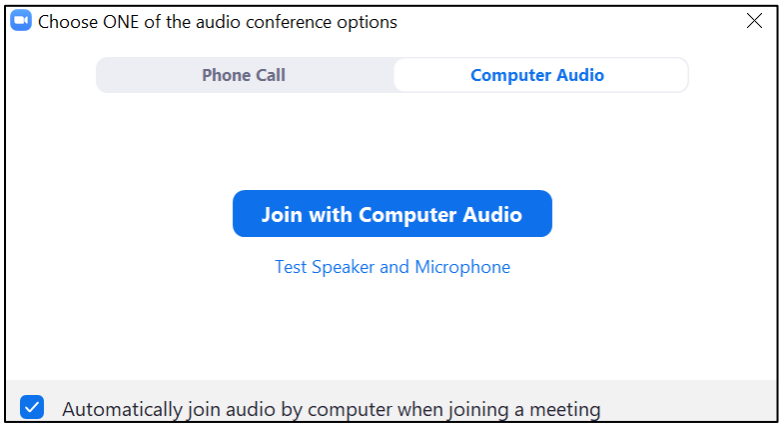
Videoconference Options:

Prior to the meeting, we recommend that you install the Zoom Meetings application on your computer by clicking here https://zoom.us/download.

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

Option 1 Videoconference with Computer Audio:

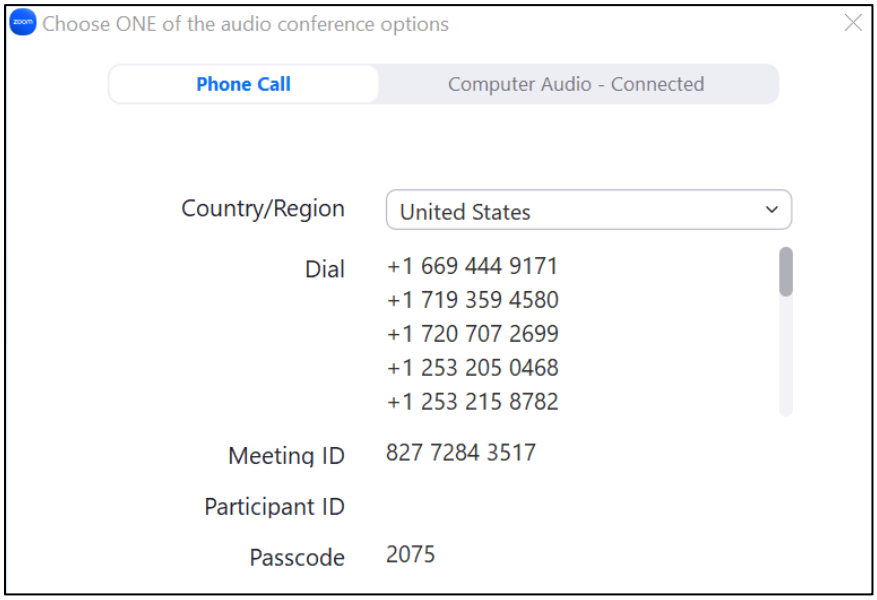
1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82772843517
2. The Zoom application will open on its own or you will be instructed to open Zoom.
3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.



4. Click the blue, “Join with Computer Audio” button.
5. 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 Phone Call Audio:

1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82772843517
2. The Zoom Application will open on its own or you will be instructed to Open Zoom.



3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audioconference options. Click on the Phone Call option at the top of the pop-up screen.
4. Please dial +1(669) 444-9171
5. You will be instructed to enter the meeting ID: **827-7284-3517 followed by #**
6. You will be instructed to enter in your participant ID. Your participant ID is unique to you and is what connects your phone number to your Zoom account
7. After a few seconds, your phone audio should be connected to the Zoom 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

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 via Telephone/Landline:

1. Dial +1(669) 444-9171
2. You will be instructed to enter the meeting ID: **827-7284-3517 followed by #**
3. 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 press # to stay on the line
4. You will be instructed to enter the meeting passcode **2075 followed by #**

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 20, 2023
BOARD MEETING DATE: January 26, 2023
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 Authority

SUBJECT: Resolution to Make Findings Allowing Continued Remote Meetings Under Brown Act

RECOMMENDATION:
Adopt a resolution finding that, as a result of the continuing COVID-19 pandemic state of emergency declared by Governor Newsom, meeting in person would present imminent risks to the health or safety of attendees.

BACKGROUND:
On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which rescinded his prior Executive Order N-29-20 and set a date of October 1, 2021 for public agencies to transition back to public meetings held in full compliance with the Brown Act. The original Executive Order provided that all provisions of the Brown Act that required the physical presence of members or other personnel as a condition of participation or as a quorum for a public meeting were waived for public health reasons..

On September 16, 2021, the Governor signed AB 361, a bill that formalizes and modifies the teleconference procedures implemented by California public agencies in response to the Governor's Executive Orders addressing Brown Act compliance during shelter-in-place periods. AB 361 allows a local agency to continue to use teleconferencing under the same basic rules as provided in the Executive Orders when certain circumstances occur or when certain findings have been made and adopted by the local agency.

AB 361 requires that, if the state of emergency remains active for more than thirty (30) days, the agency must make findings by majority vote to continue using the bill's exemption to the Brown Act teleconferencing rules. The findings are to the effect that the need for teleconferencing persists due to the nature of the ongoing public health emergency and the social distancing recommendations of local public health officials. **Effectively, this means that agencies, including PCEA, must agendize a Brown Act**

meeting and make findings regarding the circumstances of the emergency on a thirty (30) day basis. If at least thirty (30) days have transpired since its last meeting, the Boards must vote whether to continue to rely upon the law's provision for teleconference procedures in lieu of in-person meetings.

AB 361 allows for meetings to be conducted virtually *as long as* there is a gubernatorially-proclaimed public emergency in combination with (1) local health official recommendations for social distancing or (2) adopted findings that meeting in person would present risks to health. AB 361 will sunset on January 1, 2024.

On September 25, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361. Out of an abundance of caution given AB 361's narrative that describes each legislative body's responsibility to reauthorize remote meetings, staff and counsel brings this memo and corresponding resolution to the attention of the Board of Directors.

On October 28, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On November 18, 2021 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On December 16, 2021 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On January 27, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On February 24, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On March 24, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On April 28, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On May 26, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On June 23, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On July 28, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On August 25, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On September 22, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On October 27, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On November 17, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On December 15, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

DISCUSSION:

Because of continuing concerns regarding COVID-19 transmission, especially when individuals are grouped together in close quarters, it is recommended that the Peninsula Clean Energy Board of Directors avail itself of the provisions of AB 361 allowing continuation of online meetings by adopting findings to the effect that conducting in-person meetings would present risk to the health and safety of attendees. A resolution to that effect and directing staff to agendize the renewal of such findings in the event that thirty (30) days has passed since the Board's last meeting, is attached hereto.

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

* * * * * *

RESOLUTION FINDING THAT, AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE OF EMERGENCY DECLARED BY GOVERNOR NEWSOM, MEETING IN PERSON FOR MEETINGS OF THE PENINSULA CLEAN ENERGY BOARD OF DIRECTORS WOULD PRESENT IMMINENT RISKS TO THE HEALTH OR SAFETY OF ATTENDEES

WHEREAS, on March 4, 2020, the Governor proclaimed pursuant to his authority under the California Emergency Services Act, California Government Code section 8625, that a state of emergency exists with regard to a novel coronavirus (a disease now known as COVID-19); and

WHEREAS, on June 4, 2021, the Governor clarified that the "reopening" of California on June 15, 2021 did not include any change to the proclaimed state of emergency or the powers exercised thereunder, and as of the date of this Resolution, neither the Governor nor the Legislature have exercised their respective powers pursuant to California Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution in the state Legislature; and

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the "Brown Act"), provided certain requirements were met and followed; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act provided the legislative body determines that meeting in person would present imminent risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and,

WHEREAS, on January 5, 2022, Governor Newsom extended the sunset provision of AB361 and Government Code Section 11133(g) to January 1, 2024 due to surges and instability in COVID-19 cases; and,

WHEREAS, California Department of Public Health ("CDPH") and the federal Centers for Disease Control and Prevention ("CDC") caution that COVID-19 continues to be highly transmissible and that even fully vaccinated individuals can spread the virus to others; and,

WHEREAS, the Board has an important governmental interest in protecting the health, safety and welfare of those who participate in its meetings;

WHEREAS, on September 25, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361. Out of an abundance of caution given AB 361's narrative that describes each legislative body's responsibility to reauthorize remote meetings, staff and counsel bring this resolution to the attention of the Board of Directors, and;

WHEREAS, on October 28, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on November 18, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on December 16, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on January 27, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on February 24, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on March 24, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on April 28, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on May 26, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on June 23, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on July 28, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and

WHEREAS, on August 25, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and

WHEREAS, on September 22, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and

WHEREAS, on October 27, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and

WHEREAS, on November 17, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and

WHEREAS, on December 15, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Board deems it necessary to find that meeting in person would present imminent risks to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that

1. The recitals set forth above are true and correct.
2. The Board finds that meeting in person would present imminent risks to the health or safety of attendees.

3. Staff is directed to return no later than thirty (30) days, or, alternatively, at the next scheduled meeting of the Board, after the adoption of this resolution with an item for the Board to consider making the findings required by AB 361 in order to continue meeting under its provisions.

4. Staff is directed to take such other necessary or appropriate actions to implement the intent and purposes of this resolution.

* * * * * *

Regular Meeting of the Board of Directors of the Peninsula Clean Energy Authority (PCEA)
Minutes

Thursday, November 17, 2022
6:30 p.m.
Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 6:39 p.m. in virtual teleconference.

SWEARING IN OF NEW BOARD MEMBER

Jennifer Stalzer, Associate General Counsel, presided over the official swearing-in of new Board Member Ken Gonzalez from the City of Colma

ROLL CALL

Participating Remotely:

Donna Colson, Burlingame, *Vice Chair*
Ken Gonzalez, Colma
Carlos Romero, East Palo Alto, arrived at 6:51 p.m.
Patrick Sullivan, Foster City
Harvey Rarback, Half Moon Bay
Betsy Nash, Menlo Park
Anders Fung, Millbrae
Jeff Aalfs, Portola Valley
Giselle Hale, Redwood City
Marty Medina, San Bruno
John Dugan, San Carlos
Rick Bonilla, San Mateo
Jennifer Wall, Woodside
Laurence May, Hillsborough, arrived at 7:39 p.m.

Pradeep Gupta, Director Emeritus
John Keener, Director Emeritus

Absent:

Dave Pine, San Mateo County
Warren Slocum, San Mateo County
Rick DeGolia, Atherton, *Chair*
Julia Mates, Belmont
Coleen Mackin, Brisbane
Roderick Daus-Magbual, Daly City
Tom Faria, Los Banos
Tygarjas Bigstyck, Pacifica
James Coleman, South San Francisco

A quorum was established.

PUBLIC COMMENT

None

ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEMS

Vice Chair Colson noted that Agenda Item Number 5, "Approval of Seventh Amended and Restated Agreement Between Peninsula Clean Energy Authority and Chief Executive Officer" is on Regular Agenda.

MOTION: Director Bonilla moved, seconded by Director Hale to set the Agenda, and approve Agenda Item Numbers 1-4.

1. Adopt Findings Pursuant to AB 361 to Continue Fully Teleconferenced Committee Meetings Due to Health Risks Posed by In-Person Meetings

2. Approval of the Minutes for the October 27, 2022 Meeting

3. Approval of Contract With EV.Energy for the EV Managed Charging Pilot for a Total of $220,000 Over 2 Years

4. Approval of Amended Remote Work Policy in Employee Handbook

MOTION PASSED: 12-0 (Absent: San Mateo County, San Mateo County, Atherton, Belmont, Brisbane, Daly City, East Palo Alto, Hillsborough, Los Banos, Pacifica, South San Francisco)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine				X
San Mateo County	Director Slocum				X
Atherton	Director DeGolia				X
Belmont	Director Mates				X
Brisbane	Director Mackin				X
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero				X
Foster City	Director Sullivan	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May				X
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck				X
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			

San Carlos	Director Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall	X			
	Totals	12			11

REGULAR AGENDA

6. Chair Report

Vice Chair Colson shared a recap of the November 7, 2022 Executive Committee Meeting and asked for volunteers for a subcommittee discussing the Directors Emeriti positions. Vice Chair Colson also shared an update on the Energy Summit at the Haas Business School and recognized departing Board Members Rick Bonilla, Tom Faria, Giselle Hale, Larry May, and Laura Parmer-Lohan.

7. CEO Report

Jan Pepper, Chief Executive Officer, gave a report including a staffing update, information on Net Energy Metering (NEM) 3.0, projections for the 2023 Power Charge Indifference Adjustment (PCIA), an update on the Solar + Storage on Public Buildings program, an update on the Assembly election and AB 361, and recognizing retiring Board Members.

Vice Chair Colson announced that Agenda Item Number 5, "Approval of Seventh Amended and Restated Agreement Between Peninsula Clean Energy Authority and Chief Executive Officer" would be heard following the Citizens Advisory Committee Report.

8. Citizens Advisory Committee Report

Cheryl Schaff, Citizens Advisory Committee (CAC) Chair, gave a report on the November 3, 2022 Citizens Advisory Committee meeting including the CAC unanimously passing staff's recommendation to deliver 100% renewable energy annually on a 99% time-coincident basis by 2025.

5. Approval of Seventh Amended and Restated Agreement Between Peninsula Clean Energy Authority and Chief Executive Officer

Vice Chair Colson introduced this item recognizing Jan Pepper's excellent service and leadership to Peninsula Clean Energy and shared that a closed session was held at the October 27, 2022 Board of Directors meeting where this item was discussed in more detail.

MOTION: Director Bonilla moved, seconded by Director Romero to approve a Seventh Amended and Restated Agreement with Janis C. Pepper, modifying the end date of to June 30, 2023 with the possibility of an extension; and (2) providing a two-stage increase in her annual base salary to $406,000 effective July 1, 2022 and $425,000 effective January 1, 2023.

MOTION PASSED: 13-0 (Absent: San Mateo County, San Mateo County, Atherton, Belmont, Brisbane, Daly City, Hillsborough, Los Banos, Pacifica, South San Francisco)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine				X
San Mateo County	Director Slocum				X

Atherton	Director DeGolia				X
Belmont	Director Mates				X
Brisbane	Director Mackin				X
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Sullivan	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May				X
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck				X
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall	X			
	Totals	13			10

9. Approval of Audited Financials for Fiscal Year End 2022 (Action)

Kristina Cordero, Chief Financial Officer, gave a presentation on the audited financial statements for Fiscal Year 2021-2022 including auditor conclusions and summary.

MOTION: Director Bonilla moved, seconded by Director Romero to Approve the Audited Financial Statements for Fiscal Year 2021-2022.

MOTION PASSED: 13-0 (Absent: San Mateo County, San Mateo County, Atherton, Belmont, Brisbane, Daly City, Hillsborough, Los Banos, Pacifica, South San Francisco)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine				X
San Mateo County	Director Slocum				X
Atherton	Director DeGolia				X
Belmont	Director Mates				X
Brisbane	Director Mackin				X
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Sullivan	X			
Half Moon Bay	Director Rarback	X			

Hillsborough	Director May				X
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck				X
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall	X			
	Totals	13			10

10. Adopt Staff's Recommendation on Delivering 100% Renewable Energy annually on a 99% Time-Coincident Basis (Action)

Mehdi Shahriari, Planning and Analytics Manager, gave a presentation on Staff's recommendation for delivering 100% renewable energy annually on a 99% time-coincident basis including the modeling approach, renewable goal scenarios, the new capacity required to add to Peninsula Clean Energy's portfolio, the cost of time-coincident procurement, emissions reductions in hourly carbon intensity, reduction in system net peak, and real-time operations on time-coincident performance.

MOTION: Director Hale moved, seconded by Director Bonilla to adopt staff's recommendation to deliver 100% renewable energy annually on a 99% time-coincident basis by 2025.

Director Sullivan asked if there were other energy sources that could be used to develop a portfolio that could reduce the costs. Mehdi explained that the analysis is based on market condition snapshots which are ever changing. Director Sullivan asked if different forms of energy could be substituted into the portfolio. Mehdi explained that there are some emerging technologies, such as offshore wind, which could help to reduce cost in the future, but that this analysis was only done to the year 2025.

Director Emeritus Keener pointed out that buying energy for 100% renewable time-coincident requires greatly overbuying energy.

Public Comment: Tom Kabat

Jan Pepper, Chief Executive Officer, commented that Peninsula Clean Energy will still be doing transactions with others as we buy and sell electricity.

Director Emeritus Keener commented that 2/3 of the cost of electricity for consumers is transmission and delivery costs paid to PG&E.

MOTION: Director Hale moved, seconded by Director Bonilla to adopt staff's recommendation to deliver 100% renewable energy annually on a 99% time-coincident basis by 2025.

MOTION PASSED: 14-0 (Absent: San Mateo County, San Mateo County, Atherton, Belmont, Brisbane, Daly City, Los Banos, Pacifica, South San Francisco)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine				X
San Mateo County	Director Slocum				X
Atherton	Director DeGolia				X
Belmont	Director Mates				X
Brisbane	Director Mackin				X
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Sullivan	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck				X
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall	X			
	Totals	14			9

11. Board Members' Reports

None

ADJOURNMENT

Meeting was adjourned at 7:52 p.m.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence

DATE: January 19, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Board of Directors

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Amendments to Peninsula Clean Energy Policy 1, "Delegation of Authority to Chief Executive Officer Regarding the Legislative Platform"

RECOMMENDATION:
Adopt Amendments to Policy 1, "Delegation of Authority to Chief Executive Officer Regarding the Legislative Platform"

BACKGROUND:
Peninsula Clean Energy adopted its original Delegation of Authority to Chief Executive Officer Regarding Legislative Policy (Policy #1) in June 2016, and it was amended in February 2021 to reference and incorporate Peninsula Clean Energy's Board-adopted Legislative Platform.

In January 2022 the Legislative Platform was updated and was referred to as the Legislative and Regulatory Policy Platform, reflecting the addition of separate positions in the organization for the Director of Regulatory Policy and the Director of Government Affairs. Staff is proposing an amendment to the "Delegation of Authority to Chief Executive Officer Regarding the Legislative Platform (Policy #1)" to reflect these staffing changes.

The Executive Committee of Peninsula Clean Energy, at its meeting on January 9, 2023, voted to recommend approval by the Board of Directors of these updates to Policy 1.

DISCUSSION:
Staff is proposing, and the Executive Committee recommends, the following amendments to Policy 1:

1. Clarify and update the title of the policy to: Delegation of Authority to Chief Executive Officer Regarding the Legislative and Regulatory Policy Platform

2. Update the Purpose and Policy sections to include reference to the regulatory lead, regulatory policy, regulation and the Legislative and Regulatory Policy Platform

FISCAL IMPACT:
There is no fiscal impact currently associated with this report.

Attachments: Proposed redline and clean versions of proposed amended Policy 1

PENINSULA CLEAN ENERGY

Policy Number: 1

Original Adoption Date: June 23, 2016

Revised: January 26, 2023

Subject: Delegation of authority to Chief Executive Officer to take action to publicly support or oppose legislation, regulation, or other initiatives

Purpose: On occasion, the Chief Executive Officer is approached with a time-sensitive request to sign a public letter of support for (or opposition to) legislation, regulation, or other initiatives related to Peninsula Clean Energy's mission. This policy is intended to delegate authority to the Chief Executive Officer to take necessary action to provide that support (or opposition) so long as such position is consistent with Peninsula Clean Energy's Board-adopted Legislative and Regulatory Policy Platform.

Policy: Peninsula Clean Energy hereby delegates its authority to the Chief Executive Officer to sign documents or other materials on behalf of Peninsula Clean Energy, when all of the following conditions are met:

1) The legislation, regulation, or other initiative is directly related to, and consistent with Peninsula Clean Energy's Board-approved Legislative and Regulatory Policy Platform.

2) The Chief Executive Officer has investigated the positions of (1) other California CCAs; (2) state and federal legislators representing San Mateo County and its cities; and (3) the County of San Mateo and its cities, understands the range of opinions on the legislation, regulation, or initiative and has considered those opinions in determining whether and how to take a position.

3) The Chief Executive Officer has conferred with the staff legislative and/or regulatory lead and both agree that the position that the Chief Executive Officer intends to take is consistent with the Legislative and Regulatory Policy Platform adopted by the Board of Peninsula Clean Energy.

4) If a subject comes before the Chief Executive Officer or staff legislative lead or staff regulatory lead that the Legislative and Regulatory Policy Platform does not cover, the Chief Executive Officer shall confer with the legislative subcommittee, time permitting, with the Chair of the Board of Directors, or the Vice-Chair, if the Chair is unavailable, prior to taking any position on the matter. If both the Chief Executive Officer and the Chair, Vice-Chair, or legislative subcommittee, as relevant based upon availability and timing, agree that: (a) the position that the Chief Executive Officer intends to take is consistent with the Legislative and Regulatory Policy Platform or the mission of Peninsula Clean Energy then the Chief Executive Officer may take the position.

The Chief Executive Officer or staff legislative lead or staff regulatory lead shall report any position taken pursuant to this policy at the next regularly scheduled Board of Directors meeting as part of the Chief Executive Officer Report or as part of the report prepared by the

staff legislative lead or staff regulatory lead. The Chief Executive Officer or staff legislative lead or staff regulatory lead shall also ensure that the Board of Directors is provided with a copy of the letter or document communicating Peninsula Clean Energy's position on the legislation, regulation, or initiative.

Subject: Delegation of authority to Chief Executive Officer to take action to publicly support or oppose legislation, regulation, or other initiatives

Purpose: On occasion, the Chief Executive Officer is approached with a time-sensitive request to sign a public letter of support for (or opposition to) legislation, regulation, or other initiatives related to Peninsula Clean Energy's mission. This policy is intended to delegate authority to the Chief Executive Officer to take necessary action to provide that support (or opposition) so long as such position is consistent with Peninsula Clean Energy's Board-adopted Legislative and Regulatory Policy Platform.

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2) The Chief Executive Officer has investigated the positions of (1) other California CCAs; (2) state and federal legislators representing San Mateo County and its cities; and (3) the County of San Mateo and its cities, understands the range of opinions on the legislation, regulation, or initiative and has considered those opinions in determining whether and how to take a position.

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The Chief Executive Officer or staff legislative lead or staff regulatory lead shall report any position taken pursuant to this policy at the next regularly scheduled Board of Directors meeting as part of the Chief Executive Officer Report or as part of the report prepared by the

staff legislative lead or staff regulatory lead. The Chief Executive Officer or staff legislative lead or staff regulatory lead shall also ensure that the Board of Directors is provided with a copy of the letter or document communicating Peninsula Clean Energy's position on the legislation, regulation, or initiative.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 19, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Peninsula Clean Energy Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Shawn Marshall, Chief Operating Officer

SUBJECT: Adopt Operational Amendments to Policy 14, "Delegation of Authority Policy"

RECOMMENDATION:
Recommend approval to the Board of Directors of operational amendments to Policy 14

BACKGROUND:
Peninsula Clean Energy adopted its original Delegation of Authority Policy #14 in November 2017, and it was amended in January 2019 to include an expanded focus on fiscal/financial authorities. With the addition of a new executive-level position at PCE, Chief Operating Officer (COO), staff is proposing a second policy amendment to include the COO in policy language and contracting authorities and to clarify the policy's scope.

RECOMMENDATION:
Adopt Operational Amendments to Policy 14, "Delegation of Authority Policy"

BACKGROUND:
Peninsula Clean Energy adopted its original Delegation of Authority Policy #14 in November 2017 and it was amended in January 2019 to include an expanded focus on fiscal/financial authorities. With the addition of a new executive-level position at PCE, Chief Operating Officer (COO), staff is proposing a second policy amendment to include the COO in policy language and contracting authorities and to clarify the policy's scope.

The Executive Committee of Peninsula Clean Energy, at its meeting on January 9, 2023, voted to recommend approval by the Board of Directors of these updates to Policy 14.

DISCUSSION:
Staff is proposing the following amendments to Policy 14:

1. Clarify and update the title of the policy to: Delegation of Non-Energy Contract and Financial Authority Policy
2. Update the purpose section to include references to non-energy contracting and other operational elements
3. Add Chief Operating Officer (COO) to “Responsible Parties” and Policy Details” sections of Policy 14
4. Remove section 5.3 in Policy Details which references authorities for a Director of Finance and Administration, a position that PCE does not currently have.

Attachments: Proposed redline and clean versions of proposed amended Policy 14

Policy Number: 14
Original Adoption Date:
November 16, 2017
Revised: January 24, 2019

Subject: Delegation of Non-Energy Contracts and Financial Authority Policy

1.0 PURPOSE:

Peninsula Clean Energy (PCE) is committed to effective and efficient management of its operations and finances. The purpose of this policy is to:

- Establish the principles that govern the delegation of non-energy contracting and financial authority
- Support accountability and efficiency in non-energy contracting and financial transactions
- Establish non-energy contract authorization and expense approval limits by role for senior staff of Peninsula Clean Energy

2.0 RESPONSIBLE PARTIES:

The Chief Executive Officer, Chief Operating Officer and Chief Financial Officer are responsible for ensuring that uniform policies and procedures are followed for delegating and implementing approval authorities.

3.0 GENERAL POLICY GUIDELINES:

The cumulative amount of contract and financial authority is limited by approved budgets. Approval from the Board of Directors is required in order to exceed a budgeted amount as dictated in PCE's Joint Powers Agreement, Section 5.2.3.

4.0 SCOPE:

4.1 This policy applies to all the employees of Peninsula Clean Energy.
4.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

5.0 POLICY DETAILS:

The limits of authority set forth in this policy are the maximum limits authorized for the referenced position. This policy addresses the most common types of commitments, agreements, and expenditures for PCE, and the corresponding approval level that is required.

By position title, the limits are as follows:

5.1 Chief Executive Officer may approve and enter into any contract agreement if the total amount payable under the agreement is less than $100,000 in any fiscal year, as stated in the PCE Joint Powers Agreement, section 3.4 (except for the specific approval authority granted in PCE Policy #15 related to energy supply procurement).
5.2 Chief Operating Officer or Chief Financial Officer may approve and enter into contract agreements for Operating, General and Administrative Expenses in areas for which there is direct supervisorial or management responsibility if the total amount payable under the agreement is less than $100,000 in any fiscal year.
5.3 The Chief Financial Officer will prepare a written monthly report for the Chief Executive Officer and Chief Operating Officer that lists all contract agreements approved that month.

Policy Number: 14
Original Adoption Date:
November 16, 2017
Revised: January 24, 2019

Subject: Delegation of Non-Energy Contract and Financial Authority Policy

1.0 PURPOSE:

Peninsula Clean Energy (PCE) is committed to effective and efficient management of its operations and finances. The purpose of this policy is to:

- Establish the principles that govern the delegation of non-energy contracting and financial authority
- Support accountability and efficiency in non-energy contracting and financial transactions
- Establish non-energy contract authorization and expense approval limits by role for senior ~~the~~ staff of Peninsula Clean Energy

2.0 RESPONSIBLE PARTIES:

The Chief Executive Officer, Chief Operating Officer and Chief Financial Officer are ~~is~~ responsible for ensuring that uniform policies and procedures are followed for delegating and implementing ~~the~~ approval authorities~~y.~~

3.0 GENERAL POLICY GUIDELINES:

~~3.1~~ The cumulative amount of contract and financial authority is limited by approved budgets. Approval from the Board of Directors is required in order to exceed a budgeted amount as dictated in PCE's Joint Powers Agreement, Section 5.2.3.

4.0 SCOPE

4.1 This policy applies to all the employees of Peninsula Clean Energy.
4.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

5.0 POLICY DETAILS:

The limits of authority set forth in this policy are the maximum limits authorized for the referenced position. This policy addresses the most common types of commitments, agreements, and expenditures for PCE, and the corresponding approval level that is required.

By position title, the limits are as follows:

5.1 Chief Executive Officer may approve and enter into any contract agreement if the total amount payable under the agreement is less than $100,000 in any fiscal year, as stated in the PCE Joint Powers Agreement, section 3.4 (except for the specific approval authority granted in PCE Policy #15 related to energy supply procurement).
5.2 Chief Operating Officer or Chief Financial Officer may approve and enter into contract agreements for Operating, General and Administrative Expenses in areas for which there is direct supervisorial or management responsibility if the total amount payable under the agreement is less than $100,000 in any fiscal year~~.~~

~~5.3 Director of Finance and Administration may approve any agreement if the total amount payable under the agreement is less than $10,000 in any fiscal year for Operating, General and Administrative Expenses, and may approve reimbursement of allowable employee expenses. Notwithstanding the foregoing, Director of Finance and Administration may not authorize Payroll expenditures.~~

~~5.4~~5.3 The Chief Financial Officer ~~and Director of Finance and Administration~~ will prepare a written monthly report for the Chief Executive Officer and Chief Operating Officer that lists all contract agreements approved that month.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 20, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCEA) Board of Directors

FROM: Jan Pepper, Chief Executive Officer

SUBJECT: CEO Report

REPORT

Staffing Updates

We have filled the IT Systems and Support Administrator and will welcome Cassius Gray on January 23, 2023!

We are currently recruiting for the following open positions. The job descriptions can be found on the website:

Director of Power Resources
Director of Marketing and Community Relations
Human Resources Manager
Administrative Assistant

We have hired a recruiter to assist with filling the Director of Power Resources and are in the process of interviewing the top candidates. We are actively interviewing for the Director of Marketing and Community Relations.

Achieving 24/7 Renewable Energy by 2025

One of Peninsula Clean Energy's strategic priorities is delivering 100% renewable energy on a 24/7 basis by 2025. On January 10, we published part 2 of our 24/7 renewables white paper "Achieving 24/7 Renewable Energy by 2025" and issued a press release. The paper explains how we are going to achieve this, including the supply portfolio, the costs, and the emissions reductions. The paper has been well-received by the press including a podcast with David Roberts of Volts, and articles in PV Magazine, Canary Media, S&P Global, California Energy Markets, Greenbiz, and Bloomberg.

Presentations and Speaking Events

On January 12, I was a panelist at the "Code Red for Humanity: Pathways to Healthy, Electric Cities" program. This program included 6 speakers and was designed to help local elected officials understand their important role in responding to the climate crisis through their work on building codes that encourage EV charging and building electrification. It also provided an opportunity to share our work on delivering 100% clean electricity and our 24/7 renewables target, and how important it is that the electricity used to power future electric cities be clean and green. Approximately 300 people attended the virtual webinar.

On January 26, I have been invited to present at Stanford's Bits & Watts Smart Grid Seminar on "Achieving 100% Renewable Power on a 24/7 Basis by 2025". The seminar is open to the public and students enrolled in the class will also attend.

All-Staff In-Person Meeting

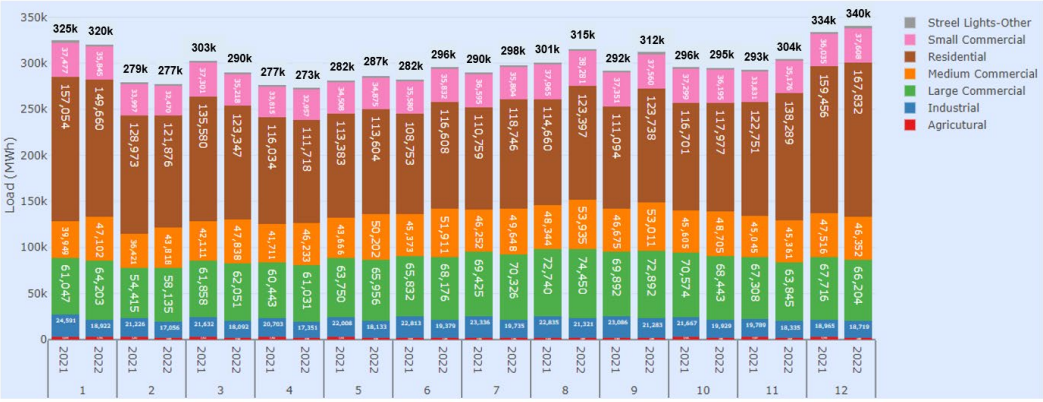
On January 24, we will be holding our next quarterly all-staff in-person meeting at Allied Arts in Menlo Park. We will be welcoming our newest members of the PCE team, reviewing our 2022 achievements, and spending much of the day participating in different activities to help us get to know each other better while we continue with our remote-first working policy.

Impact of COVID-19 on PCE Load

Attached to this report are summary graphs of the impact of COVID-19 on Peninsula Clean Energy's load. The first graph, "Monthly Load", shows the change in load on a monthly basis from January 2021 through December 2022. We saw a 2% decrease in PCE's overall load in January – April 2022 compared to January – April 2021. We see a 3% increase in PCE's load in May – December 2022 compared to May – December 2021 mainly due to enrollment of customers from the City of Los Banos. Also continuing the same pattern as reported last month, the second graph, "Monthly Load Changes by Customer Class", shows that industrial and residential load was lower in January-April 2022 compared to the same months in 2021. Industrial load has continued to stay lower from May through December 2022 compared to those same months in 2021. Residential and commercial load continues to show an increase since May 2022 through December 2022 compared to last year. The third graph, "Load Shapes (PCE)", shows the change overall in our load on an hourly basis. Although November 2022 load was higher than 2021 load in the overnight, morning, and late afternoon hours, December 2022 load was higher than 2021 in the overnight and early morning hours. Thank you to Mehdi Shahriari on our Power Resources team for compiling these graphs.

Monthly Load

- 2% decrease in PCE's load in January-April 2022 compared to January-April 2021.
- 3% increase in PCE's load in May-December 2022 compared to May-December 2021 (Mainly due to enrollment of Customers from City of Los Banos).



Monthly Load Changes by Customer Class

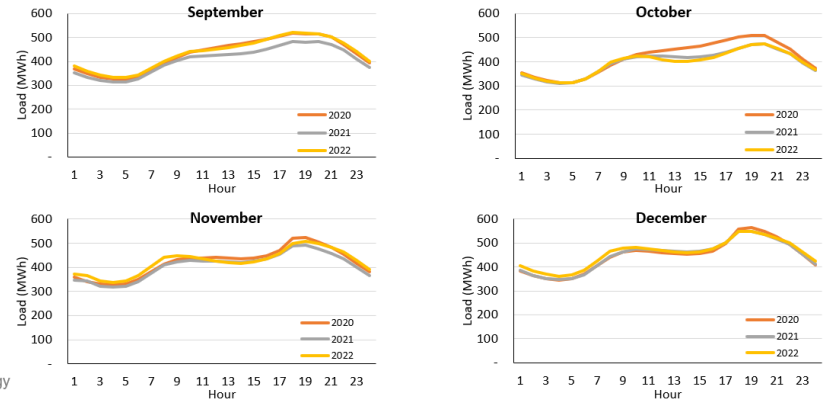
- In January-April of 2022, Industrial and Residential load was lower compared to same months in 2021. Commercial load was higher in January-April 2022 compared to January-April 2021.
- In May-December 2022, Industrial load was lower compared to May-December 2021. Commercial and Residential load was higher in May-December 2022 compared to May-December 2021.

Agricutural	-5%	-7%	-7%	-12%	-15%	-5%	-6%	-15%	-29%	-31%	-35%	-38%
Industrial	-23%	-20%	-16%	-16%	-18%	-15%	-15%	-7%	-8%	-8%	-7%	-1%
Small Commercial	-4%	-4%	-6%	-3%	1%	1%	-2%	1%	1%	-3%	4%	4%
Medium Commercial	18%	20%	14%	11%	15%	14%	7%	12%	14%	7%	1%	-2%
Large Commercial	5%	7%	0%	1%	3%	4%	1%	2%	4%	-3%	-5%	-2%
Residential	-5%	-6%	-9%	-4%	0%	7%	7%	8%	11%	1%	12%	5%
Street Lights-Other	-5%	-4%	-5%	-5%	-2%	1%	5%	3%	3%	2%	4%	5%
PCE	-1%	-1%	-4%	-1%	2%	5%	3%	5%	7%	0%	4%	2%
Month	1	2	3	4	5	6	7	8	9	10	11	12

* For months 1-12, the heatmap shows how much load in 2022 was lower/higher compared to same month in 2021

Load Shapes (PCE)

- September: 2022 load was higher than 2021 load in all hours.
- October: 2022 load was lower than 2021 load in the early afternoon hours.
- November: 2022 load was higher than 2021 load in overnight, morning and late evening hours.
- December: 2022 load was higher than 2021 load in overnight and early morning hours.



Peninsula Clean Energy

4

Reach Codes

Below is a table showing the status of Reach Code adoption by Peninsula Clean Energy jurisdictions, including the status for reach codes for New Construction and reach codes for Existing Buildings. Thank you to Rafael Reyes and Blake Herrschaft on our programs team for their work in this area.

Belmont and the County of San Mateo adopted new construction reach codes in January. Half Moon Bay, Portola Valley and San Mateo are leading the way in the adoption of both new construction and existing construction reach codes. There are a few new construction (NC) reach code council meetings occurring in January/February and one existing construction (EC):

Monday, January 23:
- San Carlos – EC study session

Tuesday, February 7:
- East Palo Alto – NC first reading

Wednesday, February 8:
- Colma – study session
- South San Francisco – NC first reading

Wednesday, February 15:
- South San Francisco – NC second reading

	Member Agency	2019 Status	2022 Status: New Construction	2022 Status: Existing Construction
	Atherton		Adopted 11/16	
New	Belmont	Adopted	Adopted 1/10	
	Brisbane	Adopted	Adopted 11/17	Exploring
	Burlingame	Adopted	Adopted 11/21	
	Colma	Adopted	Study session 2/8	
New	County of San Mateo	Adopted	Adopted 1/3	Exploring
	Daly City	Adopted	Adopted 11/15	
	East Palo Alto	Adopted	First reading 2/7	
	Foster City			
	Half Moon Bay	Adopted	EV first reading passed 12/6 (2019 gas ban for buildings)	Adopted 2019
	Hillsborough	Adopted	Continuing 2019 through 2022	
	Menlo Park	Adopted	Adopted 11/15	Exploring
	Millbrae	Adopted	Adopted 12/13	
	Pacifica	Adopted	Adopted 11/28	
	Portola Valley		Adopted 10/26	
	Redwood City	Adopted	Adopted 11/28	
	San Bruno		Adopted 10/11	
	San Carlos	Adopted	Adopted 10/24	Study session on 1/23/23
	San Mateo	Adopted	Adopted 11/7	
	South San Francisco	Adopted	First reading 2/8, second 2/15	
	Woodside			

We have also added this second table below that provides more details for each jurisdiction as to the Reach Codes they have adopted for both EVs and buildings. EVCS means “EV Charging Station” is installed and EV-R means “EV-Ready” with an outlet that an EV can plug into.

Member Agency	2019?	2022 New Construction	EV Code	Building Code	2022: Existing
Atherton		Adopted 11/16	Multi-family N/A	All-electric, cooking exempt	
Belmont	Y	Adopted 1/10	15% L2 EVCS, 25% L2 EV-R, 60% L1 EV-R	All-electric	
Brisbane	Y	Adopted 11/17	Above model code	All-electric	Exploring
Burlingame	Y	Adopted 11/21	40% L2 EVCS, 60% L1 E-VR	All-electric	
Colma	Y	Study session 2/8		All-electric	
County of San Mateo	Y	Adopted 1/3		All-electric	Exploring
Daly City	Y	Adopted 11/15	2019 model	All-electric	
East Palo Alto	Y	First reading 2/7	2019 model	All-electric	
Foster City				All-electric	
Half Moon Bay	Y	EV first reading passed 12/6 (2019 gas ban for buildings)		All-electric	2-way AC, renovations, pre-wiring
Hillsborough	Y	Continuing 2019 thru 2022	Multi-family N/A	All-electric, cooking and drying exempt	
Menlo Park	Y	Adopted 11/15	Above model code	All-electric with lab exempt	Exploring
Millbrae	Y	Passed	25% L2 EV-R, 75% L1 EV-R	All-electric	
Pacifica	Y	Adopted 11/28	15% L2 EVCS, 85% Low power Level 2 EV-R	All-electric	Exploring
Portola Valley		Adopted 10/26	Unique code focused on small residential	All-electric	2-way AC, renovations, pre-wiring
Redwood City	Y	Adopted 11/28	40% L2 EVCS, 60% L1 E-VR	All-electric, reduced exemptions	
San Bruno		Adopted 10/11	Low power option	All-electric	
San Carlos	Y	Adopted 10/24	40% L2 EVCS, 60% L1 E-VR	All-electric, lab exempt	Study session on 1/23
San Mateo	Y	Adopted 11/7	15% L2 EVCS, 85% Low power Level 2 EV-R	All-electric	

Other Meetings and Events Attended by CEO

Attend weekly and monthly CalCCA Board and Executive Committee meetings.

Attended CC Power Board Meeting on January 18.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 20, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown, Director of Account Services

SUBJECT: Report out on new Peninsula Clean Energy Rates effective February 1, 2023 with a net 5% discount in generation charges for ECOplus compared to PG&E generation rates

UPDATE:

At the December 2022 PCE Board meeting, PCE staff received approval to make necessary adjustments to Peninsula Clean Energy ECOplus rates to be effective February 1, 2023 in response to PG&E's rate change on January 1, 2023. At the meeting staff shared our best projections for the upcoming rate change which primarily materialized as expected, most notably the mix of positive and negative PCIA charges for our three primary customer vintages (2016, 2021 and 2022) with Vintage 2016 and Vintage 2022 rates as positive and Vintage 2021 rates as negative. Staff worked quickly once the new PG&E rates were available to calculate two new rate tables for PCE customers to ensure all customers are receiving at least a 5% discount when being served on ECOplus. As discussed at the December meeting, this year PCE's customers will be assigned to a rate schedule based off their PCIA Vintage year instead of their geographic service territory as was done in 2022.

Most customers will be receiving rates based off Vintage 2016 PCIA charges, which is the default Vintage for San Mateo County, including most of our newer Los Banos customers who joined PCE last Spring and have been assigned a 2021 PCIA Vintage. A small subset of customers, namely Los Banos NEM customers who joined PCE between July-December 2022 will be served by a different set of rates based off Vintage 2022 PCIA charges. This breakout by Vintage was determined by staff to be the most equitable way to ensure that all customers received at least a 5% discount in generation charges, while some will receive a higher than 5%. Most of our Los Banos customers are assigned a 2021 PCIA Vintage and will receive a higher than 5% discount (varies by rate schedule) because that vintage has a negative PCIA this year, so instead of a surcharge PG&E will show PCIA as a credit for those customers on their side of the bill. See the tables below for the current PCIA charges for 2016, 2021 and 2022 and a breakout of customers by PCIA Vintage.

PCIA Rates from January 1 Rate Change ($/kWh)			
Customer Class	**2016 Vintage**	**2021 Vintage**	**2022 Vintage**
Residential	0.00335	(0.00397)	0.01309
Sm Commercial	0.00320	(0.00379)	0.01252
Md Commercial	0.00338	(0.00400)	0.01319
Lg Commercial	0.00317	(0.00375)	0.01239

PCE Customer Breakout			
PCIA Vintage	2016-2020	2021	2022
Active PCE Customers	294,878	13,193	1,615
Net % Discount	5%	8-12%	5%

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 19, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Sara Maatta, Interim Director of Power Resources

SUBJECT: Amendments to California Community Power Project Participation Share Agreements

RECOMMENDATION:

Authorize the Chief Executive Officer to Execute Amendments to the Project Participation Share Agreements with California Community Power and Participating Community Choice Aggregators Related to One Long Duration Storage Project and Two Firm Clean Resource Projects:

- Amendment No. 1 to Tumbleweed Energy Storage PPSA– Attachment 1
- Amendment No. 1 to Fish Lake Geothermal PPSA – Attachment 2
- Amendment No. 1 to ORGP LLP Geothermal Portfolio PPSA– Attachment 3

BACKGROUND:

The Board set a goal for Peninsula Clean Energy to procure 100% of its energy supply from renewable energy on a 99% time-coincident basis by 2025. Two important technologies that will help Peninsula Clean Energy to meet this goal are long-duration storage and geothermal renewable resources. Long duration storage helps to mitigate the variability of renewable resources. Geothermal produces electricity in all hours of the day, with some seasonal variability but otherwise steady 24x7 generation. Peninsula Clean Energy's participation in these projects is helping to bring online new long duration storage and geothermal resources to serve our customers as well as other California community choice customers.

Through the 2020 Integrated Resource Planning (IRP) proceeding, the California Public Utilities Commission (CPUC) had identified the need for additional clean energy resources and capacity including firm and/or baseload clean resources, and storage including longer-duration storage to enable grid integration of a large fleet of intermittent resources to meet

California's greenhouse gas emission reduction goals and to replace several natural gas once-through-cooling (OTC) resources and possibly the Diablo Canyon Nuclear Power Plant (DCNPP) slated to retire between 2023 and 2025. Peninsula Clean Energy specifically is required to procure 19 MW of net qualifying capacity of Long Duration Storage, and 19 MW of net qualifying capacity of Firm Clean Resources (geothermal) under Decision 21-06-035. The CC Power projects contribute towards meeting Peninsula Clean Energy's procurement requirements.

In January 2022, Peninsula Clean Energy's Board authorized participation in Tumbleweed Energy Storage, the first CC Power approved LDS project resulting from the Joint LDS RFO. In July 2022, Peninsula Clean Energy's Board authorized participation in ORGP LLP Geothermal Portfolio and Fish Lake Geothermal projects, the first and second CC Power approved firm clean resource (FCR) projects resulting from the FCR RFO. Subsequent to CC Power and Peninsula Clean Energy Board approval of the LDS and FCR projects, the CC Power Board developed a three-year Strategic Business Plan which would help define CC Power's objectives and help to inform CC Power's actions moving forward. The Final Strategic Business Plan was adopted by the CC Power Board in December 2022. The plan makes various recommendations associated with the governance of CC Power and the responsibilities of the General Manager and CC Power members participating in specific projects ("Project Participants"). Further, the plan recommends CC Power hire a full-time General Manager and transfer many responsibilities from the Project Participants to the General Manager. These changes incorporate comments from Project Participants' staff, including Peninsula Clean Energy staff.

DISCUSSION:

Under the Project Participation Share Agreements (PPSA), Project Participants agree to fund CC Power's payment obligations so that CC Power can make timely payments under the applicable LDS Energy Storage Service Agreements and FCR Power Purchase Agreements ("ESSA/PPA"). The PPSAs also address how Project Participants will share revenue from CC Power's sales of energy and ancillary services from the LDS and FCR facility into the CAISO market, direct CC Power's actions under the ESSA/PPA, and step in, with a cap, to cover any member default in order to avoid a CC Power default under the ESSA/PPA.

The amendments to the PPSAs do not change the overall mechanics for (1) funding CC Power's ESSA/PPA payment obligations, (2) sharing revenue and value from project attributes, and (3) how member defaults are covered.

The amendments address matters that are administerial in nature, and only affect the projects currently in development. The amendments change how CC Power's actions are directed and taken. The original PPSAs put a significant amount of the responsibility on project committees composed of Project Participant staff that made recommendations to the CC Power Board. The amendments remove the need for project committees and transfer responsibility to the General Manager, consistent with the CC Power Strategic

Business Plan. The General Manager will still have the opportunity to form ad-hoc and sub-committees for the purpose of advising on the LDS and FCR projects.

Peninsula Clean Energy staff have reviewed the amendments, and believe the amendments will benefit Peninsula Clean Energy by improving the efficiency of administerial tasks during the project development phase and later, during operations of the project.

The amendments do not affect how CC Power solicits, evaluates, or negotiates new projects. The amendments do not affect labor or environmental impacts of the projects. Peninsula Clean Energy retains the ability to influence, via CC Power, the labor and environmental policies for future projects. Any future projects that Peninsula Clean Energy would consider participating in will come to the Peninsula Clean Energy Board of Directors for review and feedback.

FISCAL IMPACT:

Amending the three PPSA agreements is not expected to have an additional fiscal impact beyond what was previously approved.

STRATEGIC PLAN:

Amending the three PPSA agreements supports the following objectives in Peninsula Clean Energy's strategic plan:

- Priority 1: Design a power portfolio that is sourced by 100% renewable energy by 2025 that aligns supply and consumer demand on a 24/7 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

ATTACHMENTS:

- Amendment No. 1 to Tumbleweed Energy Storage PPSA– Attachment 1
- Amendment No. 1 to Fish Lake Geothermal PPSA – Attachment 2
- Amendment No. 1 to ORGP LLP Geothermal Portfolio PPSA– Attachment 3

RESOLUTION NO. _____

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

* * * * * *

RESOLUTION DELEGATING AUTHORITY TO CHIEF EXECUTIVE OFFICER TO EXECUTE AMENDMENTS TO THE PROJECT PARTICIPATION SHARE AGREEMENTS (PPSA) WITH CALIFORNIA COMMUNITY POWER AND PARTICIPATING COMMUNITY CHOICE AGGREGATORS RELATED TO ONE LONG DURATION STORAGE PROJECT AND TWO FIRM CLEAN RESOURCES PROJECTS:

- **AMENDMENT NO. 1 TO TUMBLEWEED ENERGY STORAGE PPSA**
- **AMENDMENT NO. 1 TO FISH LAKE GEOTHERMAL PPSA**
- **AMENDMENT NO. 1 TO ORGP LLP GEOTHERMAL PORTFOLIO PPSA**

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

WHEREAS, Peninsula Clean Energy is a member of the California Community Power (CC Power) joint powers authority; and

WHEREAS, Peninsula Clean Energy has regulatory obligations to procure firm clean resources (FCR) and long duration storage (LDS); and

WHEREAS, Peninsula Clean Energy, in coordination with the other members of CC Power, executed agreements, including Project Participation Share Agreements, to procure LDS and FCR projects via CC Power; and

WHEREAS, staff wishes to amend the Project Participation Share Agreements to align with CC Power's Strategic Business Plan; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to execute the Amendments.

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

Execute the Amendments to the Project Participation Share Agreements (PPSA) with California Community Power and Participating Community Choice Aggregators Related to One Long Duration Storage Project and Two Firm Clean Resource Projects:

- Amendment No. 1 to the Tumbleweed Energy Storage PPSA
- Amendment No. 1 to the Fish Lake Geothermal PPSA
- Amendment No. 1 to the ORGP LLP Geothermal Portfolio PPSA

* * * * * *

AMENDMENT NO. 1 TO
TUMBLEWEED ENERGY STORAGE
PROJECT PARTICIPATION SHARE AGREEMENT

among

CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS PUBLIC UTILITIES COMMISSION CLEANPOWERSF

and

PENINSULA CLEAN ENERGY AUTHORITY

and

REDWOOD COAST ENERGY AUTHORITY

and

CITY OF SAN JOSÉ, ADMINISTRATOR OF SAN JOSÉ CLEAN ENERGY

and

SILICON VALLEY CLEAN ENERGY AUTHORITY

and

SONOMA CLEAN POWER AUTHORITY

and

VALLEY CLEAN ENERGY

and

CALIFORNIA COMMUNITY POWER

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AMENDMENT NO. 1 TO

TUMBLEWEED ENERGY STORAGE

PROJECT PARTICIPATION SHARE AGREEMENT

This AMENDMENT NO. 1 to TUMBLEWEED ENERGY STORAGE PROJECT PARTICIPATION SHARE AGREEMENT ("Amendment"), dated as of _____, (the "Amendment Effective Date") is entered into by and among the City and County of San Francisco acting by and through its Public Utilities Commission, CleanPowerSF, Peninsula Clean Energy Authority, a California joint powers authority, Redwood Coast Energy Authority, a California joint powers authority, City of San José, a California municipality, Silicon Valley Clean Energy Authority, a California joint powers authority, Sonoma Clean Power Authority, a California joint powers authority, and Valley Clean Energy, a California joint powers authority (each individually a "Project Participant" and collectively referred to as the "Project Participants") and California Community Power ("CCP"), a California joint powers authority. This Amendment is being provided pursuant to and in accordance with the terms and provisions of the Project Participation Share Agreement dated April 19, 2022 (the "PPSA") This Amendment, and the PPSA (as defined below), including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement."

RECITALS

WHEREAS, CCP and the Project Participants entered into the Tumbleweed Energy Storage Project Participation Share with an Effective Date of April 22, 2022 (the "PPSA"); and

WHEREAS, CCP and the Project Participants desire to modify certain terms of the PPSA.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, CCP and the Project Participants mutually agree to the following:

1. Recitals. The Recitals stated above are true and correct and are incorporated by this reference into this Amendment No. 1.

2. Capitalized Terms. All capitalized terms used herein, which are not defined herein, shall have the meanings ascribed thereto in the PPSA, as amended hereby.

3. Amendments to the PPSA.

    a. Article 1 Definition of "Amended Annual Budget" is hereby deleted and replaced with the following language: **"Amended Annual Budget"** means the budget recommended by the CCP Manager and adopted by the CCP Board pursuant to Section 5.1(c) of this Agreement.

    b. Article 1 Definition of "Annual Budget" is hereby deleted and replaced with the following language: "**Annual Budget**" means the budget recommended by the CCP Manager and adopted by the CCP Board pursuant to Section 5.1(c) of this Agreement.

    c. Article 1 Definition of "CCP Manager" is hereby deleted and replaced with the following language: "**CCP Manager**" means the General Manager of California Community Power

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or any person who is designated by the CCP Board to act in the capacity of the General Manager.

d. Article 1 Definition of "Project Committee" is hereby deleted.

e. Article 1 Definition of "Project Rights" is hereby deleted and replaced with the following language: "**Project Rights**" means all rights and privileges of a Project Participant under this Agreement, including but not limited to its Entitlement Share, and its right to receive the Product from the Facility.

f. Article 5 is hereby deleted and replaced with the language contained in Exhibit A of this Amendment.

g. Article 6 is hereby deleted and replaced with the language contained in Exhibit B of this Amendment.

h. Article 7 is amended to include the language contained in Exhibit C

i. Article 8 is hereby deleted and replaced with the language contained in Exhibit D of this Amendment.

j. Exhibit C Section (a)(i)(A) "Establish Entitlement Share Reduction Compensation Amount" is hereby amended by deleting "call a meeting of the Project Committee and."

k. Exhibit C Section (a)(i)(A) "Establish Entitlement Share Reduction Compensation Amount" is hereby amended by deleting all reference to the "Project Committee" and replacing it with "Project Participants."

l. Exhibit C Section (a)(i)(B)(d) is hereby amended by deleting "approved by the Project Committee through a Normal Vote" and replacing it with "approved by the CCP Manager."

m. Exhibit C Section (a)(i)(B)(e) is hereby amended by deleting "and upon approval of such transfer by the Project Committee,."

n. Exhibit D of the PPSA is here by deleted.

4. No Other Changes. Except as provided in this Amendment, the PPSA is not modified and continues in full force and effect. From and after the date hereof, references to the PPSA will be understood to mean the PPSA as amended by this Amendment.

5. 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.

[*Signatures appear on following page.*]

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

California Community Power By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Clean Power San Francisco By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____
Redwood Coast Energy Authority By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	San José Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____

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Silicon Valley Clean Energy Authority	Sonoma Clean Power Authority
By:	By:
Name: _____	Name: _____
Title: _____	Title: _____
Approved as to form by Counsel	By:
	Name: _____
By:	Title: _____
Name: _____	By:
Title: _____	Name: _____
	Title: _____
	By:
	Name: _____
	Title: _____
	Approved as to form by Counsel
	By:
	Name: _____
	Title: _____

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Valley Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	

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EXHIBIT A

ARTICLE 5
OBLIGATIONS OF CCP AND ROLE OF CCP BOARD

5.1. Obligations of CCP.

(a) CCP shall take such commercially reasonable actions or implement such commercially reasonable measures as may be necessary or desirable for the utilization, maintenance, or preservation of the rights and interests of the Project Participants in the Project including, if appropriate, such enforcement actions or other measures as CCP or the CCP Board deems to be in the Project Participants' best interests. To the extent not inconsistent with the ESSA or other applicable agreements, CCP may also be authorized by the Project Participants to assume responsibilities for planning, designing, financing, developing, acquiring, insuring, contracting for, administering, operating, and maintaining the Project to effectuate the conveyance of the Product to Project Participants in accordance with Project Participants' Entitlement Shares.

(b) To the extent such services are available and can be carried forth in accordance with the ESSA, CCP shall also provide such other services, as may be deemed necessary by CCP or the CCP Board to secure the benefits and/or satisfy the obligations associated with the ESSA.

(c) Adoption of Annual Budget. The Annual Budget and any amendments to the Annual Budget shall be prepared and approved in accordance with this Section 5.1(c).

(i) The CCP Manager will prepare a proposed Annual Budget at least ninety (90) days prior to the beginning of each Contract Year during the term of this Agreement. The proposed Annual Budget shall be based on the prior Contract Year's actual costs and shall include reasonable estimates of the costs CCP expects to incur during the applicable Contract Year in association with the administration of the ESSA, including the cost of insurance coverages that are determined to be attributable to the Project by action of the CCP Board. The CCP Manager shall present the proposed Annual Budget to the CCP Board. The CCP Board shall adopt the Annual Budget no later than thirty (30) days prior to the beginning of such Contract Year and shall cause copies of such adopted Annual Budget to be delivered to each Project Participant.

(A) For operating costs not otherwise collected through Articles 8 and 9 incurred prior to the Commercial Operation Date and which are approved by the CCP Board, including costs related to monitoring the development of the Project and other costs that are determined to be attributable to the Project by action of the CCP Board, shall be invoiced to each Project Participant based on their Project Entitlement Share.

(ii) At any time after the adoption of the Annual Budget for a Contract Year, the CCP Manager may prepare a proposed Amended Annual Budget for and applicable to the remainder of such Contract Year. The proposal shall (A) explain why an amendment to the Annual Budget is needed, (B) compare estimated costs against actual costs, and (C) describe the events that triggered the need for additional funding. The CCP Manager shall present the proposed Amended Annual Budget to the CCP Board. Upon adoption of the Amended Annual Budget by the CCP Board, such Amended Annual Budget shall apply to the remainder of the Contract Year

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and the CCP Board shall cause copies of such adopted Amended Annual Budget to be delivered to each Project Participant.

(iii) Reports. CCP will prepare and issue to Project Participants the following reports each quarter of a year during the Term:

(A) Financial and operating statement relating to the Project.

(B) Variance report comparing the costs in the Annual Budget versus actual costs, and the status of other cost-related issues with respect to the Project. If CCP incurred any costs to provide services that were deemed necessary pursuant to Section 5.1(b), the variance report shall identify the costs and describe the services provided.

(d) Records and Accounts. CCP will keep, or cause to be kept, accurate records and accounts of the Project as well as of the operations relating to the Project, all in a manner similar to accepted accounting methodologies associated with similar projects. All transactions of CCP relating to the Project with respect to each Contract Year shall be subject to an annual audit. Each Project Participant shall have the right at its own expense to examine and copy the records and accounts referred to above on reasonable notice during regular business hours.

(e) Information Sharing. Upon CCP's request, each Project Participant agrees to coordinate with CCP to provide such information, documentation, and certifications that are reasonably necessary for the design, financing, refinancing, development, operation, administration, maintenance, and ongoing activities of the Project, including information required to respond to requests for such information from any federal, state, or local regulatory body or other authority.

(f) [Reserved].

(g) Deposit of Insurance Proceeds. CCP shall promptly deposit any insurance proceeds received by CCP from any insurance obtained pursuant to this Agreement or otherwise associated with the Project into the Operating Accounts of the Project Participants based on each Project Participants' Entitlement Shares.

(h) Liquidated and Other Damages. Any amounts paid to CCP, or applied against payments otherwise due by CCP pursuant to the ESSA or each Project Participant's respective BLPTA, by the Project Developer shall be deposited on a pro rata share, based on each Project Participant's Entitlement Share into each Project Participant's Operating Account. Liquidated Damages include, but are not limited to Daily Delay Damages, RA Deficiency Amount, Damage Payment, and Termination Payment.

(i) Charging and Discharging Energy. CCP shall reasonably coordinate, schedule, and do all other things necessary or appropriate, except as otherwise prohibited under this Agreement, to provide for the delivery of Charging Energy from the grid to the Point of Delivery to enable CCP to exercise its rights and obligations in connection with Charging Energy in accordance with the requirements of the ESSA. CCP shall reasonably coordinate, schedule, and do all other things necessary or appropriate, except as otherwise prohibited under this Agreement, to provide for the delivery of Discharging Energy from the Point of Delivery to the grid to enable

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CCP to maximize the value of the ESSA to the Project Participants in accordance with the requirements of the ESSA.

(j) Resale of Product. Any Project Participant may direct CCP to remarket such Project Participant's Entitlement Share of the Product, or such Project Participant's Entitlement Share of any part of the Product. If CCP incurs any expenses associated with the remarketing activities pursuant to this Section 5.1(j), then CCP shall include the total amount of such expenses as a Monthly Cost on the Project Participant's next Billing Statement. Prior to offering the Project Participant's Entitlement Share of the Product, or the Project Participant's Entitlement Share of any part of the Product to any third party, CCP shall first offer the Product or portion of the Product to the other Project Participants. The amount of compensation paid to the selling Project Participant shall be negotiated and agreed to between the selling Project Participant and the purchasing Project Participant or third party. Any payments for any resold Product pursuant to this Section 5.1(j) shall be transmitted directly from the purchasing Project Participant or purchasing third party to the reselling Project Participant. Any such resale to a third party shall not convey any rights or authority over the operation of the Project, and the Project Participant shall not make a representation to the third party that the resale conveys any rights or authority over the operation of the Project.

(k) Uncontrollable Forces. CCP shall not be required to provide, and CCP shall not be liable for failure to provide, the Product, Replacement RA, or other service under this Agreement when such failure, or the cessation or curtailment of, or interference with, the service is caused by Uncontrollable Forces or by the failure of the Project Developer, or its successors or assigns, to obtain any required governmental permits, licenses, or approvals to acquire, administer, or operate the Project; provided, however, that the Project Participants shall not thereby be relieved of their obligations to make payments under this Agreement except to the extent CCP is so relieved pursuant to the ESSA, and provided further that CCP shall pursue all applicable remedies against the Project Developer under the ESSA and distribute any remedies obtained pursuant to Section 5.1(h).

(l) Insurance. Within one hundred and eighty days (180) of the Effective Date of this Agreement, CCP shall secure and maintain, during the Term, insurance coverage as follows:

(i) Commercial General Liability. CCP shall maintain, or cause to be maintained, 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 CCP's obligations under this Agreement and including each Project Participant as an additional insured.

(ii) Employer's Liability Insurance. CCP, if it has employees, shall maintain Employers' Liability insurance with limits of not 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.

(iii) Workers' Compensation Insurance. CCP, if it has employees, shall also maintain at all times during the Term workers' compensation and employers' liability

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insurance coverage in accordance with statutory amounts, with employer's liability limits of not less than One Million Dollars ($1,000,000.00) for each accident, injury, or illness; and include a blanket waiver of subrogation.

(iv) Business Auto Insurance. CCP shall maintain at all times during the 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 CCP's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement and shall name each Project Participant as an additional insured and contain standard cross-liability and severability of interest provisions.

(v) Public Entity Liability Insurance. CCP shall maintain public entity liability insurance, including public officials' liability insurance, public entity reimbursement insurance, and employment practices liability insurance in an amount not less than One Million Dollars ($1,000,000) per claim, and an annual aggregate of not less than One Million Dollars ($1,000,000) and CCP shall maintain such coverage for at least two (2) years from the termination of this Agreement.

(m) Evidence of Insurance. Within ten (10) days after the deadline for securing insurance coverage specified in Section 5.1(l), and upon annual renewal thereafter, CCP shall deliver to each Project Participant certificates of insurance evidencing such coverage with insurers with ratings comparable to A-VII or higher, and that are authorized to do business in the State of California, in a form evidencing all coverages set forth above. Such certificates shall specify that each Project Participant shall be given at least thirty (30) days prior Notice by CCP in the event of cancellation or termination of coverage. Such insurance shall be primary coverage without right of contribution from any insurance of each Project Participant. Any other insurance maintained by CCP not associated with this Agreement is for the exclusive benefit of CCP and shall not in any manner inure to the benefit of Project Participants. The general liability, auto liability and worker's compensation policies shall be endorsed with a waiver of subrogation in favor of each Project Participant for all work performed by CCP, its employees, agents and sub-contractors.

5.2. Role of CCP Board.

(a) The rights and obligations of CCP under the ESSA shall be subject to the ultimate control at all times of the CCP Board. The CCP Board shall have, in addition to the duties and responsibilities set forth elsewhere in this Agreement, the duties and responsibilities listed below, among others. The actions identified in Section 5.2(a)(ii) through (a)(ix) shall require CCP Board approval.

(i) Dispute Resolution. The CCP Board shall review, discuss and attempt to resolve any disputes among CCP, any of the Project Participants, and the Project Developer relating to the Project, the operation and management of the Facility, and CCP's rights and interests in the Facility.

(ii) ESSA. The CCP Board shall have the authority to review, modify, and approve, as appropriate, all amendments, modifications, and supplements to the ESSA.

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(iii) Capital Improvements. The CCP Board shall review, modify, and approve, if appropriate, all Capital Improvements undertaken with respect to the Project and all financing arrangements for such Capital Improvements. The CCP Board shall approve those budgets or other provisions for the payments associated with the Project and the financing for any development associated with the Project.

(iv) [Reserved].

(v) Budgeting. Upon the submission of a proposed Annual Budget or proposed Amended Annual Budget, the CCP Board shall review, modify, and approve each Annual Budget and Amended Annual Budget in accordance with Section 5.1(c) of this Agreement.

(vi) Early Termination of ESSA. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.4(b)(ii) of this Agreement, as to an early termination of the ESSA pursuant to Section 11.2 of the ESSA.

(vii) Assignment by Project Developer. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.4(b)(iii) of this Agreement, as to any assignment by Project Developer pursuant to Section 14.1 of the ESSA other than any assignment pursuant to Sections 14.2 or 14.3 of the ESSA.

(viii) Buyer Financing Assignment. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(d) of this Agreement, as to an assignment by CCP to a financing entity pursuant to Section 14.5 of the ESSA.

(ix) Change of Control. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(e) of this Agreement, as to any Change of Control requiring CCP's consent, as specified in Section 14.1 of the ESSA.

(x) Supervening Authority of the Board. The CCP Board has complete and plenary supervening power and authority to act upon any matter which is capable of being acted upon by the CCP Manager or which is specified as being within the authority of the CCP Manager pursuant to the provisions of this Agreement.

(xi) Other Matters. The CCP Board is authorized to perform such other functions and duties, including oversight of those matters and responsibilities addressed by the CCP Manager as may be provided for under this Agreement and under the ESSA, or as may otherwise be appropriate.

(xii) Periodic Audits. The CCP Board or the CCP Manager may arrange for the annual audit by certified accountants, selected by the CCP Board and experienced in electric generation or electric utility accounting, of the books and accounting records of CCP, the Project Developer to the extent authorized under the ESSA, and any other counterparty under any agreement to the extent allowable, and such audit shall be completed and submitted to the CCP Board as soon as reasonably practicable after the close of the Contract Year. CCP shall promptly furnish to the Project Participant copies of all audits. No more frequently than once every calendar year, each Project Participant may, at its sole cost and expense, audit, or cause to be audited

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the books and cost records of CCP, and/or the Project Developer to the extent authorized under the ESSA.

(xiii) Scheduling Coordinator Services Agreement. Upon a recommendation by the CCP Manager pursuant to Section 6.2(f), the CCP Board shall review, modify, and approve, or delegate the authority to approve, a Scheduling Coordinator Services Agreement or amendment thereto.

(b) Pursuant to Section 5.06 of the Joint Powers Agreement, this Agreement modifies the voting rules of the CCP Board for purposes of approving or acting on any matter identified in this Agreement, as follows:

(i) Quorum. A quorum shall consist of a majority of the CCP Board members that represent Project Participants.

(ii) Voting. Each CCP Board member that represents a Project Participant shall have one vote for any matter identified in this Agreement. Any CCP Board member representing a CCP member that is not a Project Participant shall abstain from voting on any matter identified in this Agreement. A vote of the majority of the CCP Board members representing Project Participants that are in attendance shall be sufficient to constitute action, provided a quorum is established and maintained.

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EXHIBIT B

ARTICLE 6

ROLE AND RESPONSIBILITIES OF CCP MANAGER

6.1. Role of CCP Manager. The CCP Manager shall take all actions necessary to ensure that CCP fulfills its obligations under this Agreement, including the obligations set forth in Section 5.1. The CCP Manager is authorized to take any action that CCP is authorized to take, except those actions that expressly require CCP Board approval. In addition to any duties or responsibilities set forth elsewhere in this Agreement, the CCP Manager is directed to do the following:

(a) Consult with the Project Participants with respect to the ongoing administration of the Project, including through the formation of advisory subcommittees.

(b) Oversee, as appropriate, the completion of any Project design, feasibility, or planning studies or activities.

(c) Review, discuss, and attempt to resolve any disputes among the Project Participants relating to this Agreement or the ESSA.

(d) Review each invoice submitted by Project Developer and shall request such other data necessary to support the review of such invoices.

(e) Respond to any requests for tax-related documentation by the Project Developer.

(f) Provide the Project Developer with Financial Statements as may be required by the ESSA.

(g) Correspond with the Project Developer to compile and distribute to Project Participants information and/or documents required for Project Participants to submit reports to any federal, state, or local regulatory body or other authority regarding the project in such format as required by applicable authority, and respond to any request by a Project Participant for information or documents that are reasonably available to (i) allow the Project Participant to respond to requests for such information from any federal, state, or local regulatory body or other authority; or (ii) for a Project Participant to conduct planning, budgeting, or other regulatory activities.

(h) Upon a request or demand by any third person that is not a Party to the ESSA or a Project Participant, for Confidential Information as described in Section 18.2 of the ESSA, the CCP Manager shall notify the Project Developer and coordinate the response of CCP and Project Participants.

(i) Review Progress Reports provided by Project Developer to CCP pursuant to Section 2.3 of the ESSA and participate in any associated meetings with Project Developer to discuss construction progress. If Project Developer provides a Progress Report to CCP, the CCP

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Manager shall promptly provide such Progress Report to each Project Participant. The CCP Manager shall promptly notify the Project Participants upon receiving a Progress Report from the Project Developer that identifies a delay to the Construction Start Date or Commercial Operation Date.

(j) Take any necessary actions or implement such measures as may be necessary to facilitate the transfer of Environmental Attributes from the Project Developer to the Project Participants.

(k) Perform such other functions and duties as may be provided for under this Agreement, the ESSA, or as may otherwise be appropriate or beneficial to the Project or the Project Participants, unless such action requires CCP Board approval pursuant to this Agreement.

6.2. CCP Manager Recommendations to the CCP Board.

(a) Budgeting. Recommend each proposed Annual Budget and proposed Amended Annual Budget for submission to the CCP Board for final approval.

(b) Early Termination of ESSA. Recommend to the CCP Board regarding an early termination of the ESSA pursuant to Section 11.2 of the ESSA.

(c) Assignment by Project Developer. Recommend to the CCP Board any proposed assignment by Project Developer pursuant to Section 14.1 of the ESSA other than any assignment pursuant to Sections 14.2 or 14.3 of the ESSA.

(d) Buyer Financing Assignment. Recommend to the CCP Board an assignment by CCP to a financing entity pursuant to Section 14.5 of the ESSA.

(e) Change of Control. Recommend to the CCP Board any Change of Control requiring CCP's consent, as specified in Section 14.1 of the ESSA.

(f) Scheduling Coordinator. Recommend to the CCP Board the selection of a Scheduling Coordinator and the form of the Scheduling Coordinator Services Agreement, including any amendments thereto. Such Scheduling Coordinator Services Agreement shall: (i) require that the scheduling and dispatch of the Project is in accordance with the criteria set forth in the Coordinated Operations Agreement; (ii) include the Scheduling Coordinator responsibilities specified in the Coordinated Operations Agreement; and (iii) address requirements relating to CAISO settlements, the Operating Restrictions, and communications and reporting from the Scheduling Coordinator to the Project Participants.

6.3. CCP Manager Report to CCP Board on Actions relating to the PPA or the Project. The CCP Manager shall report to the CCP Board on the occurrence of any of the following actions taken by the CCP Manager. Such report may be written or oral and shall be provided at the next CCP Board Meeting occurring within a reasonable amount of time after the action was taken. Any information included as part of such report may be provided by the CCP Manager in a manner that maintains the confidentiality of such information, as reasonably determined to be necessary by the CCP Manager.

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(a) Any recommendations made by the CCP Manager to the Project Developer on the design of the Project.

(b) Confirmation by the CCP Manager that the requirements of Exhibit B of the ESSA have been satisfied, such that the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date has been extended.

(c) Any exercise its rights under the ESSA if an Event of Default has occurred under Section 11.1 of the ESSA or under the Scheduling Coordinator Services Agreement.

(d) The approval or any rules, procedures, and protocols for the administration of the Project, including rules, procedures, and protocols for the management of the costs of the Facility and the scheduling, handling, tagging, dispatching, and crediting of the Product, the handling and crediting of Environmental Attributes associated with the Facility and the control and use of the Facility.

(e) The approval of any rules, procedures, and protocols for the monitoring, inspection, and the exercise of due diligence activities relating to the operation of the Facility.

(f) The approval or other action relating to the form or content of any written statistical, administrative, or operational reports, Facility-related data and storage information, technical information, facility reliability data, transmission information, forecasting, scheduling, dispatching, tagging, parking, firming, exchanging, balancing, movement, or other delivery information, and similar information and records, or matters pertaining to the Project which are furnished to the Project Participants or the CCP Manager by the Project Developer, experts, consultants or others.

(g) The approval or modification of any practices and procedures to be followed by Project Participants for, among other things, the production, scheduling, tagging, transmission, delivery, firming, balancing, exchanging, crediting, tracking, monitoring, remarketing, sale, or disposition of the Product, including the control and use of the Facility, and the supply, scheduling, and use of Charging Energy.

(h) The approval or modification of any arrangements and instruments entered into by the Project Developer or any affiliate thereof to, among other things, secure certain performance requirements, including, but not limited to, the ESSA, the Development Security or the Performance Security and any other letter of credit delivered to, or for the benefit of, CCP by the Project Developer and take such actions or make such recommendations as may be appropriate or desirable in connection therewith.

(i) The approval of policies or programs formulated by CCP or Project Developer for determining or estimating storage resources or the values, quantities, volumes, or costs of the Product from the Facility.

(j) Any recommendations made by the CCP Manager to the Project Developer as to the implementation of metering technologies and methodologies appropriate for the delivery, accounting for, transferring and crediting of the Product to the Point of Delivery (directly or through the Facility).

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(k) The approval or disapproval of any specifications, vendors' proposals, bid evaluations, or any related matters with respect to the Facility.

(l) The approval of any Remedial Action Plan submitted by Project Developer to CCP pursuant to Section 2.4 of the ESSA.

(m) The approval of the submission of the written acknowledgement of the Commercial Operation Date in accordance with Section 2.2 of the ESSA.

(n) The approval of the return of the Development Security to Project Developer in accordance with Section 8.7 of the ESSA.

(o) The approval of the return of any unused Performance Security to Project Developer in accordance with Section 8.8 of the ESSA.

(p) The collection of any liquidated damages owed by Project Developer to CCP under the ESSA, or any draw upon the Development Security or Performance Security.

(q) Any dispute by CCP of an invoice pursuant to Section 8.5 of the ESSA.

(r) The collection of any damages owed by the Scheduling Coordinator to CCP under the Scheduling Coordinator Services Agreement or any action permitted by law to enforce CCP's rights under the Scheduling Coordinator Services Agreement, including but not limited to bringing any suit, action or proceeding at law or in equity as may be necessary or appropriate to recover damages and/or enforce any covenant, agreement, or obligation against the Scheduling Coordinator.

6.4. Subcommittees. The CCP Manager may establish as needed subcommittees including, but not limited to, auditing, legal, financial, engineering, mechanical, weather, geologic, diurnal, barometric, meteorological, operating, insurance, governmental relations, environmental, and public information subcommittees. The authority, membership, and duties of any subcommittee shall be established by the CCP Manager; provided, however, such authority, membership or duties shall not conflict with the provisions of the ESSA or this Agreement.

(a) Project Participant Expenses. Any expenses incurred by any representative of any Project Participant or group of Project Participants serving on any subcommittee in connection with their duties on such subcommittee shall be the responsibility of the Project Participant which they represent and shall not be an expense payable under this Agreement.

6.5. Delegation. To secure the effective cooperation and interchange of information in a timely manner in connection with various administrative, technical, and other matters which may arise from time to time in connection with administration of the ESSA, in appropriate cases, duties and responsibilities of the CCP Board, as the case may be under this Section 6, may be delegated to the CCP Manager by the CCP Board upon notice to the Project Participants.

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EXHIBIT C

ARTICLE 7

COORDINATED OPERATIONS AGREEMENT

7.1. Coordinated Operations Agreement. The Project Participants shall establish a Coordinated Operations Agreement by and among CCP and all Project Participants for purposes of operating the Project.

7.2. [Reserved].

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EXHIBIT D

ARTICLE 8

OPERATING ACCOUNT

8.1. Calculation of Estimated Monthly Project Cost.

(a) No later than one hundred and eighty (180) days after the Effective Date, the CCP Manager shall present to the Project Participants a proposed Estimated Monthly Project Cost, which shall be equal to a forecast of expected Monthly Capacity Payments over an entire Contract Year, divided by twelve (12). The Project Participants shall review, and, if appropriate, recommend approval of, or modification to the proposed Estimated Monthly Project Cost.

8.2. Operating Account. CCP shall establish an Operating Account for each Project Participant that is accessible to and can be drawn upon by both CCP and the applicable Project Participant. Such Operating Accounts are for the purpose of providing a reliable source of funds for the payment obligations of the Project and, taking into account the variability of costs associated with the Project for the purpose of providing a reliable payment mechanism to address the ongoing costs associated with the Project.

(a) Operating Account Amount. The Operating Account Amount for each Project Participant shall be an amount equal to the Estimated Monthly Project Cost multiplied by three, the product of which is multiplied by such Project Participant's Entitlement Share ("**Operating Account Amount**").

(b) Initial Funding of Operating Account. By no later than sixty (60) days after CCP's notification to Project Participants of the Construction Start Date pursuant to Exhibit B of the ESSA, each Project Participant shall deposit into such Project Participant's Operating Account an amount equal to that Project Participant's Operating Account Amount.

(c) Use of Operating Account. CCP shall draw upon each Project Participant's Operating Account each month in an amount equal to the Monthly Costs multiplied by such Project Participant's Entitlement Share. As required by Section 9.5, each Project Participant must deposit sufficient funds into such Project Participant's Operating Account by the deadline specified in Section 9.5.

(d) Final Distribution of Operating Account. Following the expiration or earlier termination of the ESSA, and upon payment and satisfaction of any and all liabilities and obligations to make payments of the Project Participants under this Agreement and upon satisfaction of all remaining costs and obligations of CCP under the ESSA, any amounts then remaining in any Project Participant's Operating Account shall be paid to the associated Project Participant.

APPROVAL DRAFT

AMENDMENT NO. 1 TO

FISH LAKE GEOTHERMAL

PROJECT PARTICIPATION SHARE AGREEMENT

among

CENTRAL COAST COMMUNITY ENERGY

and

CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS PUBLIC UTILITIES COMMISSION CLEANPOWERSF

and

PENINSULA CLEAN ENERGY

and

REDWOOD COAST ENERGY AUTHORITY

and

CITY OF SAN JOSÉ, ADMINISTRATOR OF SAN JOSÉ CLEAN ENERGY

and

SILICON VALLEY CLEAN ENERGY

and

SONOMA CLEAN POWER

and

VALLEY CLEAN ENERGY

and

CALIFORNIA COMMUNITY POWER

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AMENDMENT NO. 1 TO

FISH LAKE GEOTHERMAL

PROJECT PARTICIPATION SHARE AGREEMENT

This AMENDMENT NO. 1 to FISH LAKE GEOTHERMAL PROJECT PARTICIPATION SHARE AGREEMENT ("Amendment"), dated as of _____, (the "Amendment Effective Date") is entered into by and among Central Coast Clean Energy, a California joint powers authority, the City and County of San Francisco acting by and through its Public Utilities Commission, CleanPowerSF, Peninsula Clean Energy, a California joint powers authority, Redwood Coast Energy Authority, a California joint powers authority, City of San José, a California municipality, Silicon Valley Clean Energy, a California joint powers authority, Sonoma Clean Power, a California joint powers authority, and Valley Clean Energy, a California joint powers authority (each individually a "Project Participant" and collectively referred to as the "Project Participants") and California Community Power ("CCP"), a California joint powers authority. This Amendment is being provided pursuant to and in accordance with the terms and provisions of the Project Participation Share Agreement dated September 22, 2022 (the "PPSA") This Amendment, and the PPSA (as defined below), including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement."

RECITALS

WHEREAS, CCP and the Project Participants entered into the Fish Lake Geothermal Project Participation Share with an Effective Date of September 22, 2022 (the "PPSA"); and

WHEREAS, CCP and the Project Participants desire to modify certain terms of the PPSA.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, CCP and the Project Participants mutually agree to the following:

1. Recitals. The Recitals stated above are true and correct and are incorporated by this reference into this Amendment No. 1.

2. Capitalized Terms. All capitalized terms used herein, which are not defined herein, shall have the meanings ascribed thereto in the PPSA, as amended hereby.

3. Amendments to the PPSA.

   a. Article 1 Definition of "Amended Annual Budget" is hereby deleted and replaced with the following language: **"Amended Annual Budget"** means the budget recommended by the CCP Manager and adopted by the CCP Board pursuant to Section 5.1(c) of this Agreement.

   b. Article 1 Definition of "Annual Budget" is hereby deleted and replaced with the following language: "**Annual Budget**" means the budget recommended by the CCP Manager and adopted by the CCP Board pursuant to Section 5.1(c) of this Agreement.

   c. Article 1 Definition of "CCP Manager" is hereby deleted and replaced with the following language: "**CCP Manager**" means the General Manager of California Community Power

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or any person who is designated by the CCP Board to act in the capacity of the General Manager.

d. Article 1 Definition of "Project Committee" is hereby deleted.

e. Article 1 Definition of "Project Rights" is hereby deleted and replaced with the following language: "**Project Rights**" means all rights and privileges of a Project Participant under this Agreement, including but not limited to its Entitlement Share, and its right to receive the Product from the Facility.

f. Article 1 Definition of "Shared Facilities Agreements" is hereby deleted and replaced with the following language: " **Shared Facilities Agreements**" has the meaning set forth in Section 6.3 of the PPA.

g. Article 5 is hereby deleted and replaced with the language contained in Exhibit A of this Amendment.

h. Article 6 is hereby deleted and replaced with the language contained in Exhibit B of this Amendment.

i. Article 8 is hereby deleted and replaced with the language contained in Exhibit C of this Amendment.

j. Exhibit C Section (a)(i)(A) "Establish Entitlement Share Reduction Compensation Amount" is hereby amended by deleting "call a meeting of the Project Committee and."

k. Exhibit C Section (a)(i)(A) "Establish Entitlement Share Reduction Compensation Amount" is hereby amended by deleting all reference to the "Project Committee" and replacing it with "Project Participants."

l. Exhibit C Section (a)(i)(B)(d) is hereby amended by deleting "approved by the Project Committee through a Normal Vote" and replacing it with "approved by the CCP Manager."

m. Exhibit C Section (a)(i)(B)(e) is hereby amended by deleting "and upon approval of such transfer by the Project Committee,."

n. Exhibit D of the PPSA is here by deleted.

4. No Other Changes. Except as provided in this Amendment, the PPSA is not modified and continues in full force and effect. From and after the date hereof, references to the PPSA will be understood to mean the PPSA as amended by this Amendment.

5. 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.

[*Signatures appear on following page.*]

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

California Community Power By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Central Coast Community Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____
Clean Power San Francisco By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	

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Peninsula Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Redwood Coast Energy Authority By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____
San José Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Silicon Valley Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____

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Sonoma Clean Power	Valley Clean Energy
By:	By:
Name: _____	Name: _____
Title: _____	Title: _____
Approved as to form by Counsel	Approved as to form by Counsel
By:	By:
Name: _____	Name: _____
Title: _____	Title: _____

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EXHIBIT A

ARTICLE 5
OBLIGATIONS OF CCP AND ROLE OF CCP BOARD

5.1. Obligations of CCP.

(a) CCP shall take such commercially reasonable actions or implement such commercially reasonable measures as may be necessary or desirable for the utilization, maintenance, or preservation of the rights and interests of the Project Participants in the Project including, if appropriate, such enforcement actions or other measures as CCP or the CCP Board deems to be in the Project Participants' best interests. To the extent not inconsistent with the PPA or other applicable agreements, CCP may also be authorized by the Project Participants to assume responsibilities for planning, designing, financing, developing, acquiring, insuring, contracting for, administering, operating, and maintaining the Project to effectuate the conveyance of the Product to Project Participants in accordance with Project Participants' Entitlement Shares.

(b) To the extent such services are available and can be carried forth in accordance with the PPA, CCP shall also provide such other services, as may be deemed necessary by CCP or the CCP Board to secure the benefits and/or satisfy the obligations associated with the PPA.

(c) Adoption of Annual Budget. The Annual Budget and any amendments to the Annual Budget shall be prepared and approved in accordance with this Section 5.1(c).

(i) The CCP Manager will prepare a proposed Annual Budget at least ninety (90) days prior to the beginning of each Contract Year during the term of this Agreement. The proposed Annual Budget shall be based on the prior Contract Year's actual costs and shall include reasonable estimates of the costs CCP expects to incur during the applicable Contract Year in association with the administration of the PPA, including the cost of insurance coverages that are determined to be attributable to the Project by action of the CCP Board. The CCP Manager shall present the proposed Annual Budget to the CCP Board. The CCP Board shall adopt the Annual Budget no later than thirty (30) days prior to the beginning of such Contract Year and shall cause copies of such adopted Annual Budget to be delivered to each Project Participant.

(A) For operating costs not otherwise collected through Articles 8 and 9 incurred prior to the Commercial Operation Date and which are approved by the CCP Board, including costs related to monitoring the development of the Project and other costs that are determined to be attributable to the Project by action of the CCP Board, shall be invoiced to each Project Participant based on their Project Entitlement Share.

(ii) At any time after the adoption of the Annual Budget for a Contract Year, the CCP Manager may prepare a proposed Amended Annual Budget for and applicable to the remainder of such Contract Year. The proposal shall (A) explain why an amendment to the Annual Budget is needed, (B) compare estimated costs against actual costs, and (C) describe the events that triggered the need for additional funding. The CCP Manager shall present the proposed Amended Annual Budget to the CCP Board. Upon adoption of the Amended Annual Budget by the CCP Board, such Amended Annual Budget shall apply to the remainder of the Contract Year

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and the CCP Board shall cause copies of such adopted Amended Annual Budget to be delivered to each Project Participant.

(iii) Reports. CCP will prepare and issue to Project Participants the following reports each quarter of a year during the Term:

(A) Financial and operating statement relating to the Project.

(B) Variance report comparing the costs in the Annual Budget versus actual costs, and the status of other cost-related issues with respect to the Project. If CCP incurred any costs to provide services that were deemed necessary pursuant to Section 5.1(b), the variance report shall identify the costs and describe the services provided.

(d) Records and Accounts. CCP will keep, or cause to be kept, accurate records and accounts of the Project as well as of the operations relating to the Project, all in a manner similar to accepted accounting methodologies associated with similar projects. All transactions of CCP relating to the Project with respect to each Contract Year shall be subject to an annual audit. Each Project Participant shall have the right at its own expense to examine and copy the records and accounts referred to above on reasonable notice during regular business hours.

(e) Information Sharing. Upon CCP's request, each Project Participant agrees to coordinate with CCP to provide such information, documentation, and certifications that are reasonably necessary for the design, financing, refinancing, development, operation, administration, maintenance, and ongoing activities of the Project, including information required to respond to requests for such information from any federal, state, or local regulatory body or other authority.

(f) [Reserved].

(g) Deposit of Insurance Proceeds. CCP shall promptly deposit any insurance proceeds received by CCP from any insurance obtained pursuant to this Agreement or otherwise associated with the Project into the Operating Accounts of the Project Participants based on each Project Participants' Entitlement Shares.

(h) Liquidated and Other Damages. Any amounts paid to CCP, or applied against payments otherwise due by CCP pursuant to the PPA or each Project Participant's respective BLPTA, by the Project Developer shall be deposited on a pro rata share, based on each Project Participant's Entitlement Share into each Project Participant's Operating Account. Liquidated damages include, but are not limited to Daily Delay Damages, RA Deficiency Amount, Capacity Damages, Guaranteed Energy Production Damages, Damage Payment, and Termination Payment.

(i) Environmental Attributes. CCP shall take such actions or implement such measures as may be necessary to facilitate the transfer of Environmental Attributes from the Project Developer to the Project Participants.

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(j) Resale of Product. Any Project Participant may direct CCP to remarket such Project Participant's Entitlement Share of the Product, or such Project Participant's Entitlement Share of any part of the Product. If CCP incurs any expenses associated with the remarketing activities pursuant to this Section 5.1(j), then CCP shall include the total amount of such expenses as a Monthly Cost on the Project Participant's next Billing Statement. Prior to offering the Project Participant's Entitlement Share of the Product, or the Project Participant's Entitlement Share of any part of the Product to any third party, CCP shall first offer the Product or portion of the Product to the other Project Participants. The amount of compensation paid to the selling Project Participant shall be negotiated and agreed to between the selling Project Participant and the purchasing Project Participant or third party. Any payments for any resold Product pursuant to this Section 5.1(j) shall be transmitted directly from the purchasing Project Participant or purchasing third party to the reselling Project Participant. Any such resale to a third party shall not convey any rights or authority over the operation of the Project, and the Project Participant shall not make a representation to the third party that the resale conveys any rights or authority over the operation of the Project.

(k) Uncontrollable Forces. CCP shall not be required to provide, and CCP shall not be liable for failure to provide, the Product, Replacement RA, or other service under this Agreement when such failure, or the cessation or curtailment of, or interference with, the service is caused by Uncontrollable Forces or by the failure of the Project Developer, or its successors or assigns, to obtain any required governmental permits, licenses, or approvals to acquire, administer, or operate the Project; provided, however, that the Project Participants shall not thereby be relieved of their obligations to make payments under this Agreement except to the extent CCP is so relieved pursuant to the PPA, and provided further that CCP shall pursue all applicable remedies against the Project Developer under the PPA and distribute any remedies obtained pursuant to Section 5.1(h).

(l) Insurance. Within one hundred and eighty days (180) of the Effective Date of this Agreement, CCP shall secure and maintain, during the Term, insurance coverage as follows:

(i) Commercial General Liability. CCP shall maintain, or cause to be maintained, 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 CCP's obligations under this Agreement and including each Project Participant as an additional insured.

(ii) Employer's Liability Insurance. CCP, if it has employees, shall maintain Employers' Liability insurance with limits of not 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.

(iii) Workers' Compensation Insurance. CCP, if it has employees, shall also maintain at all times during the Term workers' compensation and employers' liability insurance coverage in accordance with statutory amounts, with employer's liability limits of not less than One Million Dollars ($1,000,000.00) for each accident, injury, or illness; and include a blanket waiver of subrogation.

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(iv) Business Auto Insurance. CCP shall maintain at all times during the 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 CCP's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement and shall name each Project Participant as an additional insured and contain standard cross-liability and severability of interest provisions.

(v) Public Entity Liability Insurance. CCP shall maintain public entity liability insurance, including public officials' liability insurance, public entity reimbursement insurance, and employment practices liability insurance in an amount not less than One Million Dollars ($1,000,000) per claim, and an annual aggregate of not less than One Million Dollars ($1,000,000) and CCP shall maintain such coverage for at least two (2) years from the termination of this Agreement.

(m) Evidence of Insurance. Within ten (10) days after the deadline for securing insurance coverage specified in Section 5.1(l), and upon annual renewal thereafter, CCP shall deliver to each Project Participant certificates of insurance evidencing such coverage with insurers with ratings comparable to A-VII or higher, and that are authorized to do business in the State of California, in a form evidencing all coverages set forth above. Such certificates shall specify that each Project Participant shall be given at least thirty (30) days prior Notice by CCP in the event of cancellation or termination of coverage. Such insurance shall be primary coverage without right of contribution from any insurance of each Project Participant. Any other insurance maintained by CCP not associated with this Agreement is for the exclusive benefit of CCP and shall not in any manner inure to the benefit of Project Participants. The general liability, auto liability and worker's compensation policies shall be endorsed with a waiver of subrogation in favor of each Project Participant for all work performed by CCP, its employees, agents and sub-contractors.

5.2. Role of CCP Board.

(a) The rights and obligations of CCP under the PPA shall be subject to the ultimate control at all times of the CCP Board. The CCP Board shall have, in addition to the duties and responsibilities set forth elsewhere in this Agreement, the duties and responsibilities listed below, among others. The actions identified in Section 5.2(a)(ii) through (a)(ix) and Section 5.2(a)(xiii) shall require CCP Board approval.

(i) Dispute Resolution. The CCP Board shall review, discuss and attempt to resolve any disputes among CCP, any of the Project Participants, and the Project Developer relating to the Project, the operation and management of the Facility, and CCP's rights and interests in the Facility.

(ii) PPA. The CCP Board shall have the authority to review, modify, and approve, as appropriate, all amendments, modifications, and supplements to the PPA.

(iii) Capital Improvements. The CCP Board shall review, modify, and approve, if appropriate, all Capital Improvements undertaken with respect to the Project and all financing arrangements for such Capital Improvements. The CCP Board shall approve those

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budgets or other provisions for the payments associated with the Project and the financing for any development associated with the Project.

(iv) [Reserved].

(v) Budgeting. Upon the submission of a proposed Annual Budget or proposed Amended Annual Budget, the CCP Board shall review, modify, and approve each Annual Budget and Amended Annual Budget in accordance with Section 5.1(c) of this Agreement.

(vi) Early Termination of PPA. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(b) of this Agreement, as to an early termination of the PPA pursuant to Section 11.2 of the PPA.

(vii) Assignment by Project Developer. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(c) of this Agreement, as to any assignment by Project Developer pursuant to Section 14.1 of the PPA other than any assignment pursuant to Sections 14.2 or 14.3 of the PPA.

(viii) Buyer Financing Assignment. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(d) of this Agreement, as to an assignment by CCP to a financing entity.

(ix) Change of Control. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(e) of this Agreement, as to any Change of Control requiring CCP's consent, as specified in Section 14.1 of the PPA.

(x) Supervening Authority of the Board. The CCP Board has complete and plenary supervening power and authority to act upon any matter which is capable of being acted upon by the CCP Manager or which is specified as being within the authority of the CCP Manager pursuant to the provisions of this Agreement.

(xi) Other Matters. The CCP Board is authorized to perform such other functions and duties, including oversight of those matters and responsibilities addressed by the CCP Manager as may be provided for under this Agreement and under the PPA, or as may otherwise be appropriate.

(xii) Periodic Audits. The CCP Board or the CCP Manager may arrange for the annual audit by certified accountants, selected by the CCP Board and experienced in electric generation or electric utility accounting, of the books and accounting records of CCP, the Project Developer to the extent authorized under the PPA, and any other counterparty under any agreement to the extent allowable, and such audit shall be completed and submitted to the CCP Board as soon as reasonably practicable after the close of the Contract Year. CCP shall promptly furnish to the Project Participant copies of all audits. No more frequently than once every calendar year, each Project Participant may, at its sole cost and expense, audit, or cause to be audited the books and cost records of CCP, and/or the Project Developer to the extent authorized under the PPA.

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(xiii) Compliance Expenditures. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(f) of this Agreement, as to Compliance Expenditures, as specified in Section 3.12(c), (d), and (e) of the PPA. If the CCP Board authorizes CCP to agree to reimburse Project Developer for Accepted Compliance Costs, then such amount shall be added to the amount of Operating Costs included in the Monthly Cost calculation for the subsequent month.

(b) Pursuant to Section 5.06 of the Joint Powers Agreement, this Agreement modifies the voting rules of the CCP Board for purposes of approving or acting on any matter identified in this Agreement, as follows:

(i) Quorum. A quorum shall consist of a majority of the CCP Board members that represent Project Participants.

(ii) Voting. Each CCP Board member that represents a Project Participant shall have one vote for any matter identified in this Agreement. Any CCP Board member representing a CCP member that is not a Project Participant shall abstain from voting on any matter identified in this Agreement. A vote of the majority of the CCP Board members representing Project Participants that are in attendance shall be sufficient to constitute action, provided a quorum is established and maintained.

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EXHIBIT B

ARTICLE 6

ROLE AND RESPONSIBILITIES OF CCP MANAGER

6.1. Role of CCP Manager. The CCP Manager shall take all actions necessary to ensure that CCP fulfills its obligations under this Agreement, including the obligations set forth in Section 5.1. The CCP Manager is authorized to take any action that CCP is authorized to take, except those actions that expressly require CCP Board approval. In addition to any duties or responsibilities set forth elsewhere in this Agreement, the CCP Manager is directed to do the following:

(a) Consult with the Project Participants with respect to the ongoing administration of the Project, including through the formation of advisory subcommittees.

(b) Oversee, as appropriate, the completion of any Project design, feasibility, or planning studies or activities.

(c) Review, discuss, and attempt to resolve any disputes among the Project Participants relating to this Agreement or the PPA.

(d) Review each invoice submitted by Project Developer and request such other data necessary to support the review of such invoices.

(e) Respond to any requests for tax-related documentation by the Project Developer.

(f) Provide the Project Developer with Financial Statements as may be required by the PPA.

(g) Correspond with the Project Developer to compile and distribute to Project Participants information and/or documents required for Project Participants to submit reports to any federal, state, or local regulatory body or other authority regarding the Project in such format as required by applicable authority, and respond to any request by a Project Participant for information or documents that are reasonably available to (i) allow the Project Participant to respond to requests for such information from any federal, state, or local regulatory body or other authority; or (ii) for a Project Participant to conduct planning, budgeting, or other regulatory activities.

(h) Upon a request or demand by any third person that is not a Party to the PPA or a Project Participant, for Confidential Information as described in Section 18.2 of the PPA, the CCP Manager shall notify the Project Developer and coordinate the response of CCP and Project Participants.

(i) Review Progress Reports provided by Project Developer to CCP pursuant to Section 2.3 of the PPA and participate in any associated meetings with Project Developer to discuss construction progress. If Project Developer provides a Progress Report to CCP, the CCP

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Manager shall promptly provide such Progress Report to each Project Participant. The CCP Manager shall promptly notify the Project Participants upon receiving a Progress Report from the Project Developer that identifies a delay to the Construction Start Date or Commercial Operation Date.

(j) Take any necessary actions or implement such measures as may be necessary to facilitate the transfer of Environmental Attributes from the Project Developer to the Project Participants.

(k) Perform such other functions and duties as may be provided for under this Agreement, the PPA, or as may otherwise be appropriate or beneficial to the Project or the Project Participants, unless such action requires CCP Board approval pursuant to this Agreement.

6.2. CCP Manager Recommendations to the CCP Board.

(a) Budgeting. Recommend each proposed Annual Budget and proposed Amended Annual Budget for submission to the CCP Board for final approval.

(b) Early Termination of PPA. Recommend to the CCP Board an early termination of the PPA pursuant to Section 11.2 of the PPA.

(c) Assignment by Project Developer. Recommend to the CCP Board any proposed assignment by Project Developer pursuant to Section 14.1 of the PPA other than any assignment pursuant to Sections 14.2 or 14.3 of the PPA.

(d) Buyer Financing Assignment. Recommend to the CCP Board an assignment by CCP to a financing entity.

(e) Change of Control. Recommend to the CCP Board any Change of Control requiring CCP's consent, as specified in Section 14.1 of the PPA.

(f) Compliance Expenditures. Recommend to the CCP Board any Compliance Expenditures, as specified in Section 3.12(c), (d), and (e) of the PPA.

6.3. CCP Manager Report to CCP Board on Actions relating to the PPA or the Project. The CCP Manager shall report to the CCP Board on the occurrence of any of the following actions taken by the CCP Manager. Such report may be written or oral and shall be provided at the next CCP Board Meeting occurring within a reasonable amount of time after the action was taken. Any information included as part of such report may be provided by the CCP Manager in a manner that maintains the confidentiality of such information, as reasonably determined to be necessary by the CCP Manager.

(a) Any recommendations made by the CCP Manager to the Project Developer on the design of the Project.

(b) Confirmation by the CCP Manager that the requirements of Exhibit B of the PPA have been satisfied, such that the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date has been extended.

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(c) Any exercise of CCP's rights under the PPA upon the occurrence of an Event of Default has occurred under Section 11.1 of the PPA.

(d) The approval of any rules, procedures, and protocols for the administration of the Project, including rules, procedures, and protocols for the management of the costs of the Facility and the scheduling, handling, tagging, dispatching, and crediting of the Product, the handling and crediting of Environmental Attributes associated with the Facility and the control and use of the Facility.

(e) The approval of any rules, procedures, and protocols for the monitoring, inspection, and the exercise of due diligence activities relating to the operation of the Facility.

(f) The approval or other action relating to the form or content of any written statistical, administrative, or operational reports, Facility-related data and technical information, facility reliability data, transmission information, forecasting, scheduling, dispatching, tagging, parking, firming, exchanging, balancing, movement, or other delivery information, and similar information and records, or matters pertaining to the Project which are furnished to the Project Participants or the CCP Manager by the Project Developer, experts, consultants or others.

(g) The approval or modification of any practices and procedures to be followed by Project Participants for, among other things, the production, scheduling, tagging, transmission, delivery, firming, balancing, exchanging, crediting, tracking, monitoring, remarketing, sale, or disposition of the Product, including the control and use of the Facility.

(h) The approval or modification of any arrangements and instruments entered into by the Project Developer or any affiliate thereof to, among other things, secure certain performance requirements, including, but not limited to, the PPA, the Development Security or the Performance Security and any other letter of credit delivered to, or for the benefit of, CCP by the Project Developer and take such actions or make such recommendations as may be appropriate or desirable in connection therewith.

(i) The approval of policies or programs formulated by CCP or Project Developer for determining or estimating the values, quantities, volumes, or costs of the Product from the Facility.

(j) Any recommendations made by the CCP Manger to the Project Developer as to the implementation of metering technologies and methodologies appropriate for the delivery, accounting for, transferring and crediting of the Product to the Point of Delivery (directly or through the Facility).

(k) The approval or disapproval of any specifications, vendors' proposals, bid evaluations, or any related matters with respect to the Facility.

(l) The approval of any Remedial Action Plan submitted by Project Developer to CCP pursuant to Section 2.4 of the PPA.

(m) The approval of the submission of the written acknowledgement of the Commercial Operation Date in accordance with Section 2.2 of the PPA.

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(n) The approval of the return of the Development Security to Project Developer in accordance with Section 8.8 of the PPA.

(o) The approval of the return of any unused Performance Security to Project Developer in accordance with Section 8.9 of the PPA.

(p) The collection of any liquidated damages owed by Project Developer to CCP under the PPA, or any draw upon the Development Security or Performance Security.

(q) Any dispute by CCP of an invoice pursuant to Section 8.5 of the PPA.

(r) The approval of the return of the CP Security to Project Developer in accordance with Section 8.7 of the PPA.

(s) The approval of the submission of the Pseudo-tie Participating Generator Agreement in accordance with Section 2.2(b) of the PPA.

(t) The approval of the submission of the Meter Service Agreement in accordance with Section 2.2(c) of the PPA.

(u) The approval of the submission of the Interconnection Agreement in accordance with Section 2.2(d) of the PPA.

(v) Confirmation by the CCP Manager that Project Developer has secured the required Firm Transmission Rights in accordance with Section 2.2(f) of the PPA.

(w) Confirmation by the CCP Manager that Project Developer has received CEC Precertification for the Facility in accordance with Section 2.2(g) of the PPA.

(x) Any direction to the Project Developer to submit a Green-e® Energy Tracking Attestation Form the Product delivered under the PPA to the Center for Resource Solutions pursuant to Section 4.10 of the PPA.

(y) Any direction to the Project Developer to change the Negative LMP Strike Price in pursuant to subdivisions (e) of Exhibit C of the PPA.

6.4. Subcommittees. The CCP Manager may establish as needed subcommittees including, but not limited to, auditing, legal, financial, engineering, mechanical, weather, geologic, diurnal, barometric, meteorological, operating, insurance, governmental relations, environmental, and public information subcommittees. The authority, membership, and duties of any subcommittee shall be established by the CCP Manager; provided, however, such authority, membership or duties shall not conflict with the provisions of the PPA or this Agreement.

(a) Project Participant Expenses. Any expenses incurred by any representative of any Project Participant or group of Project Participants serving on any subcommittee in connection with their duties on such subcommittee shall be the responsibility of the Project Participant which they represent and shall not be an expense payable under this Agreement.

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6.5. Delegation. To secure the effective cooperation and interchange of information in a timely manner in connection with various administrative, technical, and other matters which may arise from time to time in connection with administration of the PPA, in appropriate cases, duties and responsibilities of the CCP Board, as the case may be under this Section 6, may be delegated to the CCP Manager by the CCP Board upon notice to the Project Participants.

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EXHIBIT C

ARTICLE 8

OPERATING ACCOUNT

8.1. Calculation of Estimated Monthly Project Cost.

(a) No later than one hundred and eighty (180) days after the Effective Date, the CCP Manager shall present to the Project Participants a proposed Estimated Monthly Project Cost, which shall be equal to the single highest forecasted Monthly Cost over the first Contract Year. The Project Participants shall review, and, if appropriate, recommend approval of or modification to the proposed Estimated Monthly Project Cost.

8.2. Operating Account. CCP shall establish an Operating Account for each Project Participant that is accessible to and can be drawn upon by both CCP and the applicable Project Participant. Such Operating Accounts are for the purpose of providing a reliable source of funds for the payment obligations of the Project and, taking into account the variability of costs associated with the Project for the purpose of providing a reliable payment mechanism to address the ongoing costs associated with the Project.

(a) Operating Account Amount. The Operating Account Amount for each Project Participant shall be an amount equal to the Estimated Monthly Project Cost multiplied by three (3), the product of which is multiplied by such Project Participant's Entitlement Share ("**Operating Account Amount**").

(b) Initial Funding of Operating Account. By no later than sixty (60) days after CCP's notification to Project Participants of the Construction Start Date pursuant to Exhibit B of the PPA, the Effective Date, each Project Participant shall deposit into such Project Participant's Operating Account an amount equal to that Project Participant's Operating Account Amount.

(c) Use of Operating Account. CCP shall draw upon each Project Participant's Operating Account each month in an amount equal to the Monthly Costs multiplied by such Project Participant's Entitlement Share. As required by Section 9.5, each Project Participant must deposit sufficient funds into such Project Participant's Operating Account by the deadline specified in Section 9.5.

(d) Final Distribution of Operating Account. Following the expiration or earlier termination of the PPA, and upon payment and satisfaction of any and all liabilities and obligations to make payments of the Project Participants under this Agreement and upon satisfaction of all remaining costs and obligations of CCP under the PPA, any amounts then remaining in any Project Participant's Operating Account shall be paid to the associated Project Participant.

APPROVAL DRAFT

AMENDMENT NO. 1 TO
ORGP LLP GEOTHERMAL PORTFOLIO
PROJECT PARTICIPATION SHARE AGREEMENT

among

CENTRAL COAST COMMUNITY ENERGY

and

CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS PUBLIC UTILITIES COMMISSION CLEANPOWERSF

and

PENINSULA CLEAN ENERGY AUTHORITY

and

REDWOOD COAST ENERGY AUTHORITY

and

CITY OF SAN JOSÉ, ADMINISTRATOR OF SAN JOSÉ CLEAN ENERGY

and

SILICON VALLEY CLEAN ENERGY AUTHORITY

and

SONOMA CLEAN POWER AUTHORITY

and

VALLEY CLEAN ENERGY

and

CALIFORNIA COMMUNITY POWER

APPROVAL DRAFT

AMENDMENT NO. 1 TO

ORGP LLP GEOTHERMAL PORTFOLIO

PROJECT PARTICIPATION SHARE AGREEMENT

This AMENDMENT NO. 1 to ORGP LLP GEOTHERMAL PORTFOLIO PROJECT PARTICIPATION SHARE AGREEMENT ("Amendment"), dated as of _____, (the "Amendment Effective Date") is entered into by and among Central Coast Clean Energy, a California joint powers authority, the City and County of San Francisco acting by and through its Public Utilities Commission, CleanPowerSF, Peninsula Clean Energy Authority, a California joint powers authority, Redwood Coast Energy Authority, a California joint powers authority, City of San José, a California municipality, Silicon Valley Clean Energy Authority, a California joint powers authority, Sonoma Clean Power Authority, a California joint powers authority, and Valley Clean Energy, a California joint powers authority. This Amendment is being provided pursuant to and in accordance with the terms and provisions of the Project Participation Share Agreement dated September 22, 2022 (the "PPSA") This Amendment, and the PPSA (as defined below), including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement."

RECITALS

WHEREAS, CCP and the Project Participants entered into the ORGP LLP Geothermal Portfolio Project Participation Share with an Effective Date of September 22, 2022 (the "PPSA"); and

WHEREAS, CCP and the Project Participants desire to modify certain terms of the PPSA.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, CCP and the Project Participants mutually agree to the following:

1. Recitals. The Recitals stated above are true and correct and are incorporated by this reference into this Amendment No. 1.

2. Capitalized Terms. All capitalized terms used herein, which are not defined herein, shall have the meanings ascribed thereto in the PPSA, as amended hereby.

3. Amendments to the PPSA.

    a. Article 1 Definition of "Amended Annual Budget" is hereby deleted and replaced with the following language: **"Amended Annual Budget"** means the budget recommended by the CCP Manager and adopted by the CCP Board pursuant to Section 5.1(c) of this Agreement.

    b. Article 1 Definition of "Annual Budget" is hereby deleted and replaced with the following language: "**Annual Budget**" means the budget recommended by the CCP Manager and adopted by the CCP Board pursuant to Section 5.1(c) of this Agreement.

    c. Article 1 Definition of "CCP Manager" is hereby deleted and replaced with the following language: "**CCP Manager**" means the General Manager of California Community Power or any person who is designated by the CCP Board to act in the capacity of the General Manager.

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d. Article 1 Definition of "Project Committee" is hereby deleted.

e. Article 1 Definition of "Project Rights" is hereby deleted and replaced with the following language: "**Project Rights**" means all rights and privileges of a Project Participant under this Agreement, including but not limited to its Entitlement Share, and its right to receive the Product from the Facility.

f. Article 5 is hereby deleted and replaced with the language contained in Exhibit A of this Amendment.

g. Article 6 is hereby deleted and replaced with the language contained in Exhibit B of this Amendment.

h. Article 8 is hereby deleted and replaced with the language contained in Exhibit C of this Amendment.

i. Exhibit C Section (a)(i)(A) "Establish Entitlement Share Reduction Compensation Amount" is hereby amended by deleting "call a meeting of the Project Committee and."

j. Exhibit C Section (a)(i)(A) "Establish Entitlement Share Reduction Compensation Amount" is hereby amended by deleting all reference to the "Project Committee" and replacing it with "Project Participants."

k. Exhibit C Section (a)(i)(B)(d) is hereby amended by deleting "approved by the Project Committee through a Normal Vote" and replacing it with "approved by the CCP Manager."

l. Exhibit C Section (a)(i)(B)(e) is hereby amended by deleting "and upon approval of such transfer by the Project Committee,."

m. Exhibit D of the PPSA is here by deleted.

4. No Other Changes. Except as provided in this Amendment, the PPSA is not modified and continues in full force and effect. From and after the date hereof, references to the PPSA will be understood to mean the PSSA as amended by this Amendment.

5. 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.

[*Signatures appear on following page.*]

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

California Community Power By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Central Coast Community Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____
Clean Power San Francisco By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	

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Peninsula Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Redwood Coast Energy Authority By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____
San José Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____	Silicon Valley Clean Energy By: Name: _____ Title: _____ Approved as to form by Counsel By: Name: _____ Title: _____

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Sonoma Clean Power	Valley Clean Energy
By:	By:
Name: _____	Name: _____
Title: _____	Title: _____
Approved as to form by Counsel	Approved as to form by Counsel
By:	By:
Name: _____	Name: _____
Title: _____	Title: _____

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EXHIBIT A

ARTICLE 5
OBLIGATIONS OF CCP AND ROLE OF BOARD

5.1. Obligations of CCP.

(a) CCP shall take such commercially reasonable actions or implement such commercially reasonable measures as may be necessary or desirable for the utilization, maintenance, or preservation of the rights and interests of the Project Participants in the Project including, if appropriate, such enforcement actions or other measures as CCP or the CCP Board deems to be in the Project Participants' best interests. To the extent not inconsistent with the PPA or other applicable agreements, CCP may also be authorized by the Project Participants to assume responsibilities for planning, designing, financing, developing, acquiring, insuring, contracting for, administering, operating, and maintaining the Project to effectuate the conveyance of the Product to Project Participants in accordance with Project Participants' Entitlement Shares.

(b) To the extent such services are available and can be carried forth in accordance with the PPA, CCP shall also provide such other services, as may be deemed necessary by CCP or the CCP Board to secure the benefits and/or satisfy the obligations associated with the PPA.

(c) Adoption of Annual Budget. The Annual Budget and any amendments to the Annual Budget shall be prepared and approved in accordance with this Section 5.1(c).

(i) The CCP Manager will prepare a proposed Annual Budget at least ninety (90) days prior to the beginning of each Contract Year during the term of this Agreement. The proposed Annual Budget shall be based on the prior Contract Year's actual costs and shall include reasonable estimates of the costs CCP expects to incur during the applicable Contract Year in association with the administration of the PPA, including the cost of insurance coverages that are determined to be attributable to the Project by action of the CCP Board. The CCP Manager shall present the proposed Annual Budget to the CCP Board. The CCP Board shall adopt the Annual Budget no later than thirty (30) days prior to the beginning of such Contract Year and shall cause copies of such adopted Annual Budget to be delivered to each Project Participant.

(A) For operating costs not otherwise collected through Articles 8 and 9 incurred prior to the Commercial Operation Date and which are approved by the CCP Board, including costs related to monitoring the development of the Project and other costs that are determined to be attributable to the Project by action of the CCP Board, shall be invoiced to each Project Participant based on their Project Entitlement Share.

(ii) At any time after the adoption of the Annual Budget for a Contract Year, the CCP Manager may prepare a proposed Amended Annual Budget for and applicable to the remainder of such Contract Year. The proposal shall (A) explain why an amendment to the Annual Budget is needed, (B) compare estimated costs against actual costs, and (C) describe the events that triggered the need for additional funding. The CCP Manager shall present the proposed Amended Annual Budget to the CCP Board. Upon adoption of the Amended Annual Budget by the CCP Board, such Amended Annual Budget shall apply to the remainder of the Contract Year

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and the CCP Board shall cause copies of such adopted Amended Annual Budget to be delivered to each Project Participant.

(iii) Reports. CCP will prepare and issue to Project Participants the following reports each quarter of a year during the Term:

(A) Financial and operating statement relating to the Project.

(B) Variance report comparing the costs in the Annual Budget versus actual costs, and the status of other cost-related issues with respect to the Project. If CCP incurred any costs to provide services that were deemed necessary pursuant to Section 5.1(b), the variance report shall identify the costs and describe the services provided.

(d) Records and Accounts. CCP will keep, or cause to be kept, accurate records and accounts of the Project as well as of the operations relating to the Project, all in a manner similar to accepted accounting methodologies associated with similar projects. All transactions of CCP relating to the Project with respect to each Contract Year shall be subject to an annual audit. Each Project Participant shall have the right at its own expense to examine and copy the records and accounts referred to above on reasonable notice during regular business hours.

(e) Information Sharing. Upon CCP's request, each Project Participant agrees to coordinate with CCP to provide such information, documentation, and certifications that are reasonably necessary for the design, financing, refinancing, development, operation, administration, maintenance, and ongoing activities of the Project, including information required to respond to requests for such information from any federal, state, or local regulatory body or other authority.

(f) [Reserved].

(g) Deposit of Insurance Proceeds. CCP shall promptly deposit any insurance proceeds received by CCP from any insurance obtained pursuant to this Agreement or otherwise associated with the Project into the Operating Accounts of the Project Participants based on each Project Participants' Entitlement Shares.

(h) Liquidated and Other Damages. Any amounts paid to CCP, or applied against payments otherwise due by CCP pursuant to the PPA or each Project Participant's respective BLPTA, by the Project Developer shall be deposited on a pro rata share, based on each Project Participant's Entitlement Share into each Project Participant's Operating Account. Liquidated damages include, but are not limited to Delay Damages, RA Deficiency Amount, Capacity Buydown Damages, Shortfall Liquidated Damages, Damage Payment, and Termination Payment.

(i) Green Attributes. CCP shall take such actions or implement such measures as may be necessary to facilitate the transfer of Green Attributes from the Project Developer to the Project Participants.

(j) Resale of Product. Any Project Participant may direct CCP to remarket such Project Participant's Entitlement Share of the Product, or such Project Participant's Entitlement

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Share of any part of the Product. If CCP incurs any expenses associated with the remarketing activities pursuant to this Section 5.1(j), then CCP shall include the total amount of such expenses as a Monthly Cost on the Project Participant's next Billing Statement. Prior to offering the Project Participant's Entitlement Share of the Product, or the Project Participant's Entitlement Share of any part of the Product to any third party, CCP shall first offer the Product or portion of the Product to the other Project Participants. The amount of compensation paid to the selling Project Participant shall be negotiated and agreed to between the selling Project Participant and the purchasing Project Participant or third party. Any payments for any resold Product pursuant to this Section 5.1(j) shall be transmitted directly from the purchasing Project Participant or purchasing third party to the reselling Project Participant. Any such resale to a third party shall not convey any rights or authority over the operation of the Project, and the Project Participant shall not make a representation to the third party that the resale conveys any rights or authority over the operation of the Project.

(k) Uncontrollable Forces. CCP shall not be required to provide, and CCP shall not be liable for failure to provide, the Product, Replacement RA, or other service under this Agreement when such failure, or the cessation or curtailment of, or interference with, the service is caused by Uncontrollable Forces or by the failure of the Project Developer, or its successors or assigns, to obtain any required governmental permits, licenses, or approvals to acquire, administer, or operate the Project; provided, however, that the Project Participants shall not thereby be relieved of their obligations to make payments under this Agreement except to the extent CCP is so relieved pursuant to the PPA, and provided further that CCP shall pursue all applicable remedies against the Project Developer under the PPA and distribute any remedies obtained pursuant to Section 5.1(h).

(l) Insurance. Within one hundred and eighty days (180) of the Effective Date of this Agreement, CCP shall secure and maintain, during the Term, insurance coverage as follows:

(i) Commercial General Liability. CCP shall maintain, or cause to be maintained, 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 CCP's obligations under this Agreement and including each Project Participant as an additional insured.

(ii) Employer's Liability Insurance. CCP, if it has employees, shall maintain Employers' Liability insurance with limits of not 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.

(iii) Workers' Compensation Insurance. CCP, if it has employees, shall also maintain at all times during the Term workers' compensation and employers' liability insurance coverage in accordance with statutory amounts, with employer's liability limits of not less than One Million Dollars ($1,000,000.00) for each accident, injury, or illness; and include a blanket waiver of subrogation.

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(iv) Business Auto Insurance. CCP shall maintain at all times during the 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 CCP's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement and shall name each Project Participant as an additional insured and contain standard cross-liability and severability of interest provisions.

(v) Public Entity Liability Insurance. CCP shall maintain public entity liability insurance, including public officials' liability insurance, public entity reimbursement insurance, and employment practices liability insurance in an amount not less than One Million Dollars ($1,000,000) per claim, and an annual aggregate of not less than One Million Dollars ($1,000,000) and CCP shall maintain such coverage for at least two (2) years from the termination of this Agreement.

(m) Evidence of Insurance. Within ten (10) days after the deadline for securing insurance coverage specified in Section 5.1(l), and upon annual renewal thereafter, CCP shall deliver to each Project Participant certificates of insurance evidencing such coverage with insurers with ratings comparable to A-VII or higher, and that are authorized to do business in the State of California, in a form evidencing all coverages set forth above. Such certificates shall specify that each Project Participant shall be given at least thirty (30) days prior Notice by CCP in the event of cancellation or termination of coverage. Such insurance shall be primary coverage without right of contribution from any insurance of each Project Participant. Any other insurance maintained by CCP not associated with this Agreement is for the exclusive benefit of CCP and shall not in any manner inure to the benefit of Project Participants. The general liability, auto liability and worker's compensation policies shall be endorsed with a waiver of subrogation in favor of each Project Participant for all work performed by CCP, its employees, agents and sub-contractors.

5.2. Role of CCP Board.

(a) The rights and obligations of CCP under the PPA shall be subject to the ultimate control at all times of the CCP Board. The CCP Board shall have, in addition to the duties and responsibilities set forth elsewhere in this Agreement, the duties and responsibilities listed below, among others. The actions identified in Section 5.2(a)(ii) through (a)(ix) and Section 5.2(a)(xiii) shall require CCP Board approval.

(i) Dispute Resolution. The CCP Board shall review, discuss and attempt to resolve any disputes among CCP, any of the Project Participants, and the Project Developer relating to the Project, the operation and management of the Project, and CCP's rights and interests in the Project.

(ii) PPA. The CCP Board shall have the authority to review, modify, and approve, as appropriate, all amendments, modifications, and supplements to the PPA.

(iii) Capital Improvements. The CCP Board shall review, modify, and approve, if appropriate, all Capital Improvements undertaken with respect to the Project and all financing arrangements for such Capital Improvements. The CCP Board shall approve those

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budgets or other provisions for the payments associated with the Project and the financing for any development associated with the Project.

(iv) [Reserved].

(v) Budgeting. Upon the submission of a proposed Annual Budget, the CCP Board shall review, modify, and approve each Annual Budget and Amended Annual Budget in accordance with Section 5.1(c) of this Agreement.

(vi) Early Termination of PPA. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(b) of this Agreement, as to an early termination of the PPA pursuant to Section 13.3 of the PPA.

(vii) Assignment by Project Developer. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(c) of this Agreement, as to any assignment by Project Developer pursuant to Section 14.7.

(viii) Buyer Financing Assignment. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(d) of this Agreement, as to an assignment by CCP to a financing entity.

(ix) Change of Control. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.2(e) of this Agreement, as to any Change of Control requiring CCP's consent, as specified in Section 14.7 of the PPA.

(x) Supervening Authority of the Board. The CCP Board has complete and plenary supervening power and authority to act upon any matter which is capable of being acted upon by the CCP Manager or which is specified as being within the authority of the CCP Manager pursuant to the provisions of this Agreement.

(xi) Other Matters. The CCP Board is authorized to perform such other functions and duties, including oversight of those matters and responsibilities addressed by the CCP Manager as may be provided for under this Agreement and under the PPA, or as may otherwise be appropriate.

(xii) Periodic Audits. The CCP Board or the CCP Manager may arrange for the annual audit by certified accountants, selected by the CCP Board and experienced in electric generation or electric utility accounting, of the books and accounting records of CCP, the Project Developer to the extent authorized under the PPA, and any other counterparty under any agreement to the extent allowable, and such audit shall be completed and submitted to the CCP Board as soon as reasonably practicable after the close of the Contract Year. CCP shall promptly furnish to the Project Participant copies of all audits. No more frequently than once every calendar year, each Project Participant may, at its sole cost and expense, audit, or cause to be audited the books and cost records of CCP, and/or the Project Developer to the extent authorized under the PPA.

(xiii) Compliance Expenditures. The CCP Board shall review, modify, and approve the recommendations of the CCP Manager, made pursuant to Section 6.4(f) of this

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Agreement, as to Compliance Costs as specified in Section 8.6(c) of the PPA. If the CCP Board authorizes CCP to agree to reimburse Project Developer for Accepted Compliance Costs, then such amount shall be added to the amount of Operating Costs included in the Monthly Cost calculation for the subsequent month.

(b) Pursuant to Section 5.06 of the Joint Powers Agreement, this Agreement modifies the voting rules of the CCP Board for purposes of approving or acting on any matter identified in this Agreement, as follows:

(i) Quorum. A quorum shall consist of a majority of the CCP Board members that represent Project Participants.

(ii) Voting. Each CCP Board member that represents a Project Participant shall have one vote for any matter identified in this Agreement. Any CCP Board member representing a CCP member that is not a Project Participant shall abstain from voting on any matter identified in this Agreement. A vote of the majority of the CCP Board members representing Project Participants that are in attendance shall be sufficient to constitute action, provided a quorum is established and maintained.

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EXHIBIT B

ARTICLE 6

ROLE AND RESPONSIBILITIES OF CCP MANAGER

6.1. Role of CCP Manager. The CCP Manager shall take all actions necessary to ensure that CCP fulfills its obligations under this Agreement, including the obligations set forth in Section 5.1. The CCP Manager is authorized to take any action that CCP is authorized to take, except those actions that expressly require CCP Board approval. In addition to any duties or responsibilities set forth elsewhere in this Agreement, the CCP Manager is directed to do the following:

(a) Consult with the Project Participants with respect to the ongoing administration of the Project, including through the formation of advisory subcommittees.

(b) Oversee, as appropriate, the completion of any Project design, feasibility, or planning studies or activities.

(c) Review, discuss, and attempt to resolve any disputes among the Project Participants relating to this Agreement or the PPA.

(d) Review each invoice submitted by Project Developer and request such other data necessary to support the review of such invoices.

(e) Respond to any requests for tax-related documentation by the Project Developer.

(f) Provide the Project Developer with Financial Statements as may be required by the PPA.

(g) Correspond with the Project Developer to compile and distribute to Project Participants information and/or documents required for Project Participants to submit reports to any federal, state, or local regulatory body or other authority regarding the Project in such format as required by applicable authority, and respond to any request by a Project Participant for information or documents that are reasonably available to (i) allow the Project Participant to respond to requests for such information from any federal, state, or local regulatory body or other authority; or (ii) for a Project Participant to conduct planning, budgeting, or other regulatory activities.

(h) Upon a request or demand by any third person that is not a Party to the PPA or a Project Participant, for Confidential Information as described in Section 14.21 of the PPA, the CCP Manager shall notify the Project Developer and coordinate the response of CCP and Project Participants.

(i) Review Progress Reports provided by Project Developer to CCP pursuant to Section 3.6 of the PPA and participate in any associated meetings with Project Developer to discuss construction progress. If Project Developer provides a Progress Report to CCP, the CCP

APPROVAL DRAFT

Manager shall promptly provide such Progress Report to each Project Participant. The CCP Manager shall promptly notify the Project Participants upon receiving a Progress Report from the Project Developer that identifies a delay to the Construction Start Date or Commercial Operation Date.

(j) Take any necessary actions or implement such measures as may be necessary to facilitate the transfer of Environmental Attributes from the Project Developer to the Project Participants.

(k) Perform such other functions and duties as may be provided for under this Agreement, the PPA, or as may otherwise be appropriate or beneficial to the Project or the Project Participants, unless such action requires CCP Board approval pursuant to this Agreement.

(l) Within three hundred and sixty-five (365) days of the Effective Date, adopt procedures for all Project Participants to acquire additional import capability rights or other similar rights for each Proposed Facility, and a process for directing CCP to accept or reject each Proposed Facility based on the acquisition of such import capability rights or other similar rights, as specified in Section 3.1 of the PPA.

6.2. CCP Manager Recommendations to the CCP Board.

(a) Budgeting. Recommend each proposed Annual Budget and proposed Amended Annual Budget for submission to the CCP Board for final approval.

(b) Early Termination of PPA. Recommend to the CCP Board regarding an early termination of the PPA pursuant to Section 13.3 of the PPA.

(c) Assignment by Project Developer. Recommend to the CCP Board any proposed assignment by Project Developer pursuant to Section 14.7 of the PPA.

(d) Buyer Financing Assignment. Recommend to the CCP Board regarding an assignment by CCP to a financing entity.

(e) Change of Control. Recommend to the CCP Board any Change of Control requiring CCP's consent, as specified in Section 14.7 of the PPA.

(f) Compliance Expenditures. Recommend to the CCP Board any Compliance Expenditures, as specified in Section 8.6(c) of the PPA.

6.3. CCP Manager Report to CCP Board on Actions relating to the PPA or the Project. The CCP Manager shall report to the CCP Board on the occurrence of any of the following actions taken by the CCP Manager. Such report may be written or oral and shall be provided at the next CCP Board Meeting occurring within a reasonable amount of time after the action was taken. Any information included as part of such report may be provided by the CCP Manager in a manner that maintains the confidentiality of such information, as reasonably determined to be necessary by the CCP Manager.

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(a) Any recommendations made by the CCP Manager to the Project Developer on the design of the Project.

(b) [Reserved.]

(c) Any exercise CCP's rights under the PPA upon the occurrence of a Default under Section 13.1 of the PPA.

(d) The approval of any rules, procedures, and protocols for the administration of the Project, including rules, procedures, and protocols for the management of the costs of the Project and the scheduling, handling, tagging, dispatching, and crediting of the Product, the handling and crediting of Green Attributes associated with the Project and the control and use of the Project.

(e) The approval of any rules, procedures, and protocols for the monitoring, inspection, and the exercise of due diligence activities relating to the operation of the Project.

(f) The approval or other action relating to the form or content of any written statistical, administrative, or operational reports, Project-related data and technical information, Project reliability data, transmission information, forecasting, scheduling, dispatching, tagging, parking, firming, exchanging, balancing, movement, or other delivery information, and similar information and records, or matters pertaining to the Project which are furnished to the Project Participants or the CCP Manager by the the Project Developer, experts, consultants or others.

(g) The approval of any practices and procedures to be followed by Project Participants for, among other things, the production, scheduling, tagging, transmission, delivery, firming, balancing, exchanging, crediting, tracking, monitoring, remarketing, sale, or disposition of the Product, including the control and use of the Project.

(h) The approval of any arrangements and instruments entered into by the Project Developer or any affiliate thereof to, among other things, secure certain performance requirements, including, but not limited to, the PPA, the Development Security or the Delivery Term Security and any other letter of credit delivered to, or for the benefit of, CCP by the Project Developer and take such actions or make such recommendations as may be appropriate or desirable in connection therewith.

(i) The approval of policies or programs formulated by CCP or Project Developer for determining or estimating the values, quantities, volumes, or costs of the Product from the Project.

(j) Any recommendations made by the CCP Manager to the Project Developer as to the implementation of metering technologies and methodologies appropriate for the delivery, accounting for, transferring and crediting of the Product to the Point of Delivery (directly or through the Project).

(k) The approval or disapproval of any specifications, vendors' proposals, bid evaluations, or any related matters with respect to the Project.

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(l) Reserved.

(m) The approval of the submission of the written acknowledgement of the Commercial Operation Date in accordance with Section 3.5 of the PPA.

(n) The approval of the return of the Project Development Security to Project Developer in accordance with Section 5.9(c) of the PPA.

(o) The approval of the return of any unused Delivery Term Security to Project Developer in accordance with Section 5.9(d) of the PPA.

(p) The collection of any liquidated damages owed by Project Developer to CCP under the PPA, or any draw upon the Project Development Security or Delivery Term Security.

(q) Any dispute by CCP of invoices pursuant to Section 11.3 of the PPA.

(r) Any direction to the Project Developer to change the Negative LMP Strike Price in pursuant to Appendix A of the PPA.

(s) Any direction to take such actions or implement such measures as may be necessary to facilitate the transfer of Green Attributes from the Project Developer to the Project Participants.

(t) Any direction to the Project Developer to purchase Energy in excess of Maximum Generation pursuant to Section 3.10 of the PPA

(u) Any demand of payment and collection of damages pursuant to Section 3.11 of the PPA.

(v) Any direction to withhold funds from Project Developer pursuant to Section 6.1(c) of the PPA.

(w) Any direction to designate an authorized representative pursuant to Section 14.1 of the PPA.

(x) Any direction to either accept or reject the Notice of Revised Net Capacity, as specified in Section 3.9 and 6.1 of the PPA.

6.4. Subcommittees. The CCP Manager may establish as needed subcommittees including, but not limited to, auditing, legal, financial, engineering, mechanical, weather, geologic, diurnal, barometric, meteorological, operating, insurance, governmental relations, environmental, and public information subcommittees. The authority, membership, and duties of any subcommittee shall be established by the CCP Manager; provided, however, such authority, membership or duties shall not conflict with the provisions of the PPA or this Agreement.

6.5. Project Participant Expenses. Any expenses incurred by any representative of any Project Participant or group of Project Participants serving on any subcommittee in connection

APPROVAL DRAFT

with their duties on such subcommittee shall be the responsibility of the Project Participant which they represent and shall not be an expense payable under this Agreement.

6.6. Delegation. To secure the effective cooperation and interchange of information in a timely manner in connection with various administrative, technical, and other matters which may arise from time to time in connection with administration of the PPA, in appropriate cases, duties and responsibilities of the CCP Board, as the case may be under this Section 6, may be delegated to the CCP Manager by the CCP Board upon notice to the Project Participants.

APPROVAL DRAFT

EXHIBIT C

ARTICLE 8

OPERATING ACCOUNT

8.1. Calculation of Estimated Monthly Project Cost.

(a) No later than one hundred and eighty (180) days after the Effective Date, the CCP Manager shall present to the Project Participants a proposed Estimated Monthly Project Cost, which shall be equal to the single highest forecasted Monthly Cost over the first Contract Year. The Project Participants shall review, and, if appropriate, recommend approval of or modification to the proposed Estimated Monthly Project Cost.

8.2. Operating Account. CCP shall establish an Operating Account for each Project Participant that is accessible to and can be drawn upon by both CCP and the applicable Project Participant. Such Operating Accounts are for the purpose of providing a reliable source of funds for the payment obligations of the Project and, taking into account the variability of costs associated with the Project for the purpose of providing a reliable payment mechanism to address the ongoing costs associated with the Project.

(a) Operating Account Amount. The Operating Account Amount for each Project Participant shall be an amount equal to the Estimated Monthly Project Cost multiplied by three (3), the product of which is multiplied by such Project Participant's Entitlement Share ("**Operating Account Amount**").

(b) Initial Funding of Operating Account. By no later than sixty (60) days after CCP's notification to Project Participants of Buyer's Notice that a Proposed Facility shall be an Included Facility pursuant to Section 3.1 of the PPA, each Project Participant shall deposit into such Project Participant's Operating Account an amount equal to that Project Participant's Operating Account Amount.

(c) Use of Operating Account. CCP shall draw upon each Project Participant's Operating Account each month in an amount equal to the Monthly Costs multiplied by such Project Participant's Entitlement Share. As required by Section 9.5, each Project Participant must deposit sufficient funds into such Project Participant's Operating Account by the deadline specified in Section 9.5.

(d) Final Distribution of Operating Account. Following the expiration or earlier termination of the PPA, and upon payment and satisfaction of any and all liabilities and obligations to make payments of the Project Participants under this Agreement and upon satisfaction of all remaining costs and obligations of CCP under the PPA, any amounts then remaining in any Project Participant's Operating Account shall be paid to the associated Project Participant.

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Item No. 13

PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence

DATE: January 12, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Peninsula Clean Energy Authority Legislative and Regulatory Policy Platform (Policy 1) for Calendar Year 2023 (Action)

RECOMMENDATION:
Approve and adopt the Peninsula Clean Energy Authority Legislative and Regulatory Policy Platform (Policy 1) for Calendar Year (CY) 2023

BACKGROUND:
The Peninsula Clean Energy Authority Board of Directors from time-to-time has adopted a Legislative and Regulatory Policy Platform that provides direction to the organization and enables the Board and staff to take expedient action in support or opposition to legislation, regulation or other initiatives related to the agency's mission.

DISCUSSION:
Peninsula Clean Energy Authority staff have identified the need to update the Legislative and Regulatory Policy Platform to reflect Peninsula Clean Energy Authority's positions for CY 2023.

The modified version of the platform was drafted and presented to the Peninsula Clean Energy Authority Ad hoc Legislative Committee on January 9, 2023. No additional modifications were suggested, and the revised platform is presented to the Board for consideration and adoption.

FISCAL IMPACT:
There is no fiscal impact currently associated with this report.

Attachments: Proposed redline and clean versions of proposed amended Policy 1

Peninsula Clean Energy Authority 2023 Policy Platform

Overview and Purpose

Peninsula Clean Energy Authority's Policy Platform (Platform) serves as a guide to the Peninsula Clean Energy Board of Directors (Board) and Peninsula Clean Energy Staff (Staff) in their advocacy efforts and engagement on policy matters of interest to Peninsula Clean Energy.

The Platform provides a framework and guidance that allows both Board members and Staff to pursue and engage in legislative, regulatory, and administrative actions at the local, regional, state, and federal levels in a consistent manner and with the understanding that they are pursuing and engaging in actions in the best interest of Peninsula Clean Energy and its mission, its member agencies, and its customers.

The Platform also enables Peninsula Clean Energy to move swiftly to raise and respond to issues before the federal and state Legislative and Executive Branch agencies including the California Public Utilities Commission, the California Energy Commission, California Independent System Operator, and the California Air Resources Board so that Peninsula Clean Energy's views can be heard on important matters in a timely fashion.

The Platform also provides guidance to Peninsula Clean Energy's Chief Executive Officer on support or oppose positions that should be taken on legislative matters identified by the Staff regulatory lead, the Staff legislative lead, and the California Community Choice Association (CalCCA) Board of Directors.

The Platform will be reviewed and updated annually and presented to the Board for consideration at its January Board meeting.

I. Governance and Authority

a. Oppose policies that limit the local decision-making authority for Community Choice Aggregators (CCAs), including rate-setting authority and procurement of energy and capacity to serve their customers.
b. Oppose policies that limit Peninsula Clean Energy's ability to effectively serve its customers.
c. Support policies that make it easier for cities and counties to form a CCA, become members of Peninsula Clean Energy or other CCAs, and oppose policies that restrict that ability.
d. Support policies that level the playing field and improve access of CCAs within state programs, including permitting CCAs to elect to administer funding overseen by state agencies.
e. Support policies that encourage and expand public access to Peninsula Clean Energy meetings and enhance the attendance and participation of Peninsula Clean Energy's Directors at Peninsula Clean Energy meetings.

II. Decarbonization

a. Advocate for and support policy efforts to accelerate decarbonization of the energy sector, transportation, and the built environment.
b. Advocate for and support the abolishment of ratepayer or taxpayer funded subsidies for fossil fuel production, distribution, equipment installation, and usage and oppose marginally greening fossil fuel supplies such as adding hydrogen in the methane gas system.
c. Advocate for and support policies to support and expand access to transportation electrification and building electrification, including funding for said electrification.

d. Support policies that incorporate the social costs of carbon.
e. Advocate for and support efforts to ensure flexibility in state and IOU program design so that local data and local needs directly inform program offerings.
f. Advocate for and support legislative and regulatory efforts to provide incentives, including financial support, that enable and support underserved communities in achieving decarbonization.
g. Support and advocate for policies to expand affordable customer financing options, such as tariff on-bill financing and credit enhancements, that promote the decarbonization and electrification of buildings. Support efforts to improve, streamline, expedite, and provide more cost-efficient electrical capacity upgrades for customers electrifying building and transportation uses.

III. IOU Charges and Exit Fees (Power Charge Indifference Adjustment (PCIA))

a. Support efforts to ensure energy affordability and equity in customer rates.
b. Support efforts that seek to eliminate exit fees including the PCIA or wind down exit fees within a reasonable time frame.
c. Support efforts to minimize the cost of the PCIA generally and minimize its impact on Peninsula Clean Energy's rates.
d. Support efforts, including CalCCA's efforts, to increase the transparency of IOU electricity contracts that provide the basis for PCIA charges.
e. Support policies that would bring stability to the PCIA and/or provide new mechanisms for CCAs to securitize PCIA charges.
f. Oppose policies that would increase or expand exit fees and regressive fees on CCA customers.
g. Advocate for policies that do not penalize ratepayers for taking service from a CCA over another load-serving entity (LSE).

IV. Power Procurement & Grid Reliability

a. Oppose policies that would supplant or reduce CCAs' procurement authority.
b. Support reform of the CPUC resource adequacy program to allow for stability in the resource adequacy value of existing resources
c. Support policies that advance and accelerate the delivery of carbon free and renewable energy on a 24/7 basis.
d. Support policies that value the resource adequacy contribution of solar, wind and storage resources.
e. Oppose unreasonable fixed charges and support measures that make solar affordable and decrease customer's bills.
f. Advocate for and support efforts to remove barriers to demand response, microgrids and behind the meter resources to provide Resource Adequacy.
g. Support policies that help proliferate Long Duration Energy Storage, including adequate planning for variation in weather patterns.

V. Environmental Justice & Affordability

a. Support rate designs that lower customer costs and improve the economics of decarbonization.

b. Support policies that improve the ability of underserved communities in the Peninsula Clean Energy service territory to have affordable, reliable, and clean energy.
c. Support policies that strengthen the resilience of vulnerable communities to the impacts of climate change.
d. Support policies that enable all communities, including emerging and historically marginalized communities in California, to participate in and benefit from decarbonization efforts.

VI. Community Resilience

a. Advocate for and support funding for programs implemented by CCAs and their member jurisdictions to increase community resilience to wildfires, PSPS events, other potential service disruptions, and climate change impacts.
b. Support policies that reduce barriers to microgrid development by CCAs.
c. Oppose policies that would enable IOUs to be the sole developer of microgrids.
d. Support policies that increase development of community-level resources and distributed energy resources that improve resilience and reduce the need for new transmission and distribution infrastructure, including expansion of rooftop and community solar.

VII. Local Economic Development

a. Support policies that are consistent with and oppose policies that are not consistent with Peninsula Clean Energy's commitment to a sustainable workforce.
b. Support policies that enhance opportunities for CCAs to promote local economic development through locally designed programs that meet the unique needs of their member agencies, communities, and customers.
c. Support policies that assist transitioning workforces and new workforce development into clean energy fields.
d. Support efforts to enhance the development of local and regional sources of renewable energy, including but not limited to solar, wind, offshore wind, small hydro, and geothermal energy.
e. Support policies that enable CCAs to collaborate with their member jurisdictions on local energy resources and projects to advance environmental objectives.
f. Advocate for and support efforts to direct federal economic stimulus/recovery funding to CCAs to deliver local energy resources and projects, as appropriate.

VIII. California Energy Market Structure

a. Oppose policies that expand direct access or the ability or economic incentives for electric service providers to selectively recruit CCA or IOU customers.
b. Support policies that would create renewable content and environmental standards for electric service providers to match the products offered by CCAs.
c. Support policies that change California's market structures towards innovative models that reduce costs of energy service and supports the expansion of carbon-free resources.
d. Support policies that fully value distributed energy resources .
e. Support policies that provide flexibility in renewable energy tracking systems and modernize tracking system technology.
f. Support policies that allow for more timely availability of load data to CCAs.
g. Support policies to streamline regulatory reporting and reduce duplicative reporting requests.

Peninsula Clean Energy Authority 2023 Policy Platform

Overview and Purpose

Peninsula Clean Energy Authority's Policy Platform (Platform) serves as a guide to the Peninsula Clean Energy Board of Directors (Board) and Peninsula Clean Energy S~~s~~taff (Staff) in their advocacy efforts and engagement on policy matters of interest to Peninsula Clean Energy.

The Platform provides a framework and guidance that allows both Board members and S~~s~~taff to pursue and engage in legislative, regulatory, and administrative actions at the local, regional, state, and federal levels in a consistent manner and with the understanding that they are pursuing and engaging in actions in the best interest of Peninsula Clean Energy ~~the organization~~ and its mission, its member agencies, and its customers.

The Platform also enables Peninsula Clean Energy~~the organization~~ to move swiftly to raise and respond to issues before the federal and state Legislative and Executive Branch agencies including the California Public Utilities Commission, the California Energy Commission, California Independent System Operator, and the California Air Resources Board so that Peninsula Clean Energy's views can be heard on important matters in a timely fashion.

The Platform also provides guidance to Peninsula Clean Energy's Chief Executive Officer on support or oppose positions that should be taken on legislative matters identified by the S~~s~~taff regulatory lead, the ~~s~~Staff legislative lead, and the California Community Choice Association (CalCCA) Board of Directors.

The ~~policy~~ P~~p~~latform will be reviewed and updated annually and presented to the Board for consideration at its January Board meeting.

I. Governance and Authority

a. Oppose policies that limit the local decision-making authority for Community Choice Aggregators (CCAs), including rate-setting authority and procurement of energy and capacity to serve their customers.
b. Oppose policies that limit Peninsula Clean Energy's ability to effectively serve its customers.
c. Support policies that make it easier for cities and counties to form a CCA, become members of Peninsula Clean Energy or other CCAs, and oppose policies that restrict that ability.
d. Support policies that level the playing field and improve access of CCAs within state programs, including permitting CCAs to elect to administer funding overseen by state agencies.
e. Support policies that encourage and expand public access to Peninsula Clean Energy meetings and enhance the attendance and participation of Peninsula Clean Energy's Directors at Peninsula Clean Energy meetings.

II. Decarbonization

a. Advocate for and support policy efforts to accelerate decarbonization of the energy sector, transportation, and the built environment.
b. Advocate for and support the abolishment of ratepayer or taxpayer funded subsidies for fossil fuel production, distribution, equipment installation, and usage~~use and fossil fuel-fired equipment~~ and oppose marginally greening fossil fuel supplies such as adding hydrogen in the methane gas system.

c. Advocate for and support policies to support and expand access to transportation electrification and building electrification, including funding for said electrification.
d. Support policies that incorporate the social costs of carbon.
e. Advocate for and support efforts to ensure flexibility in state and IOU program design so that local data and local needs directly inform program offerings.
~~f. Support state funding for electric vehicle infrastructure grant programs and for CCA participation in said grant programs.~~
~~g. Support policy efforts to incentivize the delivery of carbon-free and renewable energy on a 24-7 basis.~~
~~h.~~f. Advocate for and support legislative and regulatory efforts to provide incentives, including financial support, that enable and support underserved communities in achieving decarbonization.
~~i.~~g. Support and advocate for policies to expand affordable customer financing options, such as tariff on-bill financing and credit enhancements, that promote the decarbonization and electrification of buildings.
~~j.~~h. Support efforts to improve, streamline, expedite, and provide more cost-efficient electrical capacity upgrades for customers electrifying building and transportation uses.

III. IOU Charges and Exit Fees (Power Charge Indifference Adjustment (PCIA))

a. Support efforts to ensure energy affordability and equity in customer rates.
b. Support efforts that seek to eliminate exit fees including the PCIA or wind down exit fees within a reasonable time frame.
c. Support efforts to minimize the cost of the PCIA generally and minimize its impact on Peninsula Clean Energy's rates.
d. Support efforts, including CalCCA's efforts, to increase the transparency of IOU electricity contracts that provide the basis for PCIA charges.
e. Support policies that would bring stability to the PCIA and/or provide new mechanisms for CCAs to securitize PCIA charges.
f. Oppose policies that would increase or expand exit fees and regressive fees on CCA customers.
g. Advocate for policies that do not penalize ratepayers for taking service from a CCA over another load-serving entity (LSE).

IV. Power Procurement & Grid Reliability

~~a. Support legislation sponsored by CalCCA to implement the recommendations from Working Group 3 via statute.~~
~~b.~~a. Oppose policies that would supplant or reduce CCAs' procurement authority.
~~c.~~b. Support reform of the CPUC resource adequacy program to allow for stability in the resource adequacy value of existing resources
~~d.~~c. Support policies that advance and accelerate the delivery of carbon free and renewable energy on a 24/7 basis.
~~e.~~d. Support policies that value the resource adequacy contribution of solar, wind and storage resources.
~~f.~~e. Oppose unreasonable fixed charges and support measures that make solar affordable and decrease customer's bills.

f. Advocate for and support efforts to remove barriers to demand response, microgrids and behind the meter resources to provide Resource Adequacy.

g. Support policies that help proliferate Long Duration Energy Storage, including adequate planning for variation in weather patterns.

V. Environmental Justice & Affordability

a. Support rate designs that lower customer costs and improve the economics of decarbonization.

~~a.~~b. Support policies that improve the ability of underserved communities in the Peninsula Clean Energy service territory to have affordable, reliable, and clean energy.

~~b.~~c. Support policies that strengthen the resilience of vulnerable communities to the impacts of climate change.

~~c.~~d. Support policies that enable all communities, including emerging and historically marginalized communities in California, to participate in and benefit from decarbonization efforts.

VI. Community Resilience

a. Advocate for and support funding for programs implemented by CCAs and their member jurisdictions to increase community resilience to wildfires, PSPS events, other potential service disruptions, and climate change impacts.

b. Support policies that reduce barriers to microgrid development by CCAs.

c. Oppose policies that would enable IOUs to be the sole developer of microgrids.

d. Support policies that increase development of community-level resources and distributed energy resources that improve resilience and reduce the need for new transmission and distribution infrastructure, including expansion of rooftop and community solar.

VII. Local Economic Development

a. Support policies that are consistent with and oppose policies that are not consistent with Peninsula Clean Energy's commitment to a sustainable workforce.

b. Support policies that enhance opportunities for CCAs to promote local economic development through locally designed programs that meet the unique needs of their member agencies, communities, and customers.

~~b.~~c. Support policies that assist transitioning workforces and new workforce development into clean energy fields.

~~c.~~d. Support efforts to enhance the development of local and regional sources of renewable energy, including but not limited to solar, wind, offshore wind, small hydro, and geothermal energy.

~~d.~~e. Support policies that enable CCAs to collaborate with their member jurisdictions on local energy resources and projects to advance environmental objectives.

~~e.~~ Advocate for and support efforts to direct federal economic stimulus/recovery funding to CCAs to deliver local energy resources and projects, as appropriate.

f. ~~Support policies that increase development of community-level energy resources and DERs, driving local energy resilience, and allow these resources to compete directly with grid infrastructure projects.~~

VIII. California Energy Market Structure

a. Oppose policies that expand direct access or the ability or economic incentives for electric service providers to selectively recruit CCA or IOU customers.
b. Support policies that would create renewable content and environmental standards for electric service providers to match the products offered by CCAs.
c. Support policies that change California's market structures towards innovative models that reduce costs of energy service and supports the expansion of carbon-free resources.
d. Support policies that fully value ~~the energy products~~ distributed energy resources ~~can provide, in a manner that is at least at parody with the value streams afforded to wholesale energy resources. This includes~~ ~~including energy products they can provide and the complete range of benefits~~ ~~DERs~~ ~~which they can provide to the grid~~.
e. Support policies that provide flexibility in renewable energy tracking systems and modernize tracking system technology.
f. Support policies that allow for more timely availability of load data to CCAs.
~~g.~~ Support policies to streamline regulatory reporting and reduce duplicative reporting requests.
~~g.~~

Item No. 14

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: Jan 10, 2023
BOARD MEETING DATE: Jan 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Yes

TO: Honorable Peninsula Clean Energy Authority Executive Committee

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

SUBJECT: Approve Resolutions:
1. Delegating Authority to Chief Executive Officer to Execute Engineering, Procurement, and Construction (EPC) Contract with Intermountain Electric Company in an amount not to exceed $10,000,000 for the deployment of solar and solar + storage systems

2. Delegating Authority to Chief Executive Officer to Execute Power Purchase Agreements (PPAs) with Participating Jurisdictions (Buyers) for a term of 20 years to sell the energy generated by these systems with revenues expected to fully offset cost of EPC Contract over the PPA term

RECOMMENDATION

Recommend to the Board delegate Authority to the Chief Executive Officer to:
1. Execute Engineering, Procurement, and Construction (EPC) Contract with Intermountain Electric Company in an amount not to exceed $10,00,000 for the deployment of solar and solar + storage systems
2. Execute Power Purchase Agreements (PPAs) with Participating Jurisdictions (Buyers) for a term of 20 years to sell the energy generated by these systems, with revenues expected to fully offset cost of EPC Contract over the PPA term

BACKGROUND

Peninsula Clean Energy's mission is to is to reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions. This mission includes a goal of developing 20 megawatts (MW) of local power in the service territory. To this end, during this last year we have developed a local government solar and storage program which would aggregate purchasing to lower costs of installation and reduce complexity for local governments to install systems.

Solar technology is mature and solar projects can provide bill savings and provide insulation against rising utility rates while providing 100% renewable energy. Furthermore, when paired with an energy storage system, a solar + storage system can be configured to provide backup power in the case of a power outage and potentially to shift solar energy usage from off-peak to peak grid periods.

However, local governments often do not have the available staff time, financial resources, or technical expertise to advance these types of projects. In addition, government facilities generally support only relatively small systems resulting in comparatively higher costs. Recognizing these barriers, the Local Government Solar and Storage Program was developed with the following goals:

1. **Reducing the burden and associated costs for local governments for site identification, evaluation, and design work** by providing up-front technical assistance for these needs using an established solar engineering firm
2. **Reducing equipment, procurement, and contracting costs** by aggregating sites into a larger portfolio for higher volume purchasing and a single-source buyer for the entire portfolio
3. **Reducing financing costs** by leveraging Peninsula Clean Energy's financial strength and non-profit status

In support of these goals, the Board approved on March 24, 2022 the Local Government Solar and Storage Program, recently renamed the Solar and Storage for Public Buildings Program. That authorization included up to $8 million for capital expenses.

In June 2022, Peninsula Clean Energy conducted a Request for Proposals (RFP) for a vendor to engineer, procure, and construct solar and solar + storage systems for 15 facilities at 13 jurisdictions in our territory (the Pilot Portfolio). These systems were designed by McCalmont Engineering, in conjunction with customer and Peninsula Clean Energy staff, pursuant to its contract with Peninsula Clean Energy as authorized by the Board in October 2020.

The Pilot Portfolio is as follows:

Facility	Status	Rooftop PV (kW DC)	Carport PV (kW DC)	Ground Mount PV (kW DC)	Battery (kW)	Battery (kWh)
Atherton Town Hall	Go	113.5	0			
Belmont Police Station	Awaiting City's Decision	29.5	59			
Brisbane Mission Blue Center	Go	11.1			25	155
Colma Community Center	Go	17.2	44		40	415
Hillsborough Public Works Yard	Go	23	39.4			
Los Banos Community Center	Go		162.4			

Los Banos Wastewater Plant	Go			277		
Millbrae Chetcuti Building & Complex	Go	118.5	293			
Millbrae Rec Center	Go	128.3				
Pacifica Community Center	Go	76.7			60	240
Redwood City Fair Oaks Community Center	Awaiting City's Decision	29.5	59		75	300
San Bruno Aquatic Center	Awaiting City's Decision	276.8				
San Carlos Youth Center	Go	29.5				
San Mateo County HSA Building (2500 Middlefield)	Go	125.5				
TOTALS		**979**	**657**	**277**	**200**	**1110**

The San Mateo City Police Building system (170 kW) was removed from the portfolio following notification by the city in December 2022 at its request due the discovery of roof issues requiring extensive repair.

In total we are expecting 1,913 kW of solar and 200kW / 1,110 kWh of battery storage installations at our customer sites. Each jurisdiction owning the above facilities passed resolutions or agreements[1] authorizing participating in this program and gave authority to its respective City Manager or senior executive to execute a Power Purchase Agreement (PPA) with Peninsula Clean Energy if it determines that it will provide the jurisdiction with financial and/or community benefits.

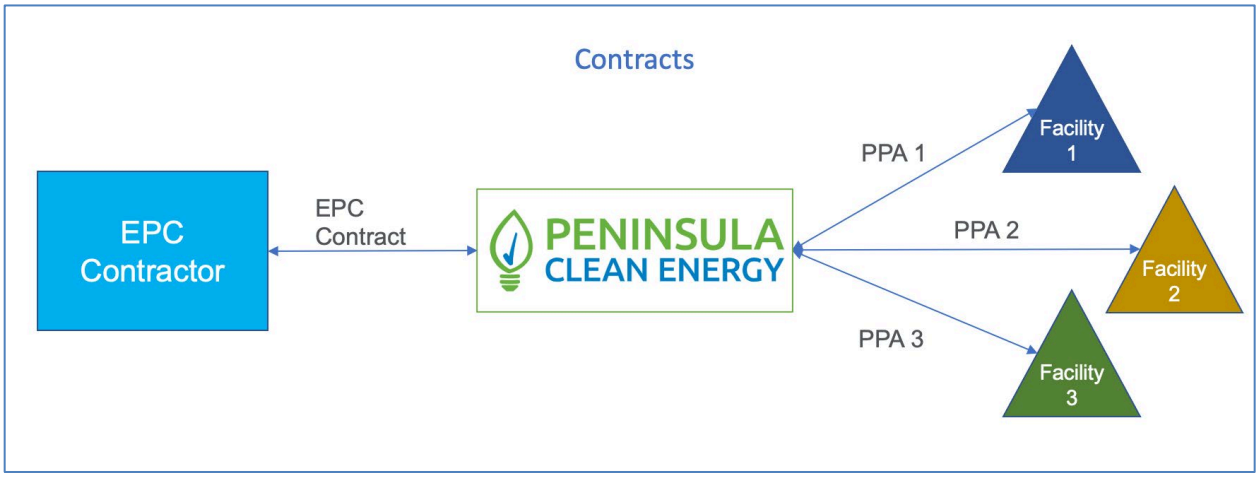
DISCUSSION

The RFP for equipment procurement and installation closed to submissions in August 2022. Staff conducted an evaluation process, ranking proposals on a variety of metrics including price, experience and qualifications, agreement with proposed Peninsula Clean Energy's proposed contract terms, fit, creativity in approach to the project, and compliance with Peninsula Clean Energy's Sustainable Workforce Policy.

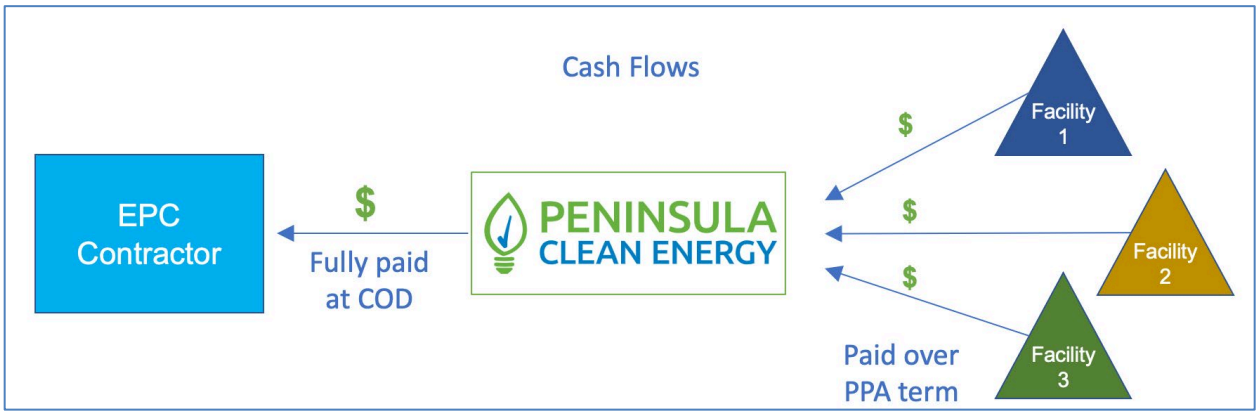
Following the evaluation process and completion of reference checks, staff selected Intermountain Electric Company for a contract award. In addition to the above-mentioned metrics, Intermountain Electric is also headquartered in Peninsula Clean Energy territory (San Carlos) and utilizes union labor. In late August, staff began negotiations with Intermountain Electric on the Engineering, Procurement, and Construction (EPC) Contract that Peninsula Clean Energy had drafted in conjunction with outside legal counsel.

[1] In the case of the County of San Mateo, an Agreement Letter was signed by the County's Executive Officer

In parallel to the EPC contracting process, staff has been working with outside counsel and participating jurisdictions on a Power Purchase Agreement (PPA) between Peninsula Clean Energy (as Seller) and jurisdictions (as Buyer) for the sale of energy generated by the systems over a 20-year term. As such, Peninsula Clean Energy will be executing two separate but related agreements as shown in the diagram below:



The relevant cash flows are similarly depicted below:



The PPA prices for the portfolio have been calculated so that Peninsula Clean Energy will recover its EPC Contract costs and associated expenses over the 20-year terms of the individual PPAs with customers. As such, there is no net cost to Peninsula Clean Energy. However, there is a time difference to the payments, in that Peninsula Clean Energy will owe the full amount to the EPC Contractor at Commercial Operation Date (COD), but will receive money gradually over the next 20 years via the PPAs based on the solar production of the individual systems.

Battery Storage Systems Note: Due to the additional complexities of battery systems and the likelihood that further design work will need to be done to reduce costs, Peninsula Clean Energy will move forward with solar installations at all sites and continue to work on refinement of battery projects in parallel. While solar projects can provide immediate cost savings, battery projects will add a net cost and determining a viable financing

mechanism for final battery designs will be a part of this process as technical design work. Additional value streams from grid services are being explored.

EPC Contract Key Elements

The key elements of the EPC contract include:

- A specified price for rooftop, carport, and ground mount solar systems as specified per designs created by McCalmont Engineering
- A specified price for the battery systems per designs created by McCalmont Engineering
- Milestone-based payment schedule based on meeting specific contract deliverables
- A specified performance guarantee for minimum solar production
- Specified equipment and workmanship warranties
- A specified Operations and Maintenance (O&M) price for operations and maintenance of the systems, inclusive of warranty repair work
- Provisions for managing Change Orders should improvements to designs be determined or changes deemed necessary during final design and installation process, inclusive of provisions for Peninsula Clean Energy to review and approve any changes
- A monitoring system for access by both Peninsula Clean Energy and individual site hosts with information on performance and solar production
- Minimum insurance requirements as advised by Peninsula Clean Energy's insurance broker
- Provisions for adjusting contract amounts should not all jurisdictions move forward with PPAs or should something be discovered prior to equipment installation that would make a project uneconomic or infeasible
- Provisions for adding battery systems at sites where applicable
- Where applicable, terms that match those Peninsula Clean Energy will offer to customers in its PPA contract (e.g. performance guarantee)

The requested approval includes an increase in the maximum contract amount to $10 million compared to the March 2022 estimate. The increase is due to higher than initially estimated equipment costs, particularly for batteries. Thirty percent (30%) of the expended EPC funds are expected to be recouped through available tax credits and the balance of funds will come from customer PPA payments.

Investment Tax Credit and 2022 Inflation Reduction Act (IRA)

The passage of the 2022 federal Inflation Reduction Act (IRA) has changed Peninsula Clean Energy's approach to capturing the federal Investment Tax Credit (ITC). At the March 2022 authorization of this Program, we had expected that a Tax Equity Partner

would be required, as at that time Peninsula Clean Energy would not have been able to capture the ITC directly given its tax-exempt status. However, the IRA provides for eligible tax-exempt agencies to claim the ITC directly ("Direct Pay"). Staff has worked with external counsel expert in federal tax law on due diligence to confirm that Peninsula Clean Energy is expected to qualify.

Staff sees the following key benefits of the Direct Pay option:

- Peninsula Clean Energy could offer cities a lower PPA price because the ITC value would not have to be shared with an external Tax Equity Partner
- A simpler ownership structure, not requiring the agreements with and involvement of an external Tax Equity Partner
- Full control over selection of equipment vendor
- More control over terms of PPA agreement with customers

As such, Peninsula Clean Energy intends to move forward with the Direct Pay option.

Customer PPA Terms and Conditions

In parallel to EPC contract negotiation, staff has been negotiating a PPA with all jurisdictions. This PPA was adapted from Solar Energy Industries Association Solar Power Purchase Agreement (SEIA PPA) version 2.0 for use with commercial & industrial sites. The SEIA PPA was developed through a collaborative stakeholder process and is regarded as being fair to both parties. Changes were made where necessary to reflect the specific needs of Peninsula Clean Energy and this Program.

A draft of the PPA was provided to all jurisdictions in August 2022 and comments were received. A revised PPA that addresses all comments was sent to jurisdictions in November. Most participants have approved the updated PPA and final discussions are in progress with remaining agencies.

The attached version contains terms and conditions. Pricing is being provided to each jurisdiction on an individual basis. In all cases jurisdictions will see economic benefit for the solar portion of the project. The degree of benefit varies by system size, positioning, type of installation and other factors. Savings will grow over time as utility rates rise.

Customer PPA Pricing

Pricing of the PPA is structured to cover installation and ongoing Peninsula Clean Energy costs to operate the program without additional "profit" thereby passing through as much of the financial benefit as possible to customers. A project finance model was developed in coordination with an external consultant expert in solar project finance and PPA pricing was derived for each project in the portfolio. The following are key elements of the model and pricing determination.

Key costs included in PPA price:

- Initial system designs and technical documentation
- Equipment procurement and installation and O&M (EPC Contract costs)

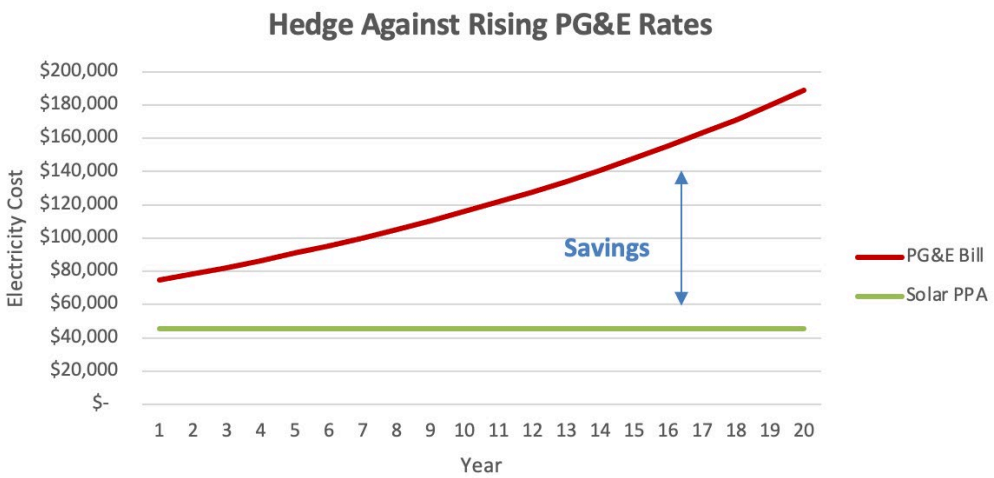
- Direct expenses to PCE
- Insurance and contingency
- Reserve funds for out-of-warranty maintenance & replacements
- System removal costs at end of term (could be refunded if cities decide to purchase systems at end of term)

Key costs not included in PPA price:
- One-time program development costs, including legal fees
- Overhead
- Cost of capital

Site-specific costs are allocated to individual sites, and portfolio level costs are allocated equally to all sites. For example, a site that has carport solar has a higher PPA price than a site with only rooftop solar to reflect the higher costs of carport solar. However, direct staff expenses are allocated equally as they will generally not vary with the specifics of any particular site.

Key elements of the PPA are:
- $/kWh price for energy produced by the system
- 0% escalation over the contract term
- 20-year initial term with option for up to 2 additional 5-year terms or customer buyout at end of initial term
- PPA rate will provide immediate savings in Year 1. Savings increase as utility rates rise but PPA rate does not.
- Performance guarantee (matched to EPC performance guarantee)
- PCE provides O&M

The biggest financial benefit the PPA will provide customers is by locking in an energy rate for 20 years that has no escalation while utility rates are expected to continue to increase. Based on a 5%/year PG&E escalation rate (PG&E is already on record acknowledging this through at least 2026, and there seems little reason to assume grid-related costs will decrease after then), staff has calculated that a number of the sites in the portfolio could see savings over $1,000,000 during the full PPA term, with the bulk of the benefits coming in the latter years of the contract.



Escalation analysis for one portfolio site

As noted earlier, battery system pricing is still in process and further design iteration will likely be required to reduce system sizes and commensurate capital costs. It is expected that battery costs will significantly outweigh the direct financial benefits that can be captured, however staff is working to allocate as much value as possible to batteries. This could potentially enable cities to get batteries at a reduced cost if they agree to allow Peninsula Clean Energy to operate them in times of high grid need.

NEM Tariff Changes and Program Mitigations

As communicated at the March 2022 authorization of this Program, the California Public Utilities Commission (CPUC) was considering and in December 2022 approved a revision to the Net Energy Metering (NEM) tariff that include significant changes. NEM rules determine how solar energy generated "behind the meter" is valued when exported to the grid. The new decision (NEM 3) will result in exported energy receiving less compensation and therefore reducing the savings solar systems will provide.

To mitigate the possibility that NEM changes are enacted prior to completion of the portfolio systems, Peninsula Clean Energy engaged Intermountain Electric Company via a standard consulting contract to submit interconnection applications for all sites in the portfolio based on existing designs. In past NEM tariff changes, systems that had an interconnection application in process were grandfathered under the prior NEM tariff (NEM 2), and this is also the case with the decision on NEM 3.

As of October, 2022, all sites have been submitted to PG&E's interconnection portal and confirmation has been received of their receipt. The process moving forward is that PG&E will review the application and determine if approval can be "fast-tracked" without requiring further study. If further study is required, and PG&E determines that system upgrades are required, it will schedule those upgrades. Most of the time, these upgrades would be at PG&E's expense but there are some situations in which the upgrade costs can be attributed to the applying system. The interconnection process is notoriously a "black box" and unfortunately there is little that can be done other than await PG&E's determinations. However, the submission of the interconnection applications prior to the

deadline noted in the NEM 3 decision will secure each site's grandfathering status under the previous NEM 2 tariff.

Future Program Expansion

Many other public agencies have reached out to Peninsula Clean Energy expressing interest in expanding the program to include their facilities. Staff is currently performing outreach to run a second round of the program and expand participation to all public agencies in our service territory, aiming to deploy more local renewables and achieve greater economies of scale. Updates to the board including a likely technical support contract will come to the Board in the coming months.

Timeline

The expected timeline for the pilot portfolio deployment is as follows:

Date	Project Status
Feb 2023	Execution of EPC contract & execution of all PPAs with cities that are moving forward
Feb – Apr 2023	Iteration with customers on batteries (4 sites) and, if moving forward, addendum to PPA agreement
Feb – May 2023	EPC site walkdowns, design diligence, permit applications
May 2023	Completion of final site design packages, and receipt of required permits
September 2023	Equipment procured and construction started
December 2023	Target completion at all sites

FISCAL IMPACT

Under the EPC agreement, Peninsula Clean Energy would spend an amount not to exceed $10,000,000 for the deployment of solar and solar + storage systems at customer sites of which 30%, or up to $3,000,000 would be received back from the federal government under the Investment Tax Credit.

Under the PPA, Peninsula Clean Energy would expect to receive an amount equal to the EPC contract cost plus other direct project-related costs as described above.

The net financial cost to Peninsula Clean Energy is thus expected to be neutral, however there is a time differential between cash outflows and inflows per below:

Expected year	Cashflow
2022 – early 2023	Outflow of up to $10,000,000 for EPC contract-related work

2023 – 2024	Receipt of up to 30% of the amount spent on EPC contract-related work
2023-2043	Receipt of PPA revenues
2043	Breakeven year (when total cash inflows equal total cash outflows)

ATTACHMENTS

- Engineering, Procurement, and Construction (EPC) Contract draft between Peninsula Clean Energy and Intermountain Electric Company
- Power Purchase Agreement (PPA) template terms and conditions for use with all jurisdictions
- Resolutions

STRATEGIC PLAN

The proposed program supports the following elements of the strategic plan:

- Local Power Sources: Create a minimum of 20 MW of new power sources in San Mateo County by 2025

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

*** * * * * ***

AUTHORIZE CHIEF EXECUTIVE OFFICER TO EXECUTE ENGINEERING, PROCUREMENT, AND CONSTRUCTION (EPC) CONTRACT WITH INTERMOUNTAIN ELECTRIC COMPANY IN AN AMOUNT NOT TO EXCEED $10,00,000 FOR THE DEPLOYMENT OF SOLAR AND SOLAR + STORAGE SYSTEMS AT CUSTOMER PUBLIC FACILITIES

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 new local power 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 solar and storage at public facilities; and

WHEREAS, in support of these goals, the Board approved in October 2022 a contract with a solar design and engineering firm to design solar and solar + energy storage systems at public facilities in its service territory; and

WHEREAS, solar and solar + energy storage systems were designed for a portfolio of ~~15~~ public facilities (the Pilot Portfolio) at ~~13 j~~Participating Jurisdictions in Peninsula Clean Energy territory with corresponding authorization from these jurisdictions' governing bodies to enter into a Power Purchase Agreement (PPA) with Peninsula Clean Energy if the PPA would provide financial and/or community benefits to the jurisdiction; and

WHEREAS, the Board approved in March 2022 the Local Government Solar and Storage Program, recently renamed the Solar and Storage for Public Buildings Program, for the deployment of the Pilot Portfolio and future portfolios of solar and solar + energy storage system at customer sites; and

WHEREAS, in June, 2022, Peninsula Clean Energy conducted a Request for Proposals for a vendor to engineer, procure, and construct solar and solar + storage systems for the Pilot Portfolio and selected Intermountain Electric Company for a contract award based on the relative competitiveness of its proposal's pricing and terms; and

WHEREAS, Peninsula Clean Energy in parallel negotiated Power Purchase Agreements with each of the ~~13 j~~Participating Jurisdictions where the Pilot Portfolio systems will be sited to purchase the energy delivered by those systems over a 20-year term; and

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

agreement with Intermountain Electric Company in an amount not to exceed $10,000,000 in a form approved by the General Counsel.

* * * * * *

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

*** * * * * ***

AUTHORIZE CHIEF EXECUTIVE OFFICER TO EXECUTE POWER PURCHASE AGREEMENTS (PPAS) WITH PARTICIPATING JURISDICTIONS (COUNTERPARTIES) FOR A TERM OF 20 YEARS TO SELL THE ENERGY GENERATED BY SOLAR AND SOLAR + STORAGE SYSTEMS TO BE OWNED BY PENINSULA CLEAN ENERGY AND SITED AT THE COUNTERPARTIES' PUBLIC FACILITIES

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 new local power 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 solar and storage at public facilities; and

WHEREAS, in support of these goals, the Board approved in October 2022 a contract with a solar design and engineering firm to design solar and solar + energy storage systems at public facilities in its service territory; and

WHEREAS, solar and solar + energy storage systems were designed for a portfolio of ~~15~~ public facilities (the Pilot Portfolio) at ~~13 j~~Participating Jurisdictions in Peninsula Clean Energy territory with corresponding authorization from these jurisdictions' governing bodies to enter into a Power Purchase Agreement (PPA) with Peninsula Clean Energy if the PPA would provide financial and/or community benefits to the jurisdiction; and

WHEREAS, the Board approved in March 2022 the Local Government Solar and Storage Program, recently renamed the Solar and Storage for Public Buildings Program, for the deployment of the Pilot Portfolio and future portfolios of solar and solar + energy storage system at customer sites; and

WHEREAS, Peninsula Clean Energy is negotiating and plans to execute an Engineering, Procurement, and Construction (EPC) contract for construction, installation, and maintenance of the Pilot Portfolio solar and solar + storage systems; and

WHEREAS, Peninsula Clean Energy has negotiated Power Purchase Agreements with each of the ~~13~~ Participating ~~j~~Jurisdictions where the Pilot Portfolio systems will be sited to purchase the energy delivered by those systems over a 20-year term.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to finalize and execute the Power Purchase Agreements (PPAs) with Participating Jurisdictions (counterparties) in a form approved by the General Counsel.

* * * * * *

PENINSULA CLEAN ENERGY AUTHORITY
FORM OF MASTER ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT

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PENINSULA CLEAN ENERGY AUTHORITY FORM OF
MASTER ENGINEERING, PROCUREMENT, AND CONSTRUCTION AGREEMENT

This MASTER ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT ("Agreement") is made as of [*month*] [*day*], 2022 ("Effective Date"), by and between Peninsula Clean Energy Authority, a joint powers authority of the State of California whose principal place of business is 2075 Woodside Rd., Redwood City, CA 94061 ("PCE") and [*name of contractor*], a [*jurisdiction*] [*corporate form*], [*CSLB License #*] whose principal place of business is [*address*] ("Contractor"). PCE and Contractor may be referred to herein in the singular as "Party" or jointly as "Parties". Capitalized terms used in this Agreement, unless otherwise defined herein, shall have the meanings assigned to them on Schedule 1 hereto.

RECITALS

WHEREAS, PCE is developing a portfolio (the "Portfolio") of photovoltaic electrical generation systems, battery storage systems and related interconnection facilities (the "Systems") at the project sites more particularly described on Schedule 2 (the "Project Sites");

WHEREAS, PCE worked with third-party photovoltaic electrical generation system design and engineering firm McCalmont Engineering ("McCalmont") to provide the services listed on Schedule 3 hereto (the "McCalmont Services") with respect to the Systems;

WHEREAS, PCE desires to engage Contractor to perform the balance of design and engineering work not otherwise performed by McCalmont with respect to the Systems, and to permit, procure, construct, install, commission, test and interconnect the Systems pursuant to the terms and conditions of this Agreement and the Scope of Work set forth on Exhibit A hereto (the "Work");

WHEREAS, PCE seeks to engage Contractor to perform the operations and maintenance services on the Systems set forth in Exhibit B hereto (the "Operations and Maintenance Services," and collectively with the Work, the "Services");

WHEREAS, PCE seeks to have the Work performed such that the Systems qualify for Pacific Gas & Electric Company ("Utility") net metering 2.0 ("NEM2") tariff; and

WHEREAS, Contractor desires to perform the Services.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 – NOTICE TO PROCEED

1.1 Notice to Proceed. This Agreement is one of several agreements which must become effective prior to commencement of Work on the Systems. Accordingly, neither Party shall have any obligations under this Agreement other than those set forth under Article 15 unless and until PCE issues to Contractor a written notice to proceed with Work on a System, signed by a duly authorized agent of PCE (a "Notice to Proceed"). For the avoidance of doubt, Contractor shall not commence Work with respect to a System until it has received a Notice to Proceed with respect to such System.

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1.2 Portfolio Adjustment Notice. Within three hundred and sixty-five (365) days of the Effective Date, if PCE has not issued a Notice to Proceed with respect to a System, Contractor shall have the right to remove such System from the Portfolio by delivering a written notice (a "Portfolio Adjustment Notice") to PCE. If Contractor issues a Portfolio Adjustment Notice in accordance with this Section 1.2, and if PCE does not issue a Notice to Proceed within ten (10) days of its receipt of such Portfolio Adjustment Notice, Schedule 2 shall be amended to remove such System from the Portfolio and the Parties shall have no further obligations under this Agreement with respect to such System. If PCE issues a Notice to Proceed within ten (10) days of receipt of a Portfolio Adjustment Notice, this Agreement shall take full force and effect with respect to such System and Contractor shall be authorized to proceed with Work with respect to such System.

ARTICLE 2 – THE SERVICES

2.1 Statement of Work. Contractor shall, on a fixed-price turnkey basis for each System: (a) subject to Section 2.2, design and engineer the Systems; (b) furnish and procure all Equipment, materials, supplies, labor, administration and superintendence, tools and materials necessary for the Services; (d) permit, construct, install, start-up, commission, test and interconnect the Systems; and (e) perform all related activities for the successful completion of the Work and the delivery of the Systems pursuant to the Final Plans and in compliance with this Agreement. Contractor shall diligently perform all tasks required or reasonably implied by the definition thereof to be necessary to deliver to PCE completed and fully operational Systems meeting the requirements of this Agreement.

2.2 Design and Engineering Services. Contractor has reviewed the Project Package provided by PCE for each System and hereby confirms that Contractor believes Contractor is able to procure, permit, construct, install, commission, test and interconnect the Systems pursuant to the Project Package and the terms and conditions of this Agreement. Contractor shall review the McCalmont Services as set forth in Schedule 3, as described in the Project Packages and through reasonable additional due diligence of Contractor. Contractor shall be responsible for providing all additional design and engineering services necessary to deliver to PCE completed and fully operational Systems meeting all terms, conditions and covenants of this Agreement including, but not limited to, all warranties. Contractor is responsible for the design and construction of the Project and shall use the design and engineering standards of care applicable to projects or work of similar size, complexity, quality and scope in performing the Work. Contractor shall collect the necessary Project Site information to complete the design and engineering of the Systems. Contractor shall evaluate and provide professional engineering calculations of the existing building structural and roof conditions to validate the integrity of the existing structure and the structural and seismic capacity of the Project Sites to support the Systems. Contractor shall engage a licensed professional engineer to perform the necessary calculations and analysis to ensure that each of the Project Sites are capable of supporting all required Systems. If, in the performance of such review, due diligence or performance of the Work, Contractor reasonably determines that it will need to make changes to the Project Package for a System or repeat elements of the McCalmont Services in order to complete the Services for such System in accordance with Prudent Practices or at the direction of PCE, Contractor shall propose such changes and the Parties shall confer, confirm any such changes with the applicable Project Site Owner and agree in writing to final plans (the "Final Plans"). In such event, Contractor shall be responsible for providing revised detailed design drawings necessary to provide a turnkey installation of the Systems. The Final Plans shall be prepared by a State of California registered licensed Professional Engineer. The Change Order process set forth in Article 3 shall apply to any such changes to the Project Package.

2.3 PCE and Independent Engineer Review. Contractor shall provide construction documents that include, but are not limited to, Project Site plans ("Project Site Plans"), photovoltaic system plans, battery system plans, single line schematics, racking system and equipment layouts with elevations. All

drawings, specifications, plans and other design documents, including, but not limited to the Final Plans ("Plans") shall be submitted to PCE for review, and shall be subject to PCE's written approval. PCE shall provide such review and approval within fifteen (15) Business Days of delivery of such Plans to PCE by Contractor. Any such review and comment by PCE shall not relieve or absolve Contractor from its responsibility under this Agreement or from its liability for any error, fault or inconsistency in the Work. PCE reserves the right to retain at its expense an Independent Engineer to review and approve Plans and all System Documentation. In the event that PCE or a third-party owner of the System, if applicable ("System Owner"), retains an Independent Engineer, the Parties shall agree to a process for submission of Plans and other System Documentation to Independent Engineer in accordance with Prudent Practices.

2.4 Governmental and Utility Authorizations. Contractor shall obtain all Governmental Authorizations necessary for the Services, including, but not limited to, building permits, and shall obtain Utility Approval for the Services, including, but not limited to, entering into an interconnection agreement on behalf of the applicable Project Site Owner and obtaining interconnection approval and permission to operate for each System. Contractor shall pay for all required Governmental Authorizations and Utility Approvals relating to construction, installation and interconnection of the Systems and Contractor's performance of the Services. Without limiting the foregoing, the Parties have entered into a separate agreement fully executed on September 28, 2022 pursuant to which Contractor agreed to submit interconnection applications for the Systems to the Utility on behalf of the Project Site Owners and pay interconnection application fees.

2.5 Construction. Contractor shall construct the Systems according to the requirements of Exhibit A and all other terms and conditions of this Agreement, and shall continuously monitor and review such construction for conformance with this Agreement. Contractor is responsible for installing all Equipment and following all specifications, directions and product installation instructions of manufacturers and suppliers in accordance with Exhibit A. In coordination with Project Site Owners, Contractor shall arrange appropriate storage for all materials and Equipment as agreed with Project Site Owners, provide for all permanent and temporary construction on the Project Sites, and handle, remove and properly dispose of all excess materials. Contractor is responsible for any scaffolding, bracing and shoring used during installation. For the avoidance of doubt, PCE shall have no supervisory authority and no responsibility for the specific working conditions on the Project Sites.

2.6 Project Schedule; Delay Damages. Contractor shall use its best efforts to conduct the Work in a manner and according to a schedule that enables each Project Site Owner to take service under Utility's applicable NEM2 tariff. Contractor shall administer and provide the Work diligently in accordance with the Project Schedule set forth on Attachment A-1 attached to Exhibit A ("Project Schedule"). Time is of the essence in the performance of all Services hereunder. Any change to the Project Schedule for a System shall require a Change Order pursuant to Article 3. If commencement of the installation ("Commencement of Installation") has not occurred for a System within three hundred and sixty-five days (365) after PCE's issuance of a Notice to Proceed for such System (the "Commencement of Installation Deadline"), Contractor shall pay to PCE, as liquidated damages, USD $500] per day for each day after the Commencement of Installation Deadline ("Daily Liquidated Damages"). If Commencement of Installation has not occurred for a System within three hundred and ninety-five (395) days after the date of PCE's issuance of the Notice to Proceed for such System ("NTP") and the power purchase agreement between the applicable Project Site Host and PCE has been terminated as a result of such delay, Contractor shall owe PCE the amount of the "Development Costs" set forth on Schedule 2 for such System, plus any Milestone Payments made by PCE to Contractor with respect to such System, less any Daily Liquidated Damages already paid to PCE for such System. Notwithstanding the foregoing, the dates set forth in this Section shall be extended on a day for day basis to the extent there are delays in payment by PCE, delays caused by PCE or a Project Site Owner or pursuant to the terms and conditions of Section 8.1. In no event shall the payment

of Liquidated Damages excuse Contractor from performance of any of its obligations hereunder. At PCE's option, Liquidated Damages may be set off by PCE from any payments due from PCE to Contractor. The Parties agree that it would be extremely difficult to precisely determine the amount of loss, costs, damages and expenses that would be suffered by PCE solely as a result of a delay described in this section and that Liquidated Damages are a fair and reasonable determination of the amount of such loss, costs, damages and expense which would be suffered by PCE, and that the Liquidated Damages do not constitute a penalty.

2.7 Testing. Contractor shall perform pre-parallel testing and verification required to substantiate that each System installation is complete, safe for Utility interconnection and parallel operation, compliant with Applicable Law and capable of producing electricity sufficient to achieve the performance guarantee set forth in Exhibit B. PCE or its designee shall have the right to review and approve the testing and verification criteria which must be achieved for each System as proposed by Contractor. Contractor shall provide notice to PCE of any scheduled test(s) of installed equipment, and PCE and/or its designees, including but not limited to the Independent Engineer, if so retained, shall have the right to be present at any or all such tests conducted by Contractor, any Subcontractor, and/or manufacturers of the equipment. Contractor shall be responsible for correcting and/or adjusting all deficiencies in the Systems and equipment operations that Contractor supplied and installed that may be observed during testing and verification procedures. The test procedure set forth herein shall be repeated until each System passes the test. Contractor shall document all testing and provide written reports detailing such test results ("Test Reports") for the applicable System to PCE when it delivers the Final Completion Certificate for such System pursuant to Section 5.2(e)(ii).

2.8 Inspection.

(a) Contractor's Inspection. Contractor shall inspect and test all Work as necessary to ensure compliance with all terms and conditions of this Agreement.

(b) Inspections Requested by PCE. Contractor shall, at PCE's reasonable request, conduct any inspection on behalf of and pursuant to PCE's reasonable instructions.

(c) Inspections Performed by PCE or Independent Engineer. PCE and, if applicable, the Independent Engineer or other designee of PCE, shall be permitted to inspect the Services. To the extent reasonably possible, PCE and such designees will perform inspections in such manner as not to delay the Services, and Contractor shall perform the Services in such manner as not to delay inspections unreasonably. Contractor shall give PCE reasonable advance notice of Services requiring inspection by PCE or System Owner, if applicable, pursuant to Prudent Practices. Contractor shall furnish PCE reasonable facilities for its and its designees' safety and convenience in inspecting the Work. If PCE or its designee finds that conditions are unsafe for inspection at a particular location, they may, upon notice to Contractor, decline to inspect in that location until such conditions are corrected. No acceptance of the Services shall be construed to result from such inspection by PCE or its designee. No inspection or test or waiver thereof shall relieve Contractor of its responsibility for meeting the requirements of this Agreement.

(d) Notice of Inspections by Third Parties. If this Agreement or Applicable Law requires any portion of the Services to be inspected, tested or approved, Contractor shall give the PCE timely notice so that it or its designee may observe such inspection, testing or approval.

(e) Costs. Except for inspections by PCE or its designee pursuant to Section 2.8(c), Contractor shall bear all costs of inspections, tests or approvals.

(f) Rejection of Work. PCE shall have the right to reject Services not complying with the requirements of this Agreement. Rejected Services shall be replaced or corrected at Contractor's expense. If PCE reasonably determines it is uneconomic or otherwise undesirable for Contractor to replace or correct such Rejected Services, the System Contract Price shall be reduced by an equitable amount.

2.9 Interconnection. Contractor shall connect the Systems to the electricity distribution system of the Utility and shall assure that the Systems and their connection to the electricity distribution system conform to all applicable requirements of the Utility and all other persons with authority over the Systems and their operation and connection to the electricity distribution system.

2.10 System Electrification Approval. Contractor shall not electrify, turn on or operate any System without the prior, written notice of PCE, other than as required pursuant to the testing or inspection procedures set forth in Sections 2.7 and 2.8. Once Final Completion has been achieved with respect to a System, Contractor shall electrify such System within five (5) Business Days of its receipt of written instructions from PCE requesting such action with respect to such System.

2.11 Operations and Maintenance Services. Following construction of the Systems, Contractor shall also provide Operations and Maintenance Services to PCE as described in Exhibit B and at the rates and terms of compensation described in Exhibit B.

2.12 Labor and Materials. Contractor shall provide and pay for all labor, Equipment, materials, tools, supervision, testing, inspection, and other services as necessary to complete performance of the Work, whether by Contractor or its Subcontractors. The Parties agree to cooperate in good faith to determine whether any Equipment to be procured hereunder will enable PCE, its affiliate, or a tax credit investment entity organized to benefit PCE, to qualify for the additional 10% to the investment tax credits and/or production tax credits set forth in Sections 48, 48E, 45, and/or 45Y of the Internal Revenue Code of 1986, as amended (the "Code") by satisfying the domestic content requirements described in such Code sections, which could result in the transfer of such tax credits, as provided in Code Section 6418, or being able to obtain a direct payment, as provided in Code Section 6417. If the Parties determine that such qualifying Equipment can reasonably be procured within the Contract Price, Contractor shall take commercially reasonable steps to procure such qualifying Equipment.

2.13 Supervision. Contractor shall supervise and direct the Work using its best skill and attention. Contractor shall maintain a full-time supervisor at each Project Site during all time Work is being performed by Contractor or any of its Subcontractors. Contractor shall be solely responsible for all construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Services. Contractor shall have complete responsibility for the Services and for the prevention of injuries to persons and damage to the Services. Contractor shall in no way be relieved of responsibility by any right of PCE, the Independent Engineer, or any other person to give permission or directions relating to any part of the Work, by any such permissions or directions given, or by failure to give such permission or directions. Contractor shall remove from each Project Site any employee or agent of Contractor or any Subcontractor who is incompetent, insubordinate, careless or disorderly. Contractor shall cooperate with any separate contractors of PCE on the Project Sites and coordinate its activities with them.

2.14 Laws and Regulations; Standard of Performance. Contractor shall, and shall cause its agents, employees and Subcontractors to, at all times perform the Services and all obligations under this Agreement (a) in a safe and expeditious manner, (b) in compliance with all Applicable Laws, (c) in accordance with Prudent Practices, rules of PCE and Project Site Owners which Contractor receives in writing and all other requirements of this Agreement, (d) consistent with the requirements applicable to on-site generation, if any, of the Utility; and (e) in compliance with all vendor equipment warranty

requirements that have been provided to Contractor or to which Contractor has access (*e.g.*, via manufacturer's website), maintenance instructions and specifications. In no way limiting the generality of the foregoing, Contractor shall be responsible for and shall ensure that the design, engineering, construction and projected operation of the Systems shall be in full accord with all Applicable Laws, including, without limitation by their specification, all land use, environmental, and health and safety laws and Utility requirements, including, but not limited to, all interconnection and net metering requirements.

2.15 Employment of Licensed and Qualified Personnel. Contractor shall ensure that all personnel, employees, labor, supervision, and Subcontractors of any tier are properly licensed and qualified to perform the Services that they are engaged to perform. All such Services will be performed with the degree of care, skill and responsibility ordinary and customary among such licensed personnel. In no event shall Contractor be relieved of any responsibility for the performance of such Services, and Contractor shall be held to the same degree of responsibility and liability with respect to such Services as the licensed personnel performing such Services. Contractor shall not knowingly permit employment of Persons not skilled or qualified for the tasks assigned to them.

2.16 Workforce Standards.

(a) Contractor shall comply with all Applicable Law pertaining to employment discrimination, prevailing wage, conflict of interest, gifts, and disqualification of former employees. Contractor shall not discriminate against any employee or applicant for employment on the basis of the fact or perception of that person's race, color, religion, ancestry, national origin, age, sex (including pregnancy, childbirth or related medical conditions), legally protected medical condition, family care status, veteran status, sexual orientation, gender identity, transgender status, domestic partner status, marital status, physical or mental disability, or AIDS/HIV status.

(b) The Services contemplated under this procurement include "public works." For all such work funded by this Agreement, the Contractor is required to comply with state prevailing wage law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000, for any "public works" as that term is defined in the statues, including all applicable flowdown provisions. For purposes of complying with prevailing wage laws, the Contractor must comply with the provisions applicable to an awarding body.

(c) Specifically, but not limited to the following, Contractor acknowledges that PCE, its affiliate, or a tax credit investment entity organized to benefit PCE, intends to utilize the maximum amount of investment tax credits and production tax credits available under the Inflation Reduction Act of 2022 (the "IR Act") (which could result in the transfer of such tax credits as provided in Section 6418 of the Code, or could result in obtaining a direct payment as provided in 6417 of the Code), and that in order to do so, Contractor must comply, and hereby agrees to comply, for purposes of this Agreement, with the Wage and Apprenticeship Requirements set forth in Code Sections 45, 45Y, 48, and 48E.

2.17 Title. Title to the Work, Equipment and Systems shall pass to PCE on the date PCE provides Contractor with the Substantial Completion Notification, or, provided PCE has delivered written notice to Contractor requesting such title, upon payment made by PCE with respect to such Work in accordance with this Agreement, whichever is earlier. Contractor warrants that legal title to and ownership of the Work, Equipment and Systems shall be free and clear of any and all Liens when title thereto passes to PCE; provided, that Contractor and its Subcontractors maintain all mechanic's lien or other materialman's lien rights in the event Substantial Completion has occurred but Contractor has not been paid. Contractor shall deliver to PCE such assignments, bills of sale or other documents as reasonably

requested by PCE to evidence such transfer of title. PCE or its designee shall own, and may assign or sell in its sole and absolute discretion, all right, title and interest in all RECs and Incentives associated with or resulting from the development and installation of the Systems or the production, sale, purchase or use of the energy output of the Systems.

2.18 Risk of Loss. Notwithstanding anything herein to the contrary, Contractor shall have the full responsibility for care, custody and control of the Equipment and Systems and shall bear the risk of loss thereof until the earlier of (i) the date PCE provides Contractor with the Substantial Completion Notification, or (ii) the termination of this Agreement, at which time risk of loss shall transfer to PCE. Without limiting the foregoing, Contractor shall provide commercially reasonable security of the Systems, Equipment and all of its and its contractors' and agents' tools during the Work, including, but not limited to securing and locking all Equipment and tool areas at each Project Site prior to the date PCE provides Contractor with the Substantial Completion Notification. Subject to Article 4, if any portion of such loss or damage to the Equipment or Systems occurs following such date, then Contractor shall replace or repair any such loss or damage at the request and sole cost and expense of PCE (unless such loss or damages were caused by Contractor or its Subcontractors, in which case Contractor shall complete the repair or replacement at its expense).

2.19 Damage to Property. Contractor shall be solely responsible for any damage caused to the Project Sites by Contractor or any of its Subcontractors or agents in the course of performing the Services and shall be obligated to reimburse PCE (or, at PCE's direction, Project Site Host) for all costs and expenses incurred in repairing such damage.

2.20 Hazardous Materials; Safety. Contractor shall not bring any Hazardous Material onto a Project Site without first obtaining the written permission of Project Site Owners and PCE. Contractor shall not discharge, store, or dispose of any hazardous wastes on a Project Site. Contractor shall be responsible for all health and safety precautions and measures on the Project Sites, including the number and qualifications of persons on the Project Sites. Contractor shall initiate, maintain and supervise all safety precautions necessary to comply with all applicable provisions of federal, state and local health and safety Applicable Laws and Prudent Practices, including, but not limited to all COVID-19 related safety practices, in order to help prevent illness, injury or death to persons or damage to property on, about or adjacent to the Project Sites. Without limiting the generality of the foregoing, Contractor shall comply with the additional safety requirements set forth on Exhibit A, Attachment A-3 and any Project Site-specific safety requirements providing in writing to Contractor by PCE. PCE shall cooperate and comply with all such measures and shall be responsible for ensuring that each Project Site Owner complies with all such measures. Contractor shall continuously inspect all Work and the Project Sites to discover any conditions which might involve such safety risks and shall be solely responsible for discovery, determination and correction of any such conditions. Contractor shall not be responsible for toxic or hazardous materials that are not brought to a Project Site by Contractor, a Subcontractor or the agents or employees of Contractor or a Subcontractor. PCE shall provide Contractor with any information it receives from a Project Site Owner regarding hazardous materials in the possession, custody, or control of such Project Site Owner. To the extent the presence or discharge of hazardous wastes or hazardous substances is known by Contractor, Contractor shall not worsen such condition as a result of the acts or omissions of Contractor.

2.21 Emergencies. In the event of any emergency endangering life or property, Contractor shall take such action as may be reasonable and necessary to prevent, avoid or mitigate damage, injury or loss and shall report as soon as possible any such incidents, including Contractor's response thereto, via a telephone call to PCE and to the applicable Project Site Owner as soon as possible but, at a minimum, within twenty-four (24) hours of the incident and written notice to PCE promptly thereafter.

2.22 Project Site Disruptions. In exercising its access to each Project Site for the purpose of performing the Services, Contractor shall provide the applicable Project Site Owner with no less than thirty (30) Business Days of advance notice and shall reasonably attempt to minimize any disruption to activities occurring on the Project Sites, including, but not limited to, minimizing any disruption in electric service to the Purchaser. Each Project Site Owner shall have the right to have a representative present at all times during which Contractor is exercising its access to the applicable Project Sites. Notwithstanding the foregoing, Contractor shall comply with any access requirements of the Project Site Owner.

2.23 Clean-Up. Contractor shall, at the end of each day during which it performs Services at a Project Site, keep such Project Site free from waste materials or rubbish caused by its operations. Prior to Final Completion with respect to a System, Contractor shall remove promptly all of its tools, construction/installation equipment, machinery, surplus materials, waste material and Service-related rubbish from and around the applicable Project Site.

2.24 Liens.

(a) Prohibition Against Liens on Project Sites. Contractor shall under no circumstances assert, or permit any of its Subcontractors or agents to assert, a Lien on the property of the Project Site Owners. Contractor shall promptly pay or discharge (and properly record any discharge), any Lien or other charges which, if unpaid, might be or become a Lien on the Project Sites. Contractor shall promptly notify PCE of any Lien or other charges which, if unpaid, might be or become a Lien on any of the Project Sites. Contractor shall indemnify, defend, hold harmless and protect PCE, Project Site Owners and each of their assigns from and against any and all Liens on the Project Sites.

(b) Equipment Liens. Contractor shall promptly pay or discharge (and properly record any discharge), any Lien or other charges which, if unpaid, might be or become a Lien on the Systems or and Equipment, excluding liens caused by PCE's breach of its payment obligations to Contractor pursuant to the terms and conditions of Article 5. Contractor shall indemnify, defend, hold harmless and protect PCE and its assigns from and against any and all improper Liens on the Equipment and Systems pursuant to Article 10. Promptly upon receiving notice that an improper Lien has been filed, Contractor shall notify PCE in writing of the imposition of a Lien and shall commence to take the steps necessary to discharge said claim or lien, including, if necessary, the furnishing of a lien bond. Contractor may seek to contest the amount of validity of any such Lien, provided it timely complies with all procedures for contesting such Lien, posts any bond or other security necessary under such procedures, and if such procedures do not require the posting of security, establishes for the benefit of the PCE and its assigns a deposit, letter of credit or other security acceptable to PCE and the applicable Project Site Owner to indemnify the other them against any loss which could reasonably be expected to arise if such Lien is not removed or discharged.

(c) Failure to Discharge Improper Liens. Upon the failure of Contractor to promptly pay, discharge a lien or provide Lien Security within ten (10) Business Days of its receipt of notice that the Equipment or Project Sites has been improperly liened, PCE may pay or discharge such Lien and immediately invoice Contractor for such amounts or set off such amounts against subsequent amounts due and owing to Contractor. If PCE invoices Contractor for PCE's discharge of an improper Lien, Contractor shall promptly, but in no event more than five (5) Business Days from receipt of the invoice, reimburse PCE.

(d) Waivers and Releases of Liens. Upon PCE's request, Contractor shall tender waivers and releases of Liens relating to the Services from itself and its Subcontractors in a form acceptable to PCE and complying with Applicable Law. To the extent Contractor has not received payment for

Services covered by the waiver and release, the effectiveness of such waiver and release shall be conditioned upon receipt of payment for such Services.

2.25 Books & Records. Contractor shall retain, and shall require all Subcontractors to retain, for a period of two (2) years from the Final Completion Date all records relating to its performance of the Work and for a period of two (2) years from the end of the applicable warranty period all records relating to performance of Contractor's warranty obligations herein.

2.26 System Deliverables. For each System, Contractor shall provide PCE with copies of all building permits and other written Governmental Authorizations, written evidence of Utility Approvals, Test Reports, the System Operations Manual and System Documentation (the "System Deliverables") with the Final Completion Certificate pursuant to Section 5.2(e)(ii). All Project Packages and System Deliverables shall be the sole property of PCE.

2.27 Access to Project Sites. PCE or its designee shall arrange for Contractor to have access to the Project Sites sufficient to enable Contractor's performance of the Work pursuant to the Project Schedule. Contractor shall allow PCE and Project Site Owner at all times complete and unobstructed access to the Project Sites and the Work performed by Contractor hereunder provided that PCE shall (1) not unreasonably impede or unreasonably disrupt Contractor's performance of the Work; and (2) comply with the security and safety procedures set forth in Section 2.20. For the avoidance of doubt, all Equipment, Systems, materials and Work shall be subject to inspection and testing by PCE or its designated representative during normal business hours.

ARTICLE 3 - CHANGE ORDERS

3.1 Changes. Either Party may propose, and, pursuant to Section 3.4, PCE may require, changes in the Services or Equipment necessitated as a result of unforeseen circumstances (each a "Change"). Except as provided in Section 3.4, no Change shall be made to the Services or Equipment unless expressly agreed to in writing by PCE and Contractor pursuant to the terms and conditions of this Article.

3.2 Change Orders. A change order ("Change Order") is a written document in the form of Exhibit C signed by PCE to Contractor and, unless issued by PCE pursuant to Section 3.4, signed by Contractor, which memorializes the Parties' agreement regarding: (1) the Change; (2) the amount, if any, of adjustment to the Contract Price or a System Contract Price; and (3) the extent, if any, of an adjustment to the Project Schedule.

3.3 Emergencies. Notwithstanding Section3.1, if a Change is required due to an emergency creating an imminent threat of serious injury or death to person or significant damage to property, Contractor shall be obligated and authorized to proceed in the absence of an approved Change Order.

3.4 PCE-Directed Change Orders. PCE may direct Contractor to perform Changes which affect, among other things, the Contract Price, a System Contract Price or the Project Schedule (an "PCE-Directed Change Order"). In such an event, Contractor or PCE, as applicable, may be entitled to an equitable adjustment in the Contract Price or Project Schedule if reasonably warranted. Any such direction must be in a written Change Order.

3.5 Draft Change Orders. In the event either Party proposes a Change, or if PCE directs a change pursuant to Section 3.4, Contractor shall prepare a draft Change Order in writing describing the proposed Change, the cause of such Change, an estimate of any increase or decrease in the Contract Price or any System Contract Price resulting from the proposed Change and the basis for such estimate, including,

but not limited to, vendor pricing for the cost of Equipment added or deleted by such Change, and estimated quantities of Equipment and labor added or deleted by such Change. Proposed Changes in costs shall be computed based on Contractor's cost of materials and labor. The draft Change Order shall be accompanied by all detailed supporting documentation from Contractor and any applicable supplier, Subcontractor, or vendor. The draft Change Order shall provide the impacts of such Change on the Project Schedule. Contractor may not request a Change if such Change is based on an occurrence or event which occurred more than thirty (30) days prior to date of Contractor's written request for a Change.

3.6 Changes Which PCE Shall Approve. Notwithstanding Exhibit A, Contractor shall have the right, with the approval of PCE, to change required materials and Equipment and substitute for them other materials and Equipment of equal or better quality capable of satisfying the terms and conditions of this Agreement. When documented as provided in Section 3.5, PCE shall approve such Changes, if:

(a) the Equipment or materials as described in the Scope of Work set forth in Exhibit A and as agreed upon by PCE in writing are or become unavailable, despite the exercise of due diligence by Contractor, prior to the completion of the Work;

(b) the Equipment's or materials' manufacturer or supplier requires the Change and/or substitution of the Equipment or materials originally proposed; or

(c) necessitated by a change in Applicable Law.

For all such Changes described in this Section 3.6, Contractor shall use the Change Order process described in this Article 3.

3.7 Grounds for Dispute. PCE shall have the right to accept or reject any portion of Contractor's draft Change Order, including any of Contractor's proposed adjustments to the Contract Price, the Schedule of Milestone Values or the Project Schedule, as applicable, within fifteen (15) Business Days after receipt of such draft Change Order. If Contractor and PCE cannot agree upon a Change, including but not limited to an equitable adjustment for a Change or Change to the Project Schedule, materials, Equipment or Services, the provisions of Article 12 shall be invoked to resolve the dispute. Contractor shall continue to provide other portions of the Services not affected or impacted by such proposed Change until such time as the dispute relating to the proposed Change is resolved.

3.8 Right to Audit. In the event there is an equitable adjustment to the Contract Price based on time and materials as a result of a Change Order, PCE shall have the right to audit Contractor's books and records to the extent reasonably necessary to verify such equitable adjustment.

3.9 Effect of Approved Change Order. Payment for adjustments to the Contract Price or a System Contract Price resulting from an approved Change Order is due as provided in the relevant Change Order. Upon execution of a Change Order by the Parties, such Change Order and any additional Services and Equipment authorized by said Change Order shall be made part of this Agreement.

ARTICLE 4 - CONTRACTOR'S WARRANTIES

4.1 Contractor's Warranties.

(a) Contractor covenants and warrants that: (1) all Equipment is and will be new, of good quality and warranted by their manufacturers to be free from defects in design, materials and workmanship and will be installed, constructed and accomplished in a good and workmanlike manner and

using skill, care and diligence consistent with all manufacturer's requirements and specifications, design specifications and Prudent Practices; (2) the Work shall be free from defects in design, materials and workmanship; (3) all Services comply with all Applicable Laws, Governmental Authorizations, Utility Approvals, permits, standards and Prudent Practices; and (4) the Systems shall be fit for use by the Project Site Owners as commercial photovoltaic solar electric generation and, as applicable, battery storage systems, and that the Services as set forth in this Agreement will be provided and/or performed, and the Systems will be constructed to be capable of operation, so as to meet or exceed the requirements and performance guarantees of this Agreement. The workmanship warranty described in this Section 4.1 shall survive the termination of this Agreement for a period of (i) of ten (10) years following the Final Completion Date with regard to the Work and (ii) of twenty (20) years following the Final Completion Date with regard to the Operations and Maintenance Services.

(b) Contractor additionally warrants that, during the periods set forth in Section 4.1(a), Contractor shall repair any defective parts or Services at Contractor's own expense, and shall be responsible for all Claims that result from such breach of warranty. Contractor shall not charge PCE for parts and labor costs associated with these warranties, however any expenses for the remedy of defects for malfunctions of part(s) or System(s) other than those covered by Contractor's warranty or the Operations and Maintenance Services shall be paid for by PCE. Claims under this warranty must be filed in writing within ninety (90) days of the termination of the warranty period. Upon receipt of such notice, Contractor shall repair or replace the malfunctioning or nonconforming warranted Services within ten (10) Business Days, subject (as applicable) to replacement part availability. Contractor's failure to remedy a breach of these warranties within thirty (30) Business Days after receipt of notice thereof shall be deemed a material breach of this Agreement. In addition to the rights and remedies provided PCE under this Agreement and under statutory and common law, PCE, at its option and after notice to Contractor, shall have the right to perform the necessary work to remedy such defective parts or Services, and the cost thereof shall be paid by Contractor.

4.2 Limited Roofing Warranty. Contractor provides a limited warranty for all defects in, leaks, or damage caused by, all new roofing penetrations made by Contractor for a period beginning when such roofing penetrations are made by Contractor and ending upon the earlier of (1) five (5) years after Final Completion Date, or (2) the expiration of the warranty applicable to such roof provided by the applicable roofing contractor. Contractor will not warrant any roofing related issues outside of the scope of the Work performed by Contractor, prior roof penetrations, or existing roof conditions. If Contractor has breached the warranty contained in this Section 4.2, Contractor shall remedy such breach in accordance with this Article 4, including repair of the applicable Project Site at Contractor's expense. Contractor shall ensure that its performance of the Work conforms to the roofing Contractor's warranty requirements and shall obtain documentation from the roofing Contractor that the roofing warranty of the Project Site Owner's roof has been maintained.

4.3 Equipment Warranties. In performing the Work, Contractor warrants that it will install all Equipment in such a manner as to not void or otherwise negate any manufacturers' warranty on such Equipment. Contractor shall, on behalf of PCE, register the Equipment installed by Contractor with the applicable manufacturer for warranty purposes and deliver to PCE the warranty documentation. All equipment warranties shall be for the sole benefit of PCE or its assigns. If PCE has a valid claim against an original equipment manufacturer of any of the Equipment ("OEM") pursuant to the OEM's warranties, Contractor shall (1) make such claim on the PCE's behalf and (2) perform the remedial work at no cost to the PCE so long as (i) the PCE allows Contractor to retain any funds paid by the OEM pursuant to such claim and (ii) the OEM (or its successor) is a viable entity and complies with its warranty obligations that Contractor files on PCE's behalf; including payment of labor and equipment costs to Contractor.

4.4 Exceptions/Exclusions from Warranty. Repair of the following items is specifically excluded from Contractor's warranty: any materials that were furnished, constructed, installed, modified, altered, repaired, or attempted to be repaired by anyone other than Contractor, or any person acting at Contractor's direction or under Contractor's control; impacts to the power production of a System caused by shading of the System; PCE or Project Site Owner nonadherence to OEM maintenance requirements or soiling of the Equipment not caused by Contractor; damages resulting from Project Site abuse by PCE, Project Site Owner or any of their employees, agents, invitees, tenants or their invitees; damages due to theft, vandalism, animals, extreme weather, floods, fire or natural disasters, electrical grid malfunctions or acts of God; damages resulting from defective roof installation; normal wear and tear under normal usage; and damages or malfunctioning of monitoring equipment resulting from Project Site Owner's Internet connection.

ARTICLE 5– CONTRACT PRICE AND PAYMENT TERMS

5.1 Contract Price. As full and total consideration to Contractor for performance of the Work for a System, PCE shall pay Contractor the applicable Contract Price for such System set forth Schedule 1 (the "System Contract Price"), according to the terms and conditions of this Article 5 and other terms and conditions of this Agreement. For each System, PCE shall pay to Contractor the percentage as set forth on Exhibit D (the "Schedule of Milestone Values") of the applicable System Contract Price listed on Schedule 2 in accordance with the provisions of this Article 5 and Exhibit D (such payments, the "Milestone Payments").

5.2 Milestones and Milestone Payment Schedule.

(a) Payment Requests. Once Contractor has achieved a milestone with respect to a System, it shall submit to PCE a request in the form attached as Exhibit E ("Payment Request"). Contractor's Payment Request shall certify the completion of the applicable milestone outlined in Exhibit D for such System as of the end of the period covered by the Payment Request. PCE shall review each Payment Request and, subject to Sections 5.2((b) and (f), countersign each Payment Request indicating its approval of the Payment Request, and the amount due pursuant to such Payment Request shall be paid by PCE net thirty (30) Business Days from the delivery of PCE's countersignature to the Payment Request.

(b) Milestone Payment and Portfolio Retention Amounts. A Milestone Payment amount shall equal the percentage of the System Contract Price corresponding to the applicable milestone achieved as indicated in the column headed "Percent of System Contract Price" Exhibit D (the "Milestone Percentage"), less five percent (5%) of the Milestone Percentage of the applicable milestone percentage, if the milestone is achieved by the deadline set forth in [Attachment A-1 to Exhibit A][Exhibit D], or less ten percent (10%) of the Milestone Percentage of the applicable milestone percentage, if the milestone is not achieved by the deadline set forth in [Attachment A-1 to Exhibit A][Exhibit D] (such amount, the "Portfolio Retention Amount"). Once Contractor has achieved the applicable milestone for all Systems within the Portfolio, PCE shall pay Contractor the Portfolio Retention Amount for all Systems.

(c) Lien Waivers. The Payment Request will also be accompanied by all applicable conditional and unconditional executed Lien waivers and releases from the Contractor and each applicable Subcontractor, vendor and supplier that furnished labor, equipment, materials or services with respect to the applicable System during the period covered by the Payment Request. Contractor's conditional waiver and release shall substantially conform to the form of those included in Exhibit J (Form of Conditional Lien Waiver (Contractor)) and Exhibit K (Form of Conditional Lien Waiver (Subcontractor)). Upon each payment by PCE, Contractor shall execute, and cause all such material and equipment vendors, and Subcontractors to execute an unconditional waiver and release of Lien acknowledging receipt of all

payments due through the period covered by the previous Payment Request. Contractor's and Subcontractor's material and equipment vendors' unconditional waivers and releases shall substantially conform to the form of those included as Exhibit L (Form of Unconditional Lien Waiver (Contractor)) and Exhibit M (Form of Unconditional Lien Waiver (Subcontractor)). Contractor shall deliver the executed unconditional Lien releases to PCE within ten (10) days of its next succeeding Payment Request, including the final Payment Request to assure an effective waiver of mechanics' or materialmen's Liens in compliance with the laws of the State of California. PCE's obligation to make payments is expressly conditioned upon the receipt of all such Lien waivers.

(d) Substantial Completion.

(i) Substantial Completion of the Work. With respect to each System, "Substantial Completion" shall mean:

(A) Contractor has completed the engineering, procurement, and construction Services pursuant to the terms and conditions of this Agreement with respect to such System;

(B) The System is in all respects capable of commercial operation as designed;

(C) The System has had all Equipment installed, including the required connections and controls capable of producing electrical power;

(D) All remaining electrical systems have been checked and are ready for operation and the System has passed the System Installation Checklists and Acceptance Tests set forth on Exhibit H;

(E) Testing pursuant to Section 2.7 has been conducted and the System has passed such tests;

(F) Contractor has verified that the System may be initially operated without damage to the Project Sites or any other property and without injury to any Person;

(G) Contractor hereby certifies that Contractor has obtained all Governmental Authorizations and Utility Approvals necessary for the installation and operation of the Systems on or prior to the date on which each such Governmental Authorization or Utility Approval is or was required. Copies of the documentation of any such Governmental Authorizations and Utility Approvals are attached hereto.

(H) The System has been installed in conformance with the terms and conditions of this Agreement; and

(I) Contractor has provided PCE with any printed operations manuals that came with the Equipment.

(ii) Substantial Completion Certificate. When Contractor believes it has achieved Substantial Completion for a System, it shall deliver to PCE an executed Substantial Completion Certificate in the form attached hereto as Exhibit F, certifying the achievement of each of the criteria set forth in Section (d)(i) for such System and each other representation and warranty set forth in the Substantial Completion Certificate. PCE shall notify Contractor within fifteen (15) Business Days in writing whether

it concurs that the conditions to Substantial Completion have been satisfied or which conditions it believes Contractor has failed to satisfy, in which event Contractor shall perform such additional Work to achieve Substantial Completion. Thereafter, Contractor shall have the right to issue another notice of Substantial Completion. The foregoing procedures shall be repeated, if necessary, until PCE has determined that Contractor has achieved Substantial Completion and has provided written notice of such determination to Contractor ("Substantial Completion Notification").

(e) Final Completion.

(i) Final Completion of the Work. "Final Completion" with respect to a System shall mean and will be deemed to have occurred when:

(A) Substantial Completion has occurred;

(B) All requirements imposed by the Utility for testing and interconnection of the System have been satisfied, including having been connected to the Utility's distribution system and such connection has been approved by the Utility through the granting of permission to operate;

(C) Contractor has provided PCE with all documentation required under Section 2.26;

(D) Contractor has provided Project Site Owner personnel a basic training covering safety, key equipment, disconnects, preventative maintenance recommendations, and other information as needed to provide such personnel an appropriate familiarity with the applicable System.

(E) All of Contractor's materials and waste have been removed from the Project Site and properly disposed of in accordance with Section 2.23; and

(F) Contractor has delivered unconditional lien waivers with respect to any Work that could result in a lien on the System or the Project Site pursuant to Section 5.2(c).

(ii) Final Completion Certificate. When Contractor believes it has achieved Final Completion for a System, it shall deliver to PCE an executed Final Completion Certificate in the form attached hereto as Exhibit G, certifying the achievement of each of the criteria of Final Completion with respect to such System and each other representation and warranty set forth in the Final Completion Certificate. PCE shall notify Contractor within fifteen (15) Business Days in writing whether it concurs that the conditions to Final Completion have been satisfied or which conditions it believes Contractor has failed to satisfy, in which event Contractor shall perform such additional Work to achieve Final Completion. Thereafter, Contractor shall have the right to issue another notice of Final Completion. The foregoing procedures shall be repeated, if necessary, until PCE has determined that Contractor has achieved Final Completion and has provided written notice of such determination to Contractor ("Final Completion Notification") which such notification shall include the date on which PCE deems Final Completion to have occurred (the "Final Completion Date"). The full remaining balance of the Contract Price for such System, less the Portfolio Retention Amounts, shall be due net thirty (30) Business Days from the date of the Final Completion Notification.

(f) Disputed Invoices/Late Payments. If PCE disputes any Payment Request, or part thereof, or fails to countersign a Payment Request within thirty(30) Business Days, PCE shall provide to

Contractor a written explanation of the basis for the dispute and the dispute resolution procedures set forth in Article 12 shall be initiated. If any amount disputed by PCE is finally determined to be due to Contractor, either by agreement between the Parties or as a result of dispute resolution pursuant to Article 12, PCE shall be liable for such amount plus interest as designated in Section 5.2(g) to Contractor.

(g) Interest. All amounts not paid when due shall bear interest from the due date at the rate of five percent (5%) per annum (or such other percentage, if lower, as shall not exceed the maximum rate permitted by law).

(h) Setoff Rights. In the event of Claims that PCE reasonably and in good faith believes are subject to indemnification by Contractor pursuant to Section 10.1 of this Agreement, PCE may withhold from a Milestone Payment owed to Contractor the amount of the such Claim that PCE believes in good faith to be subject to indemnification by Contractor ("Setoff Amount"), *provided that* Contractor is paid interest of one percent (1%) per month on any Setoff Amount eventually remitted back to Contractor. PCE shall promptly notify Contractor of its determination to withhold any Setoff Amounts from a Milestone Payment and, in such event, such payment will be reduced by the Setoff Amount.

5.3 Taxes. The Contract Price includes all taxes (including sales, use, excise, ad valorem, service, business, occupation or similar taxes), assessments, duties, tariffs, levies, charges and rates ("Taxes") that are imposed by any Governmental Authority on or with respect to the Work and Contractor, including all income tax imposed on or with respect to the Contractor or Subcontractor, employee benefit taxes (whether imposed on Contractor or Subcontractor), fees for Governmental Authorizations and Utility Approvals for which Contractor is responsible under this Agreement, taxes imposed upon the Work or wages of Contractor's employees, agents and representatives. Any Taxes will be remitted to the appropriate Governmental Authority by Contractor; if PCE pays any such Taxes or fees set forth above on account of Contractor, PCE may at its sole option either invoice Contractor for such amounts or set off such amounts against amounts due and owing under the applicable Addendum.

ARTICLE 6 – RELATIONSHIP BETWEEN THE PARTIES

6.1 Status of Contractor. Contractor shall perform and execute the provisions of this Agreement as an independent contractor to PCE and shall not be an agent, employee, joint venturer, franchisee or Contractor of PCE. Contractor shall be solely responsible for the employment, control and conduct of all persons in its employ, and Contractor shall make all withholdings and payments of all payroll taxes and similar obligations, including income taxes, social security taxes, unemployment taxes and worker's compensation taxes, for each of its employees and salespersons.

6.2 Subcontracts and Subcontractors.

(a) Subject to the limitations set forth herein, Contractor may subcontract all or a portion of the Services to one or more Subcontractors selected by Contractor; provided that, (i) Contractor has provided PCE with written notice that it intends to use a Subcontractor and of the name and contractor license number of such Subcontractor, (ii) PCE has approved of the use of such Subcontractor in writing, and (iii) all such Subcontractors comply with all terms and conditions of this Agreement and shall make the representations and warranties set forth in Article 7 to Contractor.

(b) No contractual relationship shall exist between PCE and any Subcontractor with respect to the Services performed by such Subcontractor. No Subcontractor is intended to be or shall be deemed a third-party beneficiary of this Agreement. No Subcontractor shall bind or purport to bind PCE or excuse Contractor from its performance hereunder or thereunder.

(c) Contractor shall be fully responsible and liable for the works, services, and materials furnished by and the acts, defaults and neglects of any Subcontractor, its agents or employees as fully as if they were Contractor's own or those of Contractor's agents or employees. For avoidance of doubt, a breach by a Subcontractors of any provision of this Agreement shall be considered a breach by Contractor, and PCE may obtain complete relief from Contractor arising out of any breach of this Agreement as a result of such breach without the need to pursue the Subcontractor directly.

(d) Contractor shall only subcontract with Subcontractors that are suitably qualified, experienced and duly licensed to perform the Services as required by Applicable Law and that have posted license bonds as required by Applicable Law.

(e) Contractor shall ensure that any and all warranties or guarantees related to services provided by any Subcontractor are fully assignable and transferrable to PCE.

(f) Contractor shall be responsible for all payments to and claims by Subcontractors relating to this Agreement and the Services performed and Equipment provided hereunder. Contractor shall pay all Subcontractors in accordance with all prompt payment laws.

(g) Contractor shall ensure that each Subcontractor providing any Services under this Agreement shall have executed a formal written agreement prior to providing any such Services containing terms and provisions at least as favorable to PCE as those contained in this Agreement (and Contractor shall provide copies of such agreements to PCE upon request).

(h) Contractor shall cause all Subcontractors to carry and maintain, and to cause any sub-tier subcontractors to carry and maintain, insurance coverage as required of Contractor under this Agreement. PCE, the Project Site Owners and any other person that PCE may request from time to time shall be named as additional insureds on the Subcontractor's liability policies. Contractor shall provide certificates evidencing such coverage to PCE promptly following PCE's request.

(i) Contractor shall require Subcontractors to tender waivers and releases of Liens on the same terms as set forth in Section 2.24 and Section 5.2(c).

(j) Contractor shall not assign a subcontract or its interest therein without obtaining PCE's prior written consent.

(k) PCE shall have the right to revoke its prior approval of a Subcontractor and direct Contractor to replace the Subcontractor if the Subcontractor's performance is materially deficient, good faith doubts exist about the Subcontractor's ability to render future performance because of changes in the Subcontractor's ownership, management, financial condition or otherwise or there have been misrepresentations concerning the Subcontractor.

ARTICLE 7 – REPRESENTATIONS AND WARRANTIES

7.1 Mutual Representations and Warranties. Each of the Parties hereby represents and warrants as follows:

(a) Organization. It is duly organized, validly existing and in good standing under the Applicable Law of the jurisdiction of its organization.

(b) Power and Authority. It has the power to make and carry out this Agreement and to perform its obligations hereunder and all such actions have been duly authorized by all necessary proceedings on its part.

(c) No Conflict. The execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of its organizational documents or any Applicable Law or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected.

(d) Validity and Binding Effect. This Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except to the extent that its enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally or by general principles of equity.

(e) No Bankruptcy. No Event of Bankruptcy has occurred with respect to such Party or any affiliate thereof.

7.2 Additional Contractor Representation and Warranties. Contractor hereby represents, warrants and covenants that, as of the Effective Date and at all times during the performance of Services under this Agreement:

(a) Qualification. Contractor is and will be authorized to do business in the jurisdictions in which it will perform the Services, is and will be in good standing in the State of California and has and will have the lawful power to engage in the business it presently conducts and contemplates conducting.

(b) Licenses. Contractor is and will be duly licensed to perform the Services as required by Applicable Law.

(c) Bonding. Contractor has and will have posted license bonds as required by Applicable Law.

(d) Knowledge and Experience. Contractor has and will have all the required authority, ability, skill, experience and capacity necessary to perform the Services and diligently do so in a timely and professional manner, utilizing sound project management procedures, construction procedures and supervisory procedures, all in accordance with this Agreement, Applicable Law, Governmental Authorizations, Utility Approvals and Prudent Practices. Contractor has the experience and skills necessary to determine, and Contractor has reasonably determined, that Contractor can perform the Services for the Contract Price.

(e) Project Site Conditions. Contractor has and will have inspected the Project Sites and satisfied itself as to the conditions and circumstances affecting the Services that could be reasonably ascertained as of the Effective Date by reviewing reasonably available documentation, including technical information and requirements, the Project Package and local conditions and circumstances.

(f) No Litigation. There is no action, suit, proceeding, or investigation pending or, to Contractor's knowledge, currently threatened against Contractor.

ARTICLE 8 – FORCE MAJEURE

8.1 Force Majeure. Each Party shall be excused from performance and shall not be considered to be in default with respect to any obligation hereunder, except for a Party's obligation to pay money in a timely manner for liabilities incurred hereunder by such Party, if and to the extent that its failure of, or delay in, performance is due to a Force Majeure Event; provided that:

(a) such Party gives the other Party written notice describing the particulars of the Force Majeure Event as soon as is reasonably practicable;

(b) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;

(c) no obligations of the Party that arose before the occurrence of the Force Majeure Event shall be excused as a result of the occurrence of the Force Majeure Event unless the performance of such obligations is impaired by the Force Majeure Event;

(d) the Party uses commercially reasonable efforts to overcome or mitigate the effects of the Force Majeure Event; and

(e) when the Party is able to resume performance of its obligations under this Agreement, such Party shall give the other Party written notice to that effect and shall promptly resume performance hereunder.

As of the Effective Date, to the best knowledge of each Party, such Party can perform its obligations under the Agreement in accordance with its terms, notwithstanding the worldwide COVID-19 pandemic ("COVID Pandemic") that has occurred and is continuing as of the Effective Date.

ARTICLE 9 – INSURANCE

9.1 Contractor's Coverage. Contractor shall purchase and maintain, and shall require that each Subcontractor purchases and maintains, in full force and effect insurance policies as will protect it from all Claims which may arise out of or result from such person's or its employees' and agents' Services whether such Service be provided by itself or by any contractor, subcontractor or agent or by anyone directly or indirectly hired by any of them, or by anyone for whose acts any of them may be liable. At a minimum, such insurance shall be of the types and in the amounts set forth on Schedule 4 hereto and Contractor shall comply with all terms and conditions of Schedule 4 hereto. The insurance coverage and limits required by this Agreement and obtained or maintained by Contractor shall not limit the liabilities or obligations assumed by Contractor in any way.

ARTICLE 10– INDEMNIFICATION

10.1 Indemnification by Contractor. Contractor will hold harmless, indemnify and defend PCE and each Project Site Owner and each of their affiliates, officers, members, partners, directors, agents, employees and assigns (each, a "PCE Indemnitee") from and against any and all Claims and Liens, whether arising at law or in equity, to the extent due or arising from (a) the fraud, negligence or willful misconduct of, or violation of Applicable Laws, Governmental Authorizations or Utility Approvals or breach of this Agreement, in each case by Contractor, (b) the failure of any Equipment and/or System to perform in compliance with manufacturer specifications to the extent that such failure is due to the act or omission of Contractor; (c) the failure of any representation by Contractor contained herein to be true when made; (d)

third-party claims or demands arising under or relating to Contractor's performance or nonperformance under this Agreement, including, without limitation, relating to personal injury (including death), property damage, release or discharge of hazardous wastes or hazardous substances, including, without limitation, to the extent the presence or discharge of hazardous wastes or hazardous substances is known by Contractor and is worsened as a result of the acts or omissions of Contractor, and infringement of intellectual property rights; (e) any failure to timely remove a lien on the Equipment, a System or PCE's or Project Site Owner's property in violation of Section 2.24. References to actions or omissions of "Contractor" in this Section 10.1 shall be deemed to include the actions or omissions of Contractor and Subcontractors and each of their employees and agents. Contractor shall not be required to defend or indemnify an PCE Indemnitee to the extent the Claim or Lien is caused by the PCE Indemnitee's sole negligence or willful misconduct. Where a Claim or Lien is the result of the joint or concurrent negligence of Contractor or any of its Subcontractors, employees or agents and PCE Indemnitees, Contractor's obligation to indemnify shall be only in proportion to its or its Subcontractor's, employee's or agent's percentage of fault.

10.2 Indemnification by PCE. PCE will hold harmless, indemnify and defend Contractor and its affiliates, officers, members, partners, directors, Subcontractors, agents, employees and assigns (each, an "Contractor Indemnitee") from and against any and all Claims and Liens, whether arising at law or in equity, to the extent due or arising from (a) the fraud, gross negligence or willful misconduct of, or violation of laws, Governmental Authorizations or Utility Approvals, or breach of this Agreement, in each case by PCE and (b) the failure of any representation contained herein to be true when made. References to actions or omissions of "PCE" in this Section 10.2 shall be deemed to include the actions or omissions of PCE's officers, members, directors, agents, employees and assigns. Contractor shall not be required to defend or indemnify a Contractor Indemnitee to the extent the Claim or Lien is caused by the Contractor Indemnitee's sole negligence or willful misconduct. Where a Claim or Lien is the result of the joint or concurrent negligence of PCE or any of its Subcontractors, employees or agents and Contractor Indemnitees, PCE's obligation to indemnify shall be only in proportion to its or its affiliates, officers, members, partners, directors, agents, employees, assigns or tenants percentage of fault.

10.3 Obligations of Indemnifying Party. If a Party determines that it is entitled to indemnification under this Article 10, such Party shall promptly notify the other Party in writing of the Claim or Lien, and provide all reasonably necessary or useful information, assistance and authority to settle and/or defend any Claim. In the event of a loss claimed by a third-party, the selection of counsel, the conduct of the defense of any lawsuit, arbitration, or other proceeding, and any settlement shall solely be within the indemnifying Party's control, *provided* that the indemnified Party shall have the right to participate in the defense of such Claim using counsel of its choice, at its expense. No settlement that would impose any costs or expense upon an indemnified Party shall be made without such indemnified Party's prior written consent.

ARTICLE 11 – DEFAULT

11.1 Events of Default. Any of the following occurrences or events, by or against Contractor and by or against PCE, shall constitute a default under this Agreement:

(a) A breach of any of the terms, conditions, representations, warranties, or guarantees set forth in this Agreement which has not been cured by the breaching Party within twenty (20) days following receipt of written notice from the other Party that a breach has occurred;

(b) An Event of Bankruptcy;

(c) A Party assigns or transfers this Agreement or any right or interest herein except as expressly permitted under Section 15.1

11.2 PCE's Rights. In the event that Contractor is in default of this Agreement pursuant to Section 11.1, then PCE may exercise any rights and remedies available to it at law or in equity, including, but not limited to, seeking an order of specific performance or injunctive relief, suspending its or Contractor's performance, and terminating this Agreement for cause, and following termination, PCE may pursue any and all other rights and remedies afforded at law or in equity. Furthermore, PCE may employ any other person, firm or corporation to finish the Services by whatever method PCE may deem expedient and be entitled to recover from Contractor the positive difference between the amount paid to a replacement Contractor to complete the Services in accordance with this Agreement and the remaining portion of the amounts payable to Contractor for Services that it failed to complete under this Agreement, plus any incidental expenses relating to the retention of such replacement Contractor.

11.3 Contractor's Rights. In the event that PCE is in default of this Agreement pursuant to Section 11.1, Contractor may exercise any rights and remedies available to it at law or in equity, including, but not limited to suspending its performance and terminating this Agreement for cause, and, following termination, Contractor may pursue any and all other rights and remedies afforded at law or in equity.. In addition, if PCE fails to pay any amounts due in a timely manner and fails to cure the delay in payment within the fifteen (15) Business Day notice period, unless PCE's delay of payment is expressly permitted by this Agreement under the circumstances then existing, then Contractor may suspend Services and will be entitled to an equitable adjustment to the required timelines in Section 2.6 upon five (5) Business Days' advance written notice.

ARTICLE 12 – DISPUTE RESOLUTION

12.1 Negotiation. The Parties shall negotiate in good faith and attempt to resolve any good faith dispute within thirty (30) days after the date that a Party gives written notice of such dispute to the other Party. In the event that the Parties are unable to reach an agreement within such thirty (30) day period (or such longer period as the Parties may agree) then either Party may initiate mediation in accordance with Section 12.2.

12.2 Mediation. If, after such negotiation, the dispute remains unresolved, either Party may require that a non-binding mediation take place. If neither Party initiates mediation within thirty (30) days of failing to reach agreement pursuant to the procedures set forth in Section 12.1, then the Parties shall resolve the dispute in accordance with this Section 12.2. In such mediation, representatives of the Parties with authority to resolve the dispute shall meet for at least three (3) hours with a mediator whom they choose together. If the Parties are unable to agree on a mediator, then either Party is hereby empowered to request the American Arbitration Association ("AAA") under its Construction Industry Arbitration Rules to appoint a mediator. The mediator's fee and expenses shall be paid one-half by each Party.

12.3 Jurisdiction; Venue. If the Parties are unable to resolve the dispute pursuant to Section 12.1 or Section 12.2, then the Parties agree that jurisdiction and venue in any action brought by either Party pursuant to this Agreement shall exclusively lie in any federal or state court located in San Mateo County, State of California.

12.4 Prevailing Party. The prevailing Party in any legal proceeding related to this Agreement may receive as an award its reasonable attorneys' fees, reasonable expert fees, costs, and expenses, subject to the arbitrator's right to exercise his or her reasonable discretion in making such an award.

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ARTICLE 13– LIMITATION OF LIABILITY

13.1 Limitation of Liability. EXCEPT WITH RESPECT TO (A) EITHER PARTY'S INDEMNITY OBLIGATIONS UNDER THIS CONTRACT OR (B) LIABILITY ARISING OUT OF A PARTY'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT, FRAUD, OR ILLEGAL OR UNLAWFUL ACTS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR CONSEQUENTIAL DAMAGES, LOST PROFIT OR BUSINESS INTERRUPTION DAMAGES, WHETHER BY STATUTE, IN TORT, OR CONTRACT, EXCEPT TO THE EXTENT THAT ANY PAYMENTS REQUIRED TO BE MADE PURSUANT TO THIS AGREEMENT ARE DEEMED TO BE SUCH DAMAGES. This Article 13 shall prevail over any conflicting or inconsistent provisions contained elsewhere in this Agreement.

ARTICLE 14 – TERMINATION

14.1 Termination. This Agreement may be terminated (i) by either Party pursuant to the provisions of Article 11; (ii) by either Party if PCE fails to issue any Notice to Proceed for any System within the Portfolio within three hundred and ninety (390) days of the Effective Date; or (iii) at any time upon mutual written agreement of both Parties. Upon termination, Contractor shall promptly withdraw from each Project Site, remove such materials and any debris or waste generated by Contractor or its Subcontractors and leave each Project Site in a safe condition, consistent with Prudent Practices.

14.2 Effect of Termination due to PCE Default. In the event of termination due to PCE's default, PCE shall pay to Contractor that portion of the Contract Price associated with all payment milestones achieved plus a pro rata portion of the Milestone Payment amounts for payment milestones partially achieved up to the date of Contractor's receipt of notice of termination plus any costs attributable to and incurred in terminating the Work, but in no event shall the total amount exceed the Contract Price. PCE shall pay Contractor all its incremental costs for terminating the Work and leaving the Project Sites in a safe condition.

14.3 Effect of Termination due to Contractor Default. In the event of termination due to Contractor's default, PCE shall pay to Contractor that portion of the Contract Price associated with all payment milestones achieved plus a pro rata portion of the Milestone Payment amounts for payment milestones partially achieved up to the date of Contractor's receipt of notice of termination. In addition to those remedies available to PCE pursuant to Section 11.2, PCE may, at its option, take possession of all Work and Equipment for which PCE has paid Contractor. If PCE makes such an election, Contractor shall assign and transfer to PCE all of Contractor's right, title and interest in Contractor's contracts with its Subcontractors (including all warranties and guarantees thereunder) with respect to Equipment or Systems that have been paid for by PCE.

14.4 Survival. Section 2.24, Section 2.25, Section 2.26, Article 4, Article 5, Article 6, Article 10, Article 11, Article 12, Article 13, Article 14 and Article 15 shall survive the termination or expiration of this Agreement.

ARTICLE 15 – MISCELLANEOUS PROVISIONS

15.1 Assignment. Contractor may not assign or transfer this Agreement or its rights or obligations hereunder, in whole or in part, without the prior written consent of PCE. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto, their successors and assigns. Any purported assignment in violation of this Section 15.1 shall be void *ab initio*.

15.2 Amendments. No change, amendment or modification of this Agreement shall be valid or binding upon the parties hereto unless such change, amendment, or modification shall be in writing and duly executed by both Parties.

15.3 No Waiver. Any failure of PCE or Contractor to enforce any of the provisions of this Agreement or to require at any time performance by PCE or Contractor of any of the provisions hereof during the pendency of this Agreement shall in no way affect the validity of this Agreement, or any part hereof, and shall not be deemed a waiver of the right of PCE or Contractor thereafter to enforce any and each such provision.

15.4 Third-Party Beneficiaries. This Agreement is made and entered into for the sole protection and legal benefit of PCE and Contractor, and no other Person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Agreement. Notwithstanding the foregoing, the Parties acknowledge that the Project Site Owners and their officers, directors, agents, employees and assigns are intended third-party beneficiaries with respect to Article 9 and Article 10 of this Agreement and that such Persons shall have the right to enforce this Agreement in law or in equity directly against Contractor the same as if it were party hereto.

15.5 Entire Agreement. This Agreement (including the Schedules and Exhibits hereto), contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes any and all prior negotiations, contracts, agreements, commitments, and writings with respect thereto. There are no oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Agreement.

15.6 Notice. All written documentation or notices may be transmitted via US Post, private express mail service, electronic mail, or facsimile to the following addresses:

If to PCE:

Peninsula Clean Energy Authority
Attn:
Address: 2075 Woodside Rd., Redwood City, CA 94061
Phone:
Fax:
Email:

If to the Contractor:

[*Name*]
Attn:
Address:
Phone:
Fax:
Email:

Parties may reasonably update the contact information via written notification (email acceptable). All notices shall be effective upon receipt. Each Party shall appoint a single point of contact with sufficient knowledge of the Work and authority to make or seek and obtain approvals of the other Party as required under this Agreement.

15.7 Severability. If any term or provision of this Agreement is determined to be invalid, in conflict with any Applicable Law, void, or otherwise unenforceable, and provided the terms and provisions of the Agreement that are essential to the interests of PCE and the Contractor remain substantially in effect, then the remaining terms and provisions will continue in full force and effect and the offending term or provision will be given the fullest meaning and effect allowed by Applicable Law.

15.8 Performance of Obligations. If an obligation to be performed under this Agreement falls due on a day other than a Business Day, the obligation shall be due on the next Business Day.

15.9 Further Assurances. Contractor and PCE agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, in order to give full effect to this Agreement and to carry out the intent of this Agreement.

15.10 Counterparts. This Agreement and any Addendum may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute but one and the same instrument.

15.11 Confidentiality; Publicity.

(a) Public Announcements. The Parties acknowledge that they each desire to publicize information about the Agreement and the Systems. The Parties therefore agree that each may make independent press releases about entering into this Agreement, the size and location of the Systems, and the identity of the other Party and agree that all press releases must be reviewed and approved by the other Party prior to release, such approval which shall not be unreasonably withheld and which shall occur within two (2) Business Days of receipt of the press release. Additionally, the terms of this Agreement and information about the Systems other than that described in the previous sentence constitutes confidential information and is subject to the remaining provisions of this Section 15.11. Notwithstanding the foregoing, Contractor acknowledges that PCE 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. PCE 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 Contractor prior to any such public disclosure.

(b) Limits on Disclosure of Confidential Information. Neither Party shall disclose the terms or conditions of this Agreement to a third party, other than (i) such Party's officers, directors, Affiliates, subcontractors, vendors, suppliers, employees, potential or actual lenders, potential or actual investors, attorneys, counsel, accountants or advisors who have a need to know such information and have agreed in writing or are bound by a duty of professional responsibility to keep such terms confidential, (ii) public announcements and PCE's board of directors permitted under Section 15.11(a), (iii) 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, or (iv) in order to comply with any Applicable Law, including, but not limited to Cal. Gov. Code section 6250 et seq. In connection with compliance with Applicable Law, each Party shall use reasonable efforts to notify the other Party prior to disclosing the terms and conditions of this Agreement and to prevent or limit such disclosure to the extent allowed under Applicable Law. Notwithstanding anything to the contrary in this Agreement, Contractor further acknowledges that PCE is a public agency subject to the requirements of the California Public Records Act (Cal. Gov. Code section 6250 et seq.).

(c) Enforcement of Confidentiality Provisions. Each Party acknowledges that it may be impossible to measure the damages which may result from a breach of this Section and agrees that the provisions of this Section may be required to be specifically performed and each Party shall have the right to obtain preliminary and permanent injunctive relief to secure specific performance of the terms of this Section. The provisions of this Section shall survive two (2) years after the effective date of any termination of this Agreement.

15.12 Titles and Subtitles. Titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs, schedules, and exhibits shall, unless otherwise provided, refer to sections, paragraphs, schedules, and exhibits hereof and attached hereto, as applicable.

15.13 Construction of Agreement. The terms and provisions of this Agreement represent the result of negotiations between PCE and Contractor, each of which has been represented by counsel of its choosing or has waived it opportunity to such representation after due notice thereof, and neither of which has acted under duress or compulsion of any kind. Accordingly, the terms and provisions of this Agreement shall be interpreted and construed in accordance with their ordinary meanings, and PCE and Contractor each hereby waive, in connection with the interpretation or construction of any ambiguous term or provision of this Agreement, the application of any rule or law to the effect that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed against the Party whose attorney prepared the executed draft or any earlier draft of this Agreement.

15.14 References to Persons. References to any Person shall include such Person, its successors and permitted assigns and transferees.

15.15 Agreements and Laws as Amended. Reference to any agreement (including this Agreement) means such agreement as amended, supplemented or otherwise modified from time-to-time in accordance with the applicable provisions thereof. Reference to any Applicable Law includes any amendment or modification to such Applicable Law and any rules or regulations issued thereunder or any legal requirement enacted in substitution or replacement thereof.

15.16 Time Periods and Time Zone. References to time are references to the time in effect in San Francisco, California. Obligations to be performed within a specific period of time shall be performed no later than 11:59 p.m. on the last day of such time period. Time periods shall be calculated exclusive of the day on which the time period commences. For purposes of example only, a time period consisting of three (3) Business Days which commences on a Tuesday would end at 11:59 p.m. on Friday.

15.17 Governing Law. This Agreement and all agreements under this contract and any disputes arising herefrom shall be governed by, interpreted and enforced in accordance with, the laws of the State of California.

[Signature Page Follows]

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IN WITNESS WHEREOF, the Parties, by their duly authorized officers or representatives, have executed this Agreement as of the Effective Date.

Peninsula Clean Energy Authority:	[Contractor]:
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

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SCHEDULE 1

DEFINITIONS

"AAA" shall have the meaning set forth in Section 12.2.

"Agreement" has the meaning set forth in the preamble.

"Applicable Law" means any applicable constitution, charter, act, statute, law, ordinance, code (including, without limitation national, state and local building, installation, engineering, electrical (including but not limited to current National Electric Code ("NEC") standards) and construction codes and standards, rule, case law, regulation, order, treaty, decree, announcement, Governmental Authorization, Utility tariff or rule, Utility Approval or published practice or any interpretation thereof, or other legislative or administrative action of any Governmental Authority, or specified standards or objective criteria contained in any applicable Governmental Authorization, or a final decree, judgment, or order of a court, or any applicable engineering, construction, or safety regulation or code.

"Business Day" means any day other than a Saturday, Sunday, or a United States of America Federal Reserve Bank holiday.

"Change Order" is defined in Section 3.2.

"Claims" means all claims, judgments, settlements, losses, damages, demands, suits, causes of action, liabilities, fines, penalties, costs and expenses (including, without limitation, court costs, attorney's fees, and other reasonable costs of suit or dispute resolution).

"Commencement of Installation" shall have the meaning set forth in Section 2.6.

"Commencement of Installation Deadline" shall have the meaning set forth in Section 2.6.

"Contract Price" shall mean the sum of the System Contract Prices for each of the Systems specified in Schedule 2 that PCE shall pay Contractor pursuant to Article 5 and the terms and conditions of this Agreement.

"Contractor Indemnitee" shall have the meaning set forth in Section 10.2.

"Daily Liquidated Damages" shall have the meaning set forth in Section 2.6.

"Effective Date" has the meaning set forth in the preamble.

"Equipment" means those components comprising the System and all facilities, systems and ancillary equipment relating thereto (as further described in Exhibit A) to be located on the applicable Project Site, including, but not limited to modules, trackers, inverters, wiring devices, optimizers, conduits, mounting system, racking system, footers, carport structures, monitoring equipment, meters, balance of system and any and all materials and equipment required to construct turnkey, operational solar photovoltaic systems, interconnected to the grid. Equipment shall not include any materials, apparati or tools owned by Contractor or any Subcontractor that are used to complete the Services but are not contemplated under this Agreement to become part of the Systems.

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"Event of Bankruptcy" means the occurrence of any of the following events: (i) the filing by such Person of a voluntary case or the seeking of relief under any chapter of Title 11 of the United States Bankruptcy Code, as now constituted or hereafter amended (the "Bankruptcy Code"), (ii) the making by such Person of a general assignment for the benefit of its creditors, (iii) the admission in writing by such Person of its inability to pay its debts as they mature, (iv) the filing by such Person of an application for, or consent to, the appointment of any receiver or a permanent or interim trustee of such Person or of all or any portion of its property, including the appointment or authorization of a trustee, receiver or agent under Applicable Law or under a contract to take charge of its property for the purposes of enforcing a lien against such property or for the purpose of general administration of such property for the benefit of its creditors, (v) the filing by such Person of a petition seeking a reorganization of its financial affairs or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law or statute, (vi) an involuntary case is commenced against such Person by the filing of a petition under any chapter of Title 11 of the Bankruptcy Code and within ninety (90) calendar days after the filing thereof either the petition is not dismissed or the order for relief is not stayed or dismissed, (vii) an order, judgment or decree is entered appointing a receiver or a permanent or interim trustee of such Person or of all or any portion of its property, including the entry of an order, judgment or decree appointing or authorizing a trustee, receiver or agent to take charge of the property of such Person for the purpose of enforcing a lien against such property or for the purpose of general administration of such property for the benefit of the creditors of such Person, and such order, judgment or decree shall continue unstayed and in effect for a period of sixty (60) calendar days, or (viii) an order, judgment or decree is entered, without the approval or consent of such Person, approving or authorizing the reorganization, insolvency, readjustment of debt, dissolution or liquidation of such Person under any such law or statute, and such order, judgment or decree shall continue unstayed and in effect for a period of sixty (60) calendar days. The foregoing definition of "Event of Bankruptcy" is intended to replace and shall supersede the definition of "Bankruptcy" set forth in Sections 18-101(1) and 18-304 of the Delaware Limited Liability Company Act to the extent a Fund is governed by Delaware law.

"Final Completion" shall have the meaning set forth in Section 5.2(e)(i).

"Final Completion Certificate" means a certificate verifying the achievement of Final Completion with respect to a System, the form of which is attached hereto as Exhibit G.

"Final Completion Date" shall mean the date of Final Completion set forth in the Final Completion Notification as providing in Section 5.2(e)(ii).

"Final Completion Notification" has the meaning set forth in Section 5.2(e)(ii).

"Final Plans" is defined in Section 2.2.

"Force Majeure Event" means any event or circumstance (other than a lack of funds or finances) beyond the control of and without the fault or negligence of a Party that was not known or reasonably foreseeable as of the Effective Date and that prevents such Party from performing despite using commercially reasonable efforts to perform, including, without limitation, acts of God such as fires, floods, lightning, earthquakes, sabotage or destruction by a third party of Equipment, war, riot, acts of a public enemy or other civil disturbance, strikes, walkouts, lockouts or other significant labor disputes.

"Governmental Authority" means any governmental, administrative or municipal authority, including any ministry, department, municipality, instrumentality, agency or commission under direct or indirect control of any city, county, state or Federal government, or governmental entity with jurisdiction

over the applicable Project Sites or Systems or any part of the Services or entity with jurisdiction or approval rights over improvements to the Project Sites.

"Governmental Authorizations" means all permits, consents, decisions, ordinances, licenses, approvals, authorizations, certificates, confirmations or exemptions from, and all applications and notices filed with or required by, any Governmental Authority that are necessary for the performance of the Services or any other obligation of either Party pursuant to this Agreement.

"Incentives" means (i) a payment paid by a utility or state or local Governmental Authority based in whole or in part on the cost or size of the System such as a rebate, (ii) a performance-based incentive paid as a stream of periodic payments by a utility, state or Governmental Authority based on the production of the System, (iii) investment tax credits, production tax credits, and similar tax credits, grants or other tax benefits under federal, state or local law, and (iv) any other attributes, commodity, revenue stream or payment in connection with the System (such as ancillary or capacity revenue), in each case of (i) through (iv) relating to the construction, ownership, use or production of energy from the System, provided that Incentives shall not include RECs.

"Independent Engineer" means a person designated by PCE to inspect and review the Services.

"IR Act" means the Inflation Reduction Act of 2022.

"Lien" means any mortgage, pledge, assessment, security interest, lease, lien, adverse claim, levy, right of retention, charge or other encumbrance of any kind, or any conditional sale contract, title retention contract or other agreement to give effect to any of the foregoing.

"Liquidated Damages" as applied to a System, means the Development Costs plus the Daily Liquidated Damages applicable to such System.

"Milestone Payments" is defined in Section 5.1.

"Milestone Percentage" shall have the meaning set forth in Section 5.2.

"NTP" means the date on which PCE issued the Notice to Proceed for the applicable System.

"OEM" has the meaning set forth in Section 4.3.

"Operations and Maintenance Services" is defined in the recitals.

"Party" or "Parties" has the meaning set forth in the preamble.

"Payment Request" shall mean a payment request provided by Contractor to PCE on the form attached hereto as Exhibit E pursuant to the terms of Section 3.2(a).

"PCE" shall have the meaning set forth in the preamble.

"PCE Indemnitee" shall have the meaning set forth in Section 10.1.

"Person" means any individual, corporation, partnership, joint venture, trust, unincorporated organization, association or Governmental Authority.

"Portfolio Retention Amount" shall have the meaning set forth in Section 5.2.

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"Project Package" means the work product prepared by McCalmont and provided to Contractor by PCE prior to the Effective Date via a shared electronic folder titled "Project Packages." The components of the Project Packages are set forth on Schedule 3 hereto, including the Project Site plan, System capacity, single line diagram, Equipment, structural engineering evaluation, solar electricity production analysis, battery energy storage analysis, if applicable to the Project Site, and Project Site Owner [letter of intent/Site lease option].

"Project Schedule" is defined in Section 2.6.

"Project Site" means the real property on which a Systems is to be installed pursuant to this Agreement, each such site as described on Schedule 2.

"Project Site Plans" is defined in Section 2.3.

"Project Site Owner" means the applicable owner of a Project Site as specified in Schedule 2.

"Prudent Practices" means the practices, methods and acts engaged in or approved by the commercial solar energy industry and, if applicable to the Project Site, battery storage industry, that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that reasonably should have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with Applicable Law, Utility Approvals, reliability, safety, environmental protection, equipment manufacturers' recommendations economy and expedition.

"REC" means a renewable energy credit or certificate under any state renewable portfolio, standard or federal renewable energy standard, voluntary renewable energy credit certified by a non-governmental organization, pollution allowance, carbon credit and any similar environmental allowance or credit and green tag or other reporting right under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program, in each case relating to the construction, ownership, use or production of energy from the System, provided that RECs shall not include Incentives.

"Scope of Work" shall mean the specific scope of Work with respect to a System on a particular Project Site. The Scope of Work for each System is attached hereto under Exhibit A.

"Services" is defined in the recitals.

"Subcontractor" shall mean a person or entity of any tier directly or indirectly engaged by Contractor regarding the performance or provision of the Services or the fulfillment, in whole or in part, of any obligation undertaken by Contractor in connection with this Agreement.

"Substantial Completion" is defined in Section 5.2(d)(ii).

"Substantial Completion Certificate" means a certificate verifying the achievement of Substantial Completion with respect to a System, the form of which is attached hereto as Exhibit F.

"Substantial Completion Notification" is defined in Section 5.2(d)(i).

"System Contract Price" means the total price for an individual System in the Portfolio, as set forth in Schedule 2 hereto.

"System Documentation" means, with respect to each System: (i) a list of all of the components of a System as installed after the Work has been conducted with respect to such System, including manufacturer names, model numbers, serial numbers and number of items installed; (ii) warranty information on all components of the System for which the manufacturer has provided warranty documentation; (iii) Final Plans; (iv) shop drawings; (v) as-built drawings of the System certified as correct by a licensed professional engineer of the jurisdiction in which the System is located; (vi) copies of all Governmental Authorizations, including, but not limited to building permits and inspection reports; (vii) the interconnection agreement with the Utility; (viii) the net metering agreement with the Utility; (ix) documentation of all Utility Approvals; and (x) Operations Manual.

"System Operations Manual" shall mean a manual provided by Contractor for each System in a form reasonably acceptable to PCE describing procedures for the operation of such System, including appropriate safety precautions and limitations, optimum operating conditions, OEM requirements and warranty conditions, maintenance procedures, spare parts lists, instructions, schedules and aids, and all other information necessary, appropriate, or helpful to instruct operator personnel in all phases of operation of the System and to maintain the System in optimum operating condition.

"Taxes" shall have the meaning set forth in Section 5.3 of this Agreement.

"Test Reports" shall have the meaning set forth in Section 2.7.

"Utility Approval" means all required approvals of the Utility, including, but not limited to, interconnection approval, permission to operate, net energy metering agreement and interconnection agreements.

"Work" is defined in the recitals hereto.

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SCHEDULE 2

LIST OF PROJECT SITES

Project Site	Project Site Owner	Project Site Name	Project Site Address	PV System Size (kW DC)	Battery Size, if applicable (kW/kWh)	System Contract Price ($)	Development Costs ($)
A	Town of Atherton	Atherton Town Hall	80 Fair Oaks Ln, Atherton, CA 94027	113.5 rooftop			
B	City of Belmont	Belmont Police Station	1 Twin Pines Ln # 160, Belmont, CA 94002	29.5 rooftop, 59 carport			
C	City of Brisbane Mission Blue Center	Brisbane Mission Blue Center	475 Mission Blue Dr, Brisbane, CA 94005	11.1 rooftop	25/115		
D	Town of Colma	Colma Community Center	1520 Hillside Blvd, Colma, CA 94014	17.2 rooftop, 44 carport	28/415		
E	Town of Hillsborough	Hillsborough Public Works Yard	1320 La Honda Rd, Hillsborough, CA 94010	23 rooftop; 39.4 carport			
G	City of Los Banos	Los Banos Community Center	645 7th St, Los Banos, CA 93635	162.4 carport			
H	City of Los Banos	Los Banos Wastewater Treatment Plant	17963 Henry Miller Ave, Los Banos, CA 93635	277 ground mount			
I	City of Millbrae	Millbrae Chetcuti Building & Complex	450 Poplar Ave, Millbrae, CA 94030	118.5 rooftop; 293 carport			
J	City of Millbrae	Millbrae Recreation Center	477 Lincoln Cir, Millbrae, CA 94030	128.3 rooftop			
K	City of Pacifica	Pacifica Community Center	540 Crespi Dr, Pacifica, CA 94044	76.7			
L	Redwood City	Fair Oaks Community Center	2600 Middlefield Rd, Redwood City, CA 94063	29.5 rooftop; 29 carport	75/300		
M	City of San Bruno	San Bruno Aquatics Center	251 City Park Way, San Bruno, CA 94066	276.8			
N	City of San Carlos	San Carlos Youth Center	1001 Chestnut St, San Carlos, CA 94070	29.5			
O	City of San Mateo	San Mateo Police Building	2500 Middlefield Rd, Redwood City, CA 94063	81.2			
P	County of San Mateo	San Mateo County HAS Building, 2500 Middlefield R.	200 Franklin Pkwy, San Mateo, CA 94403	125.5			

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SCHEDULE 3

MCCALMONT SERVICES

PCE and solar design and engineering services provider McCalmont Engineering ("McCalmont") have done extensive project development work to date by identifying and addressing potential obstacles to deploying the Systems at each Project Site, including the following activities:

- Screened for Project Sites that are in good working order, expected to be operational, and without planned major renovations for at least the next 20 years.
- Conducted Project Site walkthroughs, inspected electrical rooms, existing equipment and capacities, roofs (if accessible), and evaluated potential solar shading issues.
- Developed System designs based on prudent electrical practices and that comply with standard building and fire codes, and have the input and support of personnel of Project Site Owner.
- Conducted solar production estimates of proposed designs utilizing PVsyst.
- Engaged a structural engineer to evaluate each Project Site for its capability to support the proposed System's equipment.
- Obtained formal city council resolutions[1] in support of the installation of each proposed System.
- Engaged with staff of Project Site Owner to understand future planned maintenance that could impact the Systems (such as roof resurfacing) and whether this work could be pulled forward in advance of any deployment

Some components of design and engineering work required for the installation of similar Systems pursuant to Prudent Practices was not completed by McCalmont because it was impractical to complete such tasks until the Contractor selected to construct the Systems was engaged by PCE. Such tasks, include, but are not limited to:

- De-energizing Project Sites and opening switchgear.
- The structural evaluation did not investigate any non-structural items such as, but not limited to, roofing, water-proofing, electrical coordination, fire hazards, egress, etc.
- Determination of necessary interconnection facilities, distribution system, or other upgrades required by the Utility that could materially impact project financials, project timelines, or both
- Submission of Governmental Approval applications.

[1] The San Mateo County Health Services Administration is governed by the San Mateo County Board of Supervisors, rather than a city council. PCE and/or McCalmont have obtained a formal letter from the San Mateo County Board of Supervisors in support of the project located at [___].

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As such, unforeseen obstacles may arise in final project development activities undertaken by the selected Contractor that impact the ability to deploy some Systems as currently designed. If this is the case, PCE will work with the selected Contractor and the Project Site Owner to determine mutually agreeable solutions that enable the installation of the Systems to move forward. PCE retains the right to remove a Project Site from the portfolio of Project Sites listed on Schedule 2 if obstacles identified will cause the Project to be uneconomic or subject to major (greater than 180-day) delays in achieving Final Completion.

The following activities have been completed by McCalmont for all Project Sites to date:

1. Project Site walkthroughs and reviews of physical sites, including suitability for solar and storage systems, existing electrical configurations and interconnection complexity, structural analysis, and analysis of shading issues.

2. For Project Sites with proposed solar + storage systems:

    - An analysis of full load versus critical load backup and, if critical loads, a critical load analysis and, if applicable, respective battery sizing

3. "60% designs", which include solar sizing, layout, site plan, and single line diagram. It is expected that Contractor will complete the remaining 40% of design services.

4. Solar production analyses using PVsyst to provide expected generation potential for each Project Site.

5. Approval by Project Site Owner of proposed design.

6. Utility bill savings estimate utilizing 2019 (pre-COVID) load data and hourly PVsyst solar production estimate.

7. Presentation to respective city councils and obtainment of a formal resolution from councils authorizing their city managers to move forward with System installations at Project Sites if pricing received via PCE's RFO process enables PCE to provide financial and/or community benefits to Project Site Owners. All Project Sites have the engagement and support of their respective city (or county, as applicable) managers.

    - For Project Sites with energy storage, we do not expect net financial savings, and we expect further iteration with Project Site Owners on system sizing will be required following receipt of pricing.

8. Structural assessments by a qualified engineer to confirm suitability of Project Site structure to support proposed System.

9. Confirmation by facility staff of Project Site Owner of no prohibitive roofing/resurfacing or related issues that would materially impact proposed Systems.

Project Packages
Project Packages have been prepared by McCalmont and will be provided by PCE to qualified bidders to serve as Contractor. Project Packages contain the following documentation for each Project Site:

- Brief system description
- Project Site plan with System sizing and layout
- Single line diagram
- Solar production (PVsyst) estimates
- One (1) year of fifteen (15)-minute load data (2019 for most Project Sites to minimize COVID-related, and still presumed temporary, building usage changes)
- Structural engineering report
- Notes of any Project Site-specific considerations

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SCHEDULE 4

CONTRACTOR'S INSURANCE

1. General Conditions

   a. Contractor shall maintain completed operations liability insurance for the Term of the Agreement plus the period of time Contractor may be held legally liable for the Services.

   b. Contractor shall maintain policies of insurance in full force and effect, at all times during the performance of the Services, plus the statute of repose or statute of limitations under Applicable Law.

   c. All of Contractor's and Subcontractor's insurance companies shall have a Best's rating of A-VII or better.

   d. Certificates of insurance indicating that the insurance coverage and conditions set forth in this Agreement have been put in place on Acord Form 25, providing not less than 45-days' notice of cancellation or material alteration except for the reason of non-payment of premium, for which at least 10-days' notice will be provided. In addition, Contractor shall provide PCE with 30 days' prior, written notice in case of cancellation or non-renewal of any of its or its Subcontractors' insurance policies, except 10 days for non-payment of premium. All required endorsements shall be filed with PCE prior to the Effective Date and for a minimum of one year following completion of Contractor's work, or longer if required by the main contract.

   e. If requested by PCE, Contractor shall provide a complete, certified and true copy of any or all of Contractor's or its Subcontractor's insurance policies.

   f. Acceptance of the certificates or endorsements by PCE shall not constitute a waiver of any of Contractor's obligations under the Agreement.

   g. It is Contractor's sole responsibility to require and monitor compliance and appropriate coverage and minimum limits as required herein for any liability coverages for all tiers of Subcontractors. For any coverage required herein where the Contractor shall name PCE and Project Site Owners or others as additional insureds, the Contractor shall require each of its Subcontractors to make such persons additional insureds on such Subcontractors' insurance policies.

   h. If Contractor fails to secure and/or pay the premiums for any of the policies of insurance required herein, or fails to maintain such insurance, PCE may, in addition to any other rights it may have under this Agreement or at law or in equity, terminate the Agreement or secure such policies or policies of insurance for the account of Contractor and charge Contractor for the premiums paid therefor, or withhold the amount thereof from sums otherwise due from PCE to Contractor.

   i. Contractor shall be fully and financially responsible for all premiums, deductibles or self-insured retentions for all insurance policies required under this Agreement.

2. Coverage Forms

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a. Contractor's Commercial General Liability Insurance: shall be written on an industry standard Commercial General Liability Occurrence form (CG 00 01, 12/07) or its equivalent and shall include but not be limited to products/completed operations; premises and operations; blanket contractual; advertising/personal injury; independent contractors. Coverage shall be on an occurrence form with policy limits of not less than:

$1,000,000 Each Occurrence Bodily Injury & Property Damage

$1,000,000 Personal & Advertising Injury

$2,000,000 General Aggregate to apply on a Per Project basis

$2,000,000 Products/Completed Operations Aggregate

Terms and conditions of coverage shall include:

i. Per Project Aggregate (CG 25 03) or equivalent.
ii. No exclusion for subsidence
iii. No exclusion for damage to work performed by Contractors (CG 22 94 or similar).
iv. No exclusion for cross liability for any person / organization.
v. No exclusion for explosion, collapse, underground hazards, and liability assumed under an insured contract (including tort liability of another assumed in a business contract).
vi. No removal or limitation of the "Damage To Your Work" exclusion exception if the damaged work or the work out of which the damage arises was performed on your behalf by a Contractor.
vii. If any work or operations are within fifty feet of any railroad (including any light rail, fixed rail, or other rail systems), Contractor shall obtain Contractual Liability – Railroads Endorsement CG 24 17 or its equivalent.
viii. Professional Liability Exclusion shall include exceptions for Construction Means and Methods (CG22 79 or CG 22 80 or their equivalents)
ix. Deductibles or Self-Insured Retentions shall be made known and acceptability determined at the sole discretion of Contractor.

b. Business Auto Liability Insurance: coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) form CA 00 01, written on an occurrence basis to apply to "any auto" or at a minimum "all owned, hired and non-owned autos", with policy limits of not less than;

$1,000,000 per accident for bodily injury and property damage

i. If applicable, Broadened Pollution for Covered Autos shall apply. This requirement may also be satisfied by providing proof of separate Pollution Liability that includes coverage for transportation exposures.
ii. If any Services occur within fifty feet of any railroad (including any light rail, fixed rail, or other rail systems), Contractor shall obtain Construction Liability – Railroads Endorsement – CA 20 70 or its equivalent.

c. Workers' Compensation and Employers' Liability-Stop Gap Insurance: Contractor and all Subcontractors of every tier shall provide coverage for industrial injury to their employees (or leased employees as applicable) in strict accordance with the provisions of Applicable Law in the

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minimum amounts stated below. Workers' compensation insurance shall be provided in a statutory form on either a state or, where applicable, federal (U.S. Longshore & Harbor Workers Act, Maritime- Jones Act, etc.) basis as required in the applicable jurisdiction. Contractor shall furnish to PCE certificates of such workers compensation insurance, notwithstanding any statutory exemptions. Such Worker's Compensation and Employers' Liability-Stop Gap policies shall have policy limits of not less than:

$1,000,000 Bodily Injury by Accident – Each Accident

$1,000,000 Bodily Injury by Disease – Total Limit

$1,000,000 Bodily Injury by Disease – Each Employee

d. Commercial Umbrella or Excess Liability Insurance over Contractor's primary Commercial General Liability, Business Auto Liability and Employers Liability / Stop Gap: All coverage terms required under the Commercial General Liability, Business Auto Liability and Employers Liability/Stop Gap above must be included on the Umbrella or Excess Liability Insurance. Coverage shall be written on an occurrence form with policy limits not less than:

$10,000,000 Each Occurrence

$10,000,000 Personal & Advertising Injury

$10,000,000 Aggregate (where applicable, following the terms of the underlying)

Crane Services Liability. Should the Services include the use of a crane, Contractor and any Subcontractor providing such crane services shall maintain insurance that, at a minimum, shall provide the following Umbrella / Excess Limits of Liability;

$10,000,000 Each Occurrence

$10,000,000 Personal & Advertising Injury

$10,000,000 Aggregate (where applicable, following the terms of the underlying)

The policy shall include coverage for Rigger's Liability and shall not exclude coverage for damage to property being lifted. If not included in the required limits, Rigger's Liability shall be provided in the limits not less than the maximum value of the property lifted at any one time. PCE will accept a separate Rigger's Liability policy in lieu of Contractors provision of this coverage under its Commercial General Liability policy.

If any Contractor or sub-Contractor maintains Umbrella or Excess limits greater than what is required herein, such limits carried become what we require under this contract.

e. Pollution Liability Insurance: Contractor shall provide evidence of Pollution Liability insurance; specifically including coverage for mold, covering all operations necessary or incidental to the fulfillment of all contract obligations hereunder. Such insurance shall provide coverage for bodily injury, property damage (including loss of use of damaged property or of property that has not been physically injured), clean- up costs and remediation expenses (including costs for investigation, sampling, characterization, and monitoring), legal costs, defense costs, natural resource damage,

transportation of pollutants on and off the project site, and non-owned disposal site liability if the Services include the responsibility of manifesting and disposing of contaminated material or waste from its activities. Coverage shall also extend to pollution conditions arising out of the Contractor's operations including coverage for sudden as well as gradual release arising from Contractor's operations including operations of any of its Contractor's or consultants. Such insurance shall provide coverage for wrongful acts, which may arise from all activities from the first point of Contractor engagement and shall continue on a practice basis for not less than 36 months after completion of the Services, or the period of time Contractor may be held legally liable for its work, whichever is longer. The retroactive date of any such coverage shall be prior to the commencement of Contractor's work.

Such insurance shall be in an amount of $5,000,000 per claim or occurrence and $5,000,000 annual aggregate.

If Contractor maintains Pollution Liability limits greater than what is required under this Agreement, such limits carried become the requirements under this Agreement.

f. Professional Liability and/or Errors & Omissions: Contractor shall provide evidence of Professional Liability insurance covering claims that arise from the actual or alleged errors, omissions or acts of the Contractor or any entity for which the Contractor is legally responsible, for the provision of all professional services necessary or incidental to the fulfillment of all contract obligations under the Agreement.

Such insurance shall be in an amount of not less than $10,000,000 each claim / $10,000,000 aggregate.

If Contractor maintains Professional Liability insurance coverage limits greater than what is required in this Agreement, such limits carried become the requirements under this Agreement what we require under this contract.

The Professional Liability and/or Errors & Omissions policy shall be effective as of the Effective Date. The retroactive date in the current and future policies shall be prior to the commencement of all professional services under this Agreement. Following the completion of the Services, Professional Liability and/or Errors & Omissions coverage shall be maintained for a period not less than 36 months or the period of time Contractor may be held legally liable for its work, (whichever is longer); or an extended reporting period of 36 months following completion of the work shall be purchased.

Coverages shall not include any exclusion or other limitations related to scopes of Services or project type or construction type, or delays in project completion or cost overruns.

g.

Builders' All-Risk Insurance. Contractor shall procure and maintain, at the Contractor's own expense, builders' all-risk and equipment insurance which shall apply to all Systems and Equipment, including Equipment stored off-site, in transit or under the care, custody and control of Contractor or a Subcontractor include appropriate riders for specialty equipment as necessary. Contractor and Contractor's insurance

carrier(s) hereby waive all rights of subrogation against Contractor and Owner for damage including loss of use.

i. PCE neither represents nor assumes responsibility for the adequacy of the builders' all-risk insurance to protect the interests of the Contractor. It shall be the obligation of the Contractor to purchase and maintain any supplementary builders' all-risk insurance that it deems necessary to protect its interest in the Work, including without limitation off site stored materials and materials in transit.

ii. Contractor is solely responsible for loss or damage to its personal property including without limitation; tools, equipment, scaffolding, vehicles, temporary structures or property or materials created or provided under the Subcontract until delivered and accepted or installed at the Project Site. Any insurance provided by Contractor shall include a waiver of subrogation from insurers in favor of Contractor and Owner.

3. Additional Insureds:

Peninsula Clean Energy Authority

Town of Atherton

City of Belmont

City of Brisbane

Town of Colma

Town of Hillsborough

City of Los Banos

City of Millbrae

City of Pacifica

Redwood City

City of San Bruno

City of San Carlos

City of San Mateo

County of San Mateo

Additional Insured / Primary-Non Contributory / Waiver of Subrogation Requirements:

i. To the fullest extent of coverage allowed under Applicable Law, all those persons or entities listed above in this Section 3 of this Schedule 4, shall be named as additional insured on a primary and non-contributory basis for all required lines of insurance coverage under this Agreement except Statutory Workers Compensation and Professional Liability, arising out of "your work" with respect to work performed by or for the Contractor on behalf of the

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Contractor. Contractor shall accept General Liability Additional Insured forms CG 20 10 11/85, CG 20 10 10/01 & CG 20 37 10/01 or their equivalent.

ii. Additional Insured status shall be for all limits carried, not limited to the minimum acceptable as required herein. Contractor's insurance shall be primary with respect to PCE and Project Site Owners , and any other insurance maintained by PCE shall be excess and not contributing insurance with Contractor's insurance.

iii. Additional Insured endorsements that contain comparative fault, vicarious liability or sole negligence limitations of the Contractor, Subcontractor or any other party required by the contract, will not be accepted.

In the event that any insurance policy provided in compliance with this Agreement states that the coverage provided to an additional insured shall be no broader than that required by contract, or words of similar meaning, the Parties agree that nothing in this Agreement is intended to restrict or limit the breadth of coverage or limits available.

iv. The additional insured status shall remain in full force and effect for the Term plus the applicable statute of repose, or the amount of time Contractor is legally liable, whichever is longer.

v. It is further agreed that the additional insured coverage required under this contract shall not be subject to any defense costs endorsements such as Form IL 01 23 11 13 which allow for the recovery of defense costs by the insurer if the insurer initially pays defense costs but later determines the claims are not covered.

vi. Contractor shall provide a waiver of subrogation endorsement naming those listed above in this Section 3 of this Schedule 4 (Additional Insured). for all lines of insurance coverage required under this Agreement.

vii. PCE reserves the right, in its sole and subjective discretion, to reject any Additional Insured forms that are deemed not equivalent to what is required herein.

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EXHIBIT A

PORTFOLIO SCOPE OF WORK

This Exhibit A to that certain Master Engineering, Procurement and Construction Agreement by and between Peninsula Clean Energy Authority, and [*name of contractor*], a [*jurisdiction*] [*corporate form*] dated as of [Effective Date] (the "Agreement") provides additional detail and specification regarding the Services and the Agreement. The scope of Services detailed in this Exhibit A and all attachments thereto shall in no way limit the obligations set forth elsewhere in the Agreement. In the event of a conflict between this Exhibit A and the Agreement, the terms and conditions of the Agreement control. Capitalized terms used in this Exhibit A, unless otherwise defined herein, shall have the meanings assigned to them in the Agreement.

Equipment Specifications

- The solar components of the Systems shall be fixed-axis solar photovoltaic ("PV").
- All Equipment shall be UL-listed and NEMA-certified wherever such standards are applicable.
- Solar panels shall be Tier 1, of Maxeon make, or modules of equivalent quality and warranty terms approved in writing by PCE or the Independent Engineer.
- Inverters shall be of Solaredge make-or inverters of equivalent quality and warranty terms approved in writing by PCE with integrated fleet monitoring capabilities.
- Batteries shall be of Lithion-ion or Lithium Iron Phosphate technology or batteries of equivalent quality and warranty terms approved in writing by PCE.
- PV panel mounting systems shall and shall limit roof and other surface penetrations to minimize damage to Project Site structures and improvements and shall not void existing roof warranties, if such warranties are in force.
- Each meter installed under the Agreement shall be revenue grade and shall meet all ANSI-C12 standards.
- Each carport PV structure shall provide a maximum clearance of 13' 6" at the lowest point from the applicable parking surface.
- Carport structures shall be provided with CA Title 24 compliant parking lot lighting
- Geotech reports for carport sites will be provided to help mitigate any potential spread footing issues.

Contractor shall propose all Equipment, materials, means, and methods to PCE and McCalmont in advance of purchases. PCE's written approval shall be required for all Substantial Equipment used in the Services. PCE may delegate approval of Substantial Equipment to its Independent Engineer

1. **Installation**

a. Contractor shall be entirely responsible to bear all costs necessary provide a turnkey Systems as contemplated herein including permits, design, engineering, procurement, installation, testing and commissioning of the Systems.
b. Contractor to provide project management, scheduling, oversight, quality control procedures associated with its scope throughout Project duration.
c. Contractor to provided written weekly construction updates.
d. Contractor shall furnish and install PV racking, PV panels, PV inverters, conduit, wire, grounding and monitoring equipment.

e. The Contractor is responsible for all handling of Equipment including material unloading, lifting, storage and mobilizing as required to complete the Services. Contractor shall coordinate Equipment delivery according the Project Schedule.
f. Any defective or damaged solar panels not returned to manufacturer and needing disposal will be recycled.
g. All temporary rest rooms, power, and potable drinking water for the site are the responsibility of Contractor.
h. All temporary fencing, barricades, secured containers, and other forms of protection as required to protect personnel, general public and all equipment from injury or damage during construction will be the responsibility of Contractor.
i. Contractor shall design and install all necessary footings and piers. Contractor shall perform all potholing, utility locating, trenching, trench repair and directional boring.
j. Contractor shall calibrate each meter per manufacturer specifications.

2. Permits and Approvals

a. Contractor shall produce the necessary applications, plans and specifications to obtain a building permit from each applicable Governmental Authority having jurisdiction over each System and from the Utility. The construction documents shall as a minimum include a module layout diagram, module mounting system diagram, single line electrical diagram, submittal documents for all material, equipment and mounting structures / systems and any other supporting documentation required by the applicable Governmental Authority and the Utility to obtain building permits and net metering operating agreements.
b. Contractor shall provide PCE with confirmation of all permits and approvals prior to construction

3. PG&E Utility Interconnection

a. Contractor shall select the interconnection point to the building electrical panel or subpanel for each Project Site, subject to approval by PCE.
b. Contractor shall integrate the PV system to the building in full accordance with PG&E tariffs, agreements and guidelines.

4. System Startup

a. Contractor shall be responsible for replacing defective components at no additional cost to PCE should any equipment or component of the PV system or structures, including but not limited to the solar panels, inverters or solar mounting system, is found to be defective before or during start-up and testing.
b. Contractor shall arrange and participate in all inspections by the applicable Governmental Authority for all Governmental Authorizations needed prior to or during construction.
c. Contractor shall develop and deliver one (1) electronic copy per Project Site of the System Operations Manual prior to staff training.
d. Contractor shall develop and deliver one (1) electronic copy of "As-Built" record drawings per Project Site in pdf and CAD format prior to staff training.
e. Contractor shall provide training to designated PCE and Project Site Owner staff in all aspects of routine operation, maintenance and safety of the Systems.

5. Performance Monitoring

a. Contractor shall provide PCE with written validation criteria to assess the performance of the PV systems. Validation criteria shall be provided for individual panels, strings, and inverters. Such criteria shall be based on manufacturer specifications, Test Conditions and shall account for module temperature and irradiance in order to allow Contractor and PCE to accurately assess the performance of the applicable System, subsystem and components. The validation criteria shall be provided as a design deliverable.
b. Contractor shall at each Project Site furnish, install, test and commission a web-based, revenue-grade performance monitoring system manufactured by [manufacturer], model no [model] that will provide real time monitoring of the applicable System for twenty (20) years from the Final Completion Date for such System ("Monitoring System"). The Monitoring Systems shall at a minimum measure the kilowatts and kilowatt-hours of System electrical production by the hour, day, month and year at the inverter level.
c. Contractor shall ensure the Monitoring System data is displayed on a website interface and viewable on the website for twenty (20) years from the Final Completion Date for such System. PCE and each Project Site Owner shall be registered as the license owner to the Monitoring System and shall have full access. The Monitoring System shall allow PCE to download data from the website at any time.
d. The Monitoring System shall have data back-up capability and configured for regular data backup. The Monitoring System will provide System electricity output on a real time and cumulative basis.
e. Contractor responsibility for data wiring at each Project Site shall be limited to wiring from the arrays to the nearest electrical room. PCE shall require Project Site Hosts to provide the following Internet connectivity elements:

    i. Hard-wired ethernet port for connection to System equipment, within 50 physical feet of electrical room; or if such hardwired port is not feasible, 24/7 WiFi;
    ii. IT support as needed to provide Internet connectivity via that ethernet connection; and
    iii. A dedicated IP address for equipment.

6. Equipment Minimum Manufacturer Warranties

a. All manufacturer warranty periods for Equipment shall commence on the Final Completion Date for the applicable System.
b. Contractor shall procure and install solar modules that contain a 25-year manufacturer's warranty.
c. Contractor shall procure and install inverters that contain a 15-year manufacturer's warranty.
d. Contractor shall procure and install mounting systems and Equipment that contain a 20-year manufacturer's warranty.
e. Contractor shall procure and install Monitoring Systems that contain a 10-year manufacturer's warranty.
f. Contractor shall provide all required service and maintenance for the PV systems and associated components installed for this Project for a period of 20 following acceptance of the project.

7. Site Access or Use Restrictions

a. The Project Sites are active facilities and as such, the safety of the employees and public is of utmost importance in proceeding with the installation of the Systems.
b. The Contractor shall perform construction services at the Project Sites only on Monday – Friday, 6:00 a.m. – 5:30 p.m., subject to alternate work hours as required by an applicable Project Site Host. As the Project Sites are active sites, Contractor shall include a proposed Project Site use

map which will identify relevant staging areas, laydown areas, if any, as well as Project Site access and delivery points.

c. Contractor shall provide and maintain temporary construction fences and suitable temporary barriers as required preventing public entry and protect the Work and existing facilities, persons, and trees and plants from damage or injury from construction operations. Temporary barriers shall be maintained in a structurally sound condition and neat appearance.

d. Contractor shall restore all surfaces to existing conditions including all cutting, patching and painting.

8. Examination of the Sites

a. The Contractor shall visit the Project Sites and determine the local conditions which may in any way affect the performance of the work; familiarize itself with all federal, state and local laws, ordinances, rules, regulations, and codes affecting the performance of the Work, including the cost of clearances, permits, and licenses required for the Work; make such surveys and investigations, including investigation of subsurface or latent physical conditions at the Project Sites or where Work is to be performed, as it may deem necessary for performance of the Work; determine the character, quality, and quantities of the Work to be performed and the materials and equipment to be provided; and correlate its observations, investigations, and determinations.

9. [CEQA

a. Contractor shall be responsible for preparation of all necessary California Environmental Quality Act ("CEQA") analysis, documentation and notifications on PCE's behalf. If it is determined that the Work is subject to CEQA, PCE will act as the lead agency in approval of the Work and the corresponding CEQA documentation. Accordingly, PCE will exercise its independent judgment over any and all CEQA analysis and documentation provided by Contractor. PCE has yet to determine the appropriate level of CEQA review for the Work. Contractor shall be responsible for hiring, at its expense, an independent CEQA consultant as approved in writing by PCE and shall coordinate and help outline potential costs and timing associated with preparation of each possible level of CEQA documentation (e.g., Exemption, Negative Declaration, Mitigated Negative Declaration, Environmental Impact Report, etc.) if necessary. Contractor and PCE shall meet and coordinate as soon as possible after the Effective Date to begin the CEQA compliance process.]

10. Geotechnical & Geo-Hazards Investigation

a. Contractor shall provide a geotechnical & geohazards investigation as an integral part of the design of each System. Contractor shall evaluate subsurface conditions which will influence bearing capacities, expansiveness, and settlement potential. The level of effort involved shall be sufficient to enable the Contractor to ascertain significant over-excavation, backfill compaction, corrosion protection, seismic, and other special requirements, and provide design criteria recommended for the System design. Contractor shall provide a soils report to PCE for each Project Site describing test methods, results, and conclusions.

11. Underground Facility Verification

a. Potholing of existing utilities that may be in conflict with this design will be required. The Contractor shall pothole the areas needed to prepare the design. The Contractor shall provide the surveying and coordination with utility companies to have the utilities marked out prior to

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potholing. The Contractor shall also be responsible for obtaining necessary encroachment permits for the potholing. The Contractor shall prepare all traffic control plans required in conjunction with encroachment permits for potholing. The Contractor will be held responsible to repair or replace any marked utility and all affected areas disturbed by their digging. Unmarked, unflagged utility that could not be found through reasonable scanning the contractor will coordinate repairing or replacing with PCE if damaged.

12. Installation

a. The Contractor shall supply all equipment, materials, and labor necessary to install the PV systems and, if applicable, Energy Storage systems, and integrate them with other power sources. Contractor shall be responsible for repair, replacement, patching and finishing to match or complement existing areas affected by the work.

13. Electrical Interconnections

a. The Contractor shall supply and install all equipment required to interconnect the Systems to the Utility distribution system. The Contractor shall fulfill all applications, studies, and testing procedures to complete the interconnection process. All costs associated with Utility interconnection shall be borne by the Contractor. The alignment of conductors from the PV array to the point of interconnections is considered as homerun in this document. The anticipated concept assumes underground installation utilizing either trenching or directional boring at the discretion of the Contractor.

14. Commissioning and Acceptance Testing

a. During the start-up, Contractor shall observe and verify each Systems' performance. Required commissioning and acceptance test services include:

   i. Starting up Systems for testing purposes until they achieve the performance requirements established pursuant to Section 2.7;
   ii. Conducting the performance testing over a consecutive twenty-four (24) hour period; and
   iii. Ensuring that each System is capable of successful delivery of the expected electricity generation for such System as indicated on Schedule 2.

15. Fee and Permit Requirements

a. Costs for on-site inspection shall be borne by the Contractor. Contractor shall obtain and pay for local building permits, inspection fees, plan checking fees, and utility fees, including but not limited to any Rule 21 or PG&E interconnection fees and costs. Contractor shall identify, prepare and submit on behalf of PCE the applications for the following necessary permits, easements, fees and/or other government approvals in connection with the work on the Project, including but not limited to, interconnection agreements and net-metering applications with PG&E. Contractor shall pay for such permits and fees which the Contractor shall be responsible for obtaining on the CITY's behalf.
b. Plan check and/or approval fees (City fees waived) (b) Electrical connection and service fees (c) Other connection or service fees expressly authorized by the CITY.

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16. Compliance with State Stormwater Permit for Construction

a. Contractor shall be required to comply with all conditions of the State Water Resources Control Board National Pollutant Discharge Elimination System General Permit for Waste Discharge Requirements for Discharges of Storm Water Runoff Associated with Construction Activity ("Permit"). Contractor shall be responsible for filing the Notice of Intent and for obtaining the Permit. The Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan ("SWPPP") prior to initiating work on the Project. It shall be the Contractor 's responsibility to evaluate the cost of procuring the Permit and preparing the SWPPP, as well as complying with the SWPPP and any necessary revision to the SWPPP to address Storm water impacts.
b. Contractor shall comply with all requirements of the State Water Resources Control Board.
c. Contractor shall include all costs of compliance with specified requirements in the subcontract price

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ATTACHMENT A-1

WORK SCHEDULE

System Milestone	Number of Days After PCE Issues Notice to Proceed for a System
Effective Date	Effective Date
Completion of final stamped design documents necessary for construction and receipt of required permits	NTP + [X] days
Delivery of all modules, inverters, [batteries], trackers, mounting system and meters ("Substantial Equipment") needed for construction of System to Contractor's secure warehouse	NTP + [X] days
Delivery of Substantial Equipment to the Project Site and Commencement of Installation	NTP + [X] days
Substantial Completion	NTP + [X] days
Final Completion	NTP + [X] days

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ATTACHMENT A-2

MINIMUM BATTERY SPECIFICATIONS AND SERVICES

[This exhibit to be revised [prior to] Effective Date to include all battery-specific terms of the EPC, including, but not limited to:

- Equipment specifications (manufacturers, models)
- Battery sizing and energy
- Equipment warranty periods
- Separate NTP date for battery for a Project Site
- Separate Project Schedule for battery
- [IME please add any additional specifications and services that further characterize the system(s) to be provided]

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ATTACHMENT A-3

SAFETY REQUIREMENTS

Contractor is responsible for safety of all direct and subcontracted personnel under their contract, and for the safety of their work and all others in the areas of the Project Sites. In addition to all terms and conditions of the Agreement, Contractor shall undertake the following safety measures with respect to the Project Site:

1. Prior to beginning construction, Contractor shall provide PCE and Project Site Owner with a comprehensive onsite construction management and safety plan for the construction of the System in accordance with all applicable laws, policies and OSHA compliant safety practices ("Safety Plan"). The Safety Plan should include, at a minimum, the addresses of local emergency medical facilities, project directory, information on Subcontractors, coordination with Project Site Owner staff during specific construction tasks, and communication protocols.

2. Provide all required safety and identification placards as required by code, including, but not limited to Utility-required System directory placard and Utility safety switch identification placard as required by local utility company, to identify all system components.

3. Contractor shall report any accidents in writing to PCE within twenty-four (24) hours.

4. Contractor shall ensure that:

a. Safeguards are implemented and maintained for each Project Site that are sufficient to address reasonably foreseeable incidents;

b. Equipment, material, and supplies are sufficient and accessible to operate the Systems safety and reliably;

c. Operating personnel are trained, equipped, and capable of responsible operation and maintenance of the Systems, including identifying and responding to emergencies, originating from or impacting the Systems and Project Site;

d. The material components and control systems are designed, manufactured, and configured to meet the standard of durability and safety generally used for electric power and/or energy storage facilities operating within Utility's territory;

e. The Project is appropriately designed, engineered, constructed, installed, operated, maintained, monitored, and tested to ensure it continues to function safely, reliably, and consistent with the intended design specifications, Applicable Laws, Utility requirements and Governmental Authorizations and over the complete range of environmental conditions reasonably expected to occur at each Project Site;

f. Industry standard lock-out, tag-out safety procedures shall be followed at all times; and

g. All personnel within the perimeter of the construction zone shall wear proper personal protective equipment without any exception.

5. Once the photovoltaic modules have been mounted, the installation crew must have a minimum of one licensed electrician on site during all working hours when electrical work is being performed.

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EXHIBIT B

Operations and Maintenance Scope

This Exhibit B to that certain Master Engineering, Procurement and Construction Agreement by and between Peninsula Clean Energy Authority, and [*name of contractor*], a [*jurisdiction*] [*corporate form*] dated as of [Effective Date] (the "Agreement") provides the scope of Operations and Maintenance Services to be provided by Contractor during the Term. The scope of Operations and Maintenance Services detailed in this Exhibit B and all attachments thereto shall in no way limit the obligations set forth elsewhere in the Agreement. In the event of a conflict between this Exhibit B and the Agreement, the terms and conditions of the Agreement control. Capitalized terms used in this Exhibit B, unless otherwise defined herein, shall have the meanings assigned to them in the Agreement.

Contractor will provide the Operations and Maintenance Services set forth in this Exhibit B for each System for a period of 20 years after the Final Completion Date for such System (the "O&M Term"):

- 24/7 Professional Monitoring
- Remote Diagnosis
- Service Scheduling and dispatch
- Customer Service & Support for the System expected life
- Monthly Performance reports
- Preventative maintenance
- Performance Guarantee
- System Repairs
- Annual "checkup" of the Systems and annual washing of the modules
- Complete maintenance and repairs of the Systems in accordance with providing the included performance guarantee

I. System Monitoring

Contractor will monitor the Systems' electricity production, inverter performance, fault identification, and alarms in order to identify performance issues with the Systems and coordinate maintenance, repairs or other resolution as needed. As of the Effective Date, the Parties agree that Contractor shall provide the SolarEdge PV Monitoring Platform (https://www.solaredge.com/us/products/pv-monitoring#/) (the "PV Monitoring Platform"). PCE and each Project Site Owner will also have access tothe PV Monitoring Platform, including any licensing rights to access such system, via Internet and alarms in perpetuity for specific PCE personnel as desired by PCE. Monitoring will be provided by a subcontractor which monitors the system and alarms and coordinates response as necessary PCE will have electronic access to production statistics as frequently as desired. The PV Monitoring Platform shall be provided at Contractor's sole cost and expense.

If, after the Effective Date, the SolarEdge PV Monitoring Platform becomes unavailable or the Parties agree that it should be replaced with an alternate monitoring system, Contractor shall contract for an alternate monitoring system meeting as agreed to in writing by PCE.

II. Annual Checkup

A. Annual Cleaning of Panels

A.1. One (1) cleaning per year by qualified Subcontractor

A.2. Visual inspection of modules for damage; report findings to PCE.

B. Project Sites Safety

B.1. Visual inspection on and around photovoltaic array for debris, wind-blown trash or sources of shading.

B.2. Inspect labels and placards on all wiring and equipment for damage or wear.

B.3. Inspect on and around photovoltaic array for potential security issues.

C. Mechanical and Structural Balance of Systems Inspection

C.1. Visual inspection of all accessible DC and AC conduit fittings and gaskets for waterproofing integrity.

C.2. Check all accessible DC and AC conduit fittings to ensure a tight fit and no separation of the conduit.

C.3. Visual inspection of all accessible conduit support structures for structural integrity. If raceways are used, inspect covers and ensure attachments are still intact.

C.4. Spot-check torque of accessible racking fasteners.

D. Electrical Balance of Systems Inspection

D.1. Visual inspection for gaps in all accessible MC connectors (module connections). Replace any connectors found to have broken tabs.

D.2. Visually check all combiner box, disconnect, and inverter fuses for continuity.

D.3. Visual inspection at all combiner-boxes disconnects, and inverters for wiring integrity: intact wire insulation, conductor clearances and general condition of wire management.

D.4. Visual inspection of DC disconnects for signs of arcing.

D.5. Spot check of grounding means on PV rack.

D.6. Check for voltage between positive and ground at the combiner box.

D.7. Check for voltage between negative and ground at the combiner box.

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D.8. Check functionality of additional data monitoring equipment.

Checks may be performed via [censored monitoring]

E. Inverter Maintenance

E.1. Visual inspection of the inverter and check for proper functionality. Perform annual inverter routine maintenance per inverter manufacturer user manual.

E.2. Visual inspection of the inverter anchoring and mounting.

E.3. Check for voltage between chassis and ground at the inverter on both the DC and AC sides.

E.4. Check that the torque on all wiring terminations is to manufacturer's specifications.

E.5. Contractor will replace inverters as necessary outside the Warranty period and PCE will reimburse Contractor for the cost of inverter replacement (inverters plus labor and overhead for install without a markup for profit) according to the payment provisions of Section 3 of this Agreement. The replacement inverters material cost will be adjusted to the market price at the time of replacement but will not exceed $ [5,000] in 2022 prices, with a standard 4% year-over-year inflation applied to subsequent years.

F. DC disconnect cabinet, Transformer and Switch Testing

F.1. Visually inspect disconnecting cabinets, transformers, and switchgear.

G. Systems Performance and Testing

G.1. Review all engineering plans prior to visit to verify compliance.

G.2. For all electrical readings listed below measurements will be taken for: plane of array irradiance, ambient temperature and back of module temperature.

G.3. Test each PV source circuit (harness) at combiner boxes for Voc and Imp under clear weather conditions with a minimum irradiance of $500W/m^2$ assuming that the season permits testing with these minimum conditions within a reasonable timeframe.

G.4. Complete Maintenance & Service Inspection Checklist. The list will be provided to the PCE for review prior to commissioning date.

H. Status Report

H.1. Provide detailed explanation of all mechanical, electrical and performance issues found.

H.2. Provide photos showing problems in the Systems.

H.3. Provide a detailed explanation of proposed corrective actions for all issues found.

H.4. A copy of all recorded measurements shall be provided via the maintenance & service inspection checklist.

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Status reports to be provided in a format that PCE can share with Project Site Hosts as well as in a database-compatible format containing reports for all Systems in the Portfolio so results may be aggregated across the Portfolio.

III. Complete Maintenance and Repair

A. Complete maintenance and repair services set forth in this Section III of Exhibit B to be provided under Article 4 of the Agreement as first resort, then by Contractor pursuant to this Exhibit B.

B. Maintenance of the solar plant will be performed by the Contractor in a timely manner to ensure proper functioning throughout this agreement. Maintenance service is defined by checking the proper functionality of the parts of the array, their maintenance, their repairs as well as the replacement of any defective part. PCE and Contractor note that neither PCE nor Contractor are responsible for repair and replacement of major equipment after the expiration of the applicable warranties.

C. Contractor will charge the replacement parts not under warranty with no mark up.

D. Inverters replacement and repairs directly resulting from the specific situations described in the exclusions section are excluded from section 3.

E. Exclusions:

1. Providing site security or maintenance/monitoring of security systems.

2. Repairing damage from acts of God, vandalism and theft.

3. I-V curve tracing.

4. Megger or Hi-Pot testing.

5. Impacts upon the equipment or its components caused by harmonics or voltage fluctuations emanating from the interconnecting utility.

6. Adding lighting, site security features or other features not included in the Final Plans.

7. Environmental remediation.

8. Transformer or other medium voltage equipment testing or planned maintenance other than indicated above.

IV. Performance Guarantee

Contractor covenants and guarantees that each System shall generate at least ninety-five percent (95%) of the expected electrical generation as specified in the PVsyst report included in the Project Package for such System (the "Guaranteed Generation") during the O&M Term (the "Performance Guarantee"). After the Effective Date, the Guaranteed Generation for a System is subject to change if the expected electrical generation under the Final Plans for the applicable System differs from the expected electrical generation as provided in the Project Package, provided that such Final Plans have been approved in writing by PCE.

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If a System fails to meet the Performance Guarantee over any one year period during the O&M Term, PCE shall notify Contractor in writing and Contractor shall pay, as liquidated damages and not as a penalty, an amount equal to the sum of (1) the positive difference, if any, between (A) the [electricity rate] for the electricity delivered by the Utility to the applicable Project Site Host on the Project Site Host's electrical bill for such period and (B) the price per kWh for electrical generation of such System under the power purchase agreement between the applicable Project Site Host and PCE for such period, multiplied by (C) the difference between Guaranteed Generation and actual System generation for such period as measured by the System's meter, plus (D) any direct costs incurred by PCE by reason of such underperformance (the "Performance Liquidated Damages"), expressed in the form of an equation, as follows: (A-B)*C+D

Such Performance Liquidated Damages shall be due and payable within fifteen (15) days of receipt of such notice, and late payments shall bear interest at the Interest Rate. At PCE's option, Performance Liquidated Damages may be set off by PCE from any payments due from PCE to Contractor.

The Parties agree that it would be extremely difficult to precisely determine the amount of loss, costs, damages and expenses that would be suffered by PCE solely as a result of a breach of the Performance Guarantee, but that the Performance Liquidated Damages are a fair and reasonable determination of the amount of such loss, costs, damages and expense which would be suffered by PCE, and that the Performance Liquidated Damages do not constitute a penalty and are not subject to the limitation of liability set forth in Section 13.1. [Provided the System has achieved Final Completion and without prejudice to or limitation of PCE's other rights under the Agreement, Performance Liquidated Damages shall constitute PCE's sole and exclusive remedy for loss, costs, damages or expenses arising solely from failure of the System to satisfy the Performance Guarantee.]

V. Project Site Host-Initiated Outages

Upon PCE's written request, Contractor shall disconnect one or more of the Systems to accommodate repairs to the System or the Project Site which are the responsibility of Project Site Hosts. PCE's request shall be delivered at least forty-eight (48) hours in advance.

VI. Project Site Host-Initiated Meter Checks

Upon PCE's written request, Contractor shall test the meter for one or more of the Systems.

VII. Operations and Maintenance Services Fees Schedule

Fees for the Operations and Maintenance Services shall be $20 per kilowatt (kWac) per year of total installed capacity of the Systems as of Final Completion Date with respect to each such System.

VIII. Termination of Operations & Maintenance Services

PCE may terminate the Operations & Maintenance Services without cause by providing at least sixty (60) days' prior, written notice to Contractor.

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EXHIBIT C

FORM OF CHANGE ORDER

Change Order Notice No. _____

Project Site Name:

Project Site Address:

Contractor hereby submits a Change Order pursuant to that certain MASTER ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT dated as of [*month*] [*day*], 2022 by and between Peninsula Clean Energy Authority, a joint powers authority of the State of California whose principal place of business is 2075 Woodside Rd., Redwood City, CA 94061 ("PCE") and [*name of contractor*], a [*jurisdiction*] [*corporate form*], [*CSLB License #*] whose principal place of business is [*address*] ("Contractor"). On [*INSERT DATE*] Contractor encountered the circumstances set forth IN paragraph (1) below which necessitate a Change. Contractor hereby acknowledges that the Change requested herein must first be approved by PCE pursuant to a Change Order, and **any work outside the Work defined in the Agreement performed by Contract prior to its having received a Change Order from PCE will be at Contractor's sole risk and expense**. Terms used and not defined herein shall have the meanings set forth in the Agreement.

1) Circumstances necessitating a Change:

2) Requested Change in the Services:

3) Impact of this requested Change to Contract Price:

Original Contract Price	
Prior Change Orders to Date	
Cost of Change:	

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[List Equipment] [List of Labor and Rate]	
Current [System] Contract Price	
New Change Order	
New [System] Contract Price	

4) Impact of this requested Change to Project Schedule:

5) List of supporting documentation attached hereto:

This Change Order is part of the Service to be performed under the Agreement, and is subject to all terms and conditions of the Agreement.

[Contractor]

By: _____
Name: _____
Title: _____
Date: _____

Peninsula Clean Energy Authority

By: _____
Name: _____
Title: _____
Date: _____

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EXHIBIT D

SCHEDULE OF MILESTONE VALUES

Milestone	Percent of System Contract Price	On Schedule Milestone Achievement Percent Retention of Milestone Payment for Full Portfolio Completion[2]	Late Milestone Achievement Percent Retention of Milestone Payment for Full Portfolio Completion[3]
Effective Date	5%		
Completion of final stamped documents necessary for construction and receipt of required permits	15%	5%	10%
Delivery of all modules, inverters, [batteries], trackers, mounting system and meters ("Substantial Equipment") needed for construction of System to Contractor's secure warehouse	10%	5%	10%
Delivery of Substantial Equipment to the Project Site and start of construction on the System	20%	5%	10%
Substantial Completion	40%	5%	10%
Final Completion	10%	5%	10%

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[2] PCE will retain the percentage of the Milestone Payment indicated in this column until the applicable milestone is completed for all Systems in the Portfolio. Per Section [___] of the Agreement, "Milestone Payment" means the percentages in the "Percent of System Contract Price" column above multiplied by the System Contract Price listed on Schedule 2 for the applicable System.

[3] If the applicable milestone occurs after the deadline as indicated in the Project Schedule set forth in Attachment A-1 to **Exhibit A**, the percentage retained for such milestone shall be ten percent (10%).

EXHIBIT E

FORM OF PAYMENT REQUEST

Peninsula Clean Energy Authority
2075 Woodside Rd.
Redwood City, CA 94061

Project Site:

Application is made for payment pursuant to that certain Master Engineering, Procurement and Construction Agreement ("Agreement"), dated as of [*Month*] [*Day*], 2022, by and Between Peninsula Clean Energy Authority, a joint powers authority of the State of California whose principal place of business is 2075 Woodside Rd., Redwood City, CA 94061 ("PCE") and [Contractor] a [jurisdiction] [corporate form], whose principal place of business is [*address*] ("Contractor").

1. System Contract Price	$
4. Total Work completed to date	$
5. Less previous applications for payment paid	$
6. Current Payment Due	$
7. Balance to Finish	$

Pursuant to the terms and subject to the conditions of the Agreement, Contractor certifies to the best of the Contractor's knowledge, information, and belief that the Work covered by this Payment Request has been completed in accordance with the Agreement.

[Contractor]

By: _____
Name: _____
Title: _____
Date: _____

RECEIVED AND ACKNOWLEDGED BY:

Peninsula Clean Energy Authority

By: _____
Name: _____
Title: _____
Date: _____

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EXHIBIT F

FORM OF SUBSTANTIAL COMPLETION CERTIFICATE

This Substantial Completion Certificate, dated _____, is issued pursuant to Section 5.2(d)(ii) of that certain Master Engineering, Procurement and Construction Agreement ("Agreement") dated [*month*] [*day*], 2018, by and between Peninsula Clean Energy Authority, whose principal place of business is [*Address*] ("PCE") and [Contractor], a [jurisdiction] [corporate form], whose principal place of business is [address] ("Contractor"). Capitalized terms have the same meaning as in the Agreement.

The undersigned, being a duly authorized representative of the Contractor, does hereby certify that, with respect to the System located at [Project Site address], [he/she] is [they are] duly authorized to certify and does hereby certify on behalf of Contractor as follows:

1. Contractor has complied with each of its obligations to date under the Agreement, and is not currently in default under such Agreement.

2. The Representations and Warranties contained in Article 7 of the Agreement are true and correct as of the date set forth above.

3. Contractor hereby certifies that Substantial Completion was achieved as of the date first set forth above. Without limiting the generality of the foregoing, the following is true and correct as of the date first set forth above:

A. Contractor has completed the engineering, procurement, and construction Services pursuant to the terms and conditions of this Agreement with respect to such System;

B. The System is in all respects capable of commercial operation as designed;

C. The System has had all Equipment installed, including the required connections and controls capable of producing electrical power;

D. All remaining electrical systems have been checked and are ready for operation and the System has passed the System Installation Checklists and Acceptance Tests set forth on Exhibit H;

E. Testing pursuant to Section 2.7 has been conducted and the System has passed such tests;

F. Contractor has verified that the System may be initially operated without damage to the Project Sites or any other property and without injury to any Person;

G. Contractor hereby certifies that Contractor has obtained all Governmental Authorizations and Utility Approvals necessary for the installation and operation of the Systems on or prior to the date on which each such Governmental Authorization or Utility Approval is or was required. Copies of the documentation of any such Governmental Authorizations and Utility Approvals are attached hereto.

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H. All requirements imposed by the Utility for testing and interconnection of the System have been satisfied, including having been connected to the Utility's distribution system and such connection has been approved by the Utility through the granting of permission to operate;

I. The System has been installed in conformance with the terms and conditions of this Agreement; and

J. Contractor has provided PCE with any printed operations manuals that came with the Equipment.

4. The Work has been conducted in accordance with all Applicable Law and Prudent Practices.

[Contractor]

By: _____
Name: _____
Title: _____

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EXHIBIT G

FORM OF FINAL COMPLETION CERTIFICATE

This Final Completion Certificate, dated _____, is issued pursuant to Section 5.2(e)(ii) of that certain Master Engineering, Procurement and Construction Agreement dated as of [*month*] [*day*], 2022 by and between Peninsula Clean Energy Authority, a joint powers authority of the State of California whose principal place of business is 2075 Woodside Rd., Redwood City, CA 94061 ("PCE") and [*name of contractor*], a [*jurisdiction*] [*corporate form*], [*CSLB License #*] whose principal place of business is [*address*] ("Contractor"). Capitalized terms have the same meaning as in the Agreement.

The undersigned, being a duly authorized representative of the Contractor, does hereby certify that [he/she is] [they are] duly authorized to certify and does hereby certify on behalf of Contractor as follows:

1. Contractor has complied with each of its obligations under the Agreement, and is not currently in default under such Agreement.

2. The Representations and Warranties contained in Article 7 of the Agreement are true and correct as of the date set forth above.

3. Contractor hereby certifies that Final Completion was achieved as of the date first set forth above. Without limiting the generality of the foregoing, the following is true and correct as of the date first set forth above:

A. Substantial Completion has occurred;

B. Contractor has provided PCE with all documentation required under Section 2.26;

C. Contractor has provided Project Site Owner personnel a basic training covering safety, key equipment, disconnects, preventative maintenance recommendations, and other information as needed to provide such personnel an appropriate familiarity with the applicable System.

D. All of Contractor's materials and waste have been removed from the Project Site and properly disposed of in accordance with Section 2.23; and

E. Contractor has delivered unconditional lien waivers with respect to any Work that could result in a lien on the System or the Project Site pursuant to Section 5.2(c).

4. The Work has been conducted in accordance with all Applicable Law and Prudent Practices.

5. The Systems is free of all Liens placed by Contractor or its Subcontractors or agents, and to Contractor's knowledge after due inquiry, Project Sites is not subject to Liens caused by Contractor or its Subcontractor or agents unless liens are caused due to non-payment by PCE.

6. Contractor has removed all of its tools, construction/installation equipment, machinery, surplus materials, waste material and Work-related rubbish from and around the Project Sites.

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[Contractor]

By: _____
Name: _____
Title: _____

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EXHIBIT H

SYSTEM INSTALLATION CHECKLIST AND ACCEPTANCE TEST

[*To be proposed by Contractor and approved by PCE*]

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EXHIBIT I

SYSTEM TESTING AND VERIFICATION STANDARDS

[*To be proposed by Contractor and approved by PCE*]

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EXHIBIT J

FORM OF CONDITIONAL LIEN WAIVER (Contractor)

Identifying Information
[*IME full corporate name and contact info*]
Project Site:_____
Through Date:_____
Milestone: _____
Invoice Amount: _____

This Exhibit J to that certain Master Engineering, Procurement and Construction Agreement by and between Peninsula Clean Energy Authority, and [*name of contractor*], a [*jurisdiction*] [*corporate form*] dated as of [Effective Date] (the "Agreement") is provided pursuant to Section 5.2(c) of the Agreement. This Exhibit J shall in no way limit the obligations set forth elsewhere in the Agreement. In the event of a conflict between this Exhibit J and the Agreement, the terms and conditions of the Agreement control. Capitalized terms used in this Exhibit J, unless otherwise defined herein, shall have the meanings assigned to them in the Agreement.

Conditional Waiver and Release
This document waives and releases lien, stop payment notice, and payment bond rights, if any, the Contractor has for labor and Services provided, and Equipment and material delivered, to PCE for the Project Site identified above through the Through Date of this document for the completed milestone referenced above. Rights based upon labor or Service provided, or Equipment or material delivered, pursuant to a written Change Order that has been fully executed by the Parties prior to the date that this document is signed by the Contractor, are waived and released by this document, unless listed as an applicable Exception below. This document is effective only on the Contractor's receipt of payment from PCE of the applicable Milestone Payment associated with the milestone for the applicable System, less the Portfolio Retention Amount.

Exceptions
This document does not affect any of the following:
(1) Portfolio Retention Amounts.
(2) The following Milestone Payments for which the Contractor has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: _____
Amount(s) of unpaid Milestone Payment(s): $_____
(3) (A)This document is not intended to waive Contractor's rights pursuant to any other section of the Agreement, including those relating to breaches other than failure to make payment for Services performed. (B) This document may not be a complete release of all rights to payment under the Agreement. Contractor may perform other Services under the Agreement for which the Agreement provides separate payment and which this document does not cover.

IN WITNESS WHEREOF, Contractor, by its duly authorized officer or representative, has executed this document as of the date set forth below.

[Contractor]:

By: _____

Name: _____

Title: _____

Date: _____

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EXHIBIT K

FORMS OF CONDITIONAL LIEN WAIVER (Subcontractor)

Identifying Information
[*Subcontractor full corporate name and contact info*]
Project Site:_____
Through Date:_____
Milestone: _____
Invoice Amount: _____

This Exhibit K to that certain Master Engineering, Procurement and Construction Agreement by and between Peninsula Clean Energy Authority, and [*name of contractor*], a [*jurisdiction*] [*corporate form*] dated as of [Effective Date] (the "Agreement") is provided pursuant to Section 5.2(c) of the Agreement. This Exhibit K shall in no way limit the obligations set forth elsewhere in the Agreement. In the event of a conflict between this Exhibit K and the Agreement, the terms and conditions of the Agreement control. Capitalized terms used in this Exhibit K, unless otherwise defined herein, shall have the meanings assigned to them in the Agreement.

Conditional Waiver and Release
This document waives and releases lien, stop payment notice, and payment bond rights, if any, the Subcontractor has for labor and Services provided, and Equipment and material delivered, to PCE for the Project Site identified above through the Through Date of this document for the completed milestone referenced above. Rights based upon labor or Service provided, or Equipment or material delivered, pursuant to a written Change Order that has been fully executed by the Parties prior to the date that this document is signed by the Contractor, are waived and released by this document, unless listed as an applicable Exception below. This document is effective only on the Subcontractor's receipt of payment from PCE of the applicable Milestone Payment associated with the milestone for the applicable System, less the Portfolio Retention Amount.

Exceptions
This document does not affect any of the following:
(1) Portfolio Retention Amounts.
(2) The following Milestone Payments for which the Subcontractor has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: _____
Amount(s) of unpaid Milestone Payment(s): $_____
(3) (A)This document is not intended to waive Subcontractor's rights pursuant to any other section of the Agreement, including those relating to breaches other than failure to make payment for Services performed. (B) This document may not be a complete release of all rights to payment under the Agreement. Subcontractor may perform other Services under the Agreement for which the Agreement provides separate payment and which this document does not cover.

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IN WITNESS WHEREOF, Subcontractor, by its duly authorized officer or representative, has executed this document as of the date set forth below.

[*Subcontractor full corporate name*]:

By: _____

Name: _____

Title: _____

Date: _____

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EXHIBIT L

FORM OF UNCONDITIONAL LIEN WAIVER (Contractor)

Identifying Information
[*Contractor full corporate name and contact info*]
Project Site:_____
Through Date:_____
Milestone: _____
Invoice Amount: _____

This Exhibit L to that certain Master Engineering, Procurement and Construction Agreement by and between Peninsula Clean Energy Authority, and [*name of contractor*], a [*jurisdiction*] [*corporate form*] dated as of [Effective Date] (the "Agreement") is provided pursuant to Section 5.2(c) of the Agreement. This Exhibit L shall in no way limit the obligations set forth elsewhere in the Agreement. In the event of a conflict between this Exhibit L and the Agreement, the terms and conditions of the Agreement control. Capitalized terms used in this Exhibit L, unless otherwise defined herein, shall have the meanings assigned to them in the Agreement.

Unconditional Waiver and Release

The undersigned has been paid in full for all labor, services, equipment, or material furnished to PCE for the milestone listed above on the job located at the Project Site identified above and does hereby unconditionally and irrevocably waive and release any right to a mechanic's lien, stop notice, or any right against a labor and material bond on the System, Equipment or Premises. If the undersigned has filed with a public agency a U.C.C. Financing Statement evidencing a security interest in equipment delivered or installed in connection with the System or the Services, the undersigned agrees to promptly execute and file with such public agency any documents necessary to terminate the effectiveness of such U.C.C. Financing Statement.

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

Exceptions

This document does not affect any of the following:

(1) Portfolio Retention Amounts.

(2) (A)This document is not intended to waive Contractor's rights pursuant to any other section of the Agreement, including those relating to breaches other than failure to make payment for Services performed. (B) This document may not be a complete release of all rights to payment under the Agreement. Contractor may perform other Services under the Agreement for which the Agreement provides separate payment and which this document does not cover.

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IN WITNESS WHEREOF, Contractor, by its duly authorized officer or representative, has executed this document as of the date set forth below.

[Contractor]:

By: _____

Name: _____

Title: _____

Date: _____

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EXHIBIT M

FORM OF UNCONDITIONAL LIEN WAIVER (Subcontractor)

Identifying Information
[*Subcontractor full corporate name and contact info*]
Project Site:_____
Through Date:_____
Milestone: _____
Invoice Amount: _____

This Exhibit M to that certain Master Engineering, Procurement and Construction Agreement by and between Peninsula Clean Energy Authority, and [*name of contractor*], a [*jurisdiction*] [*corporate form*] dated as of [Effective Date] (the "Agreement") is provided pursuant to Section 5.2(c) of the Agreement. This Exhibit M shall in no way limit the obligations set forth elsewhere in the Agreement. In the event of a conflict between this Exhibit M and the Agreement, the terms and conditions of the Agreement control. Capitalized terms used in this Exhibit M, unless otherwise defined herein, shall have the meanings assigned to them in the Agreement.

Unconditional Waiver and Release

The undersigned has been paid in full for all labor, services, equipment, or material furnished to PCE for the milestone listed above on the job located at the Project Site identified above and does hereby unconditionally and irrevocably waive and release any right to a mechanic's lien, stop notice, or any right against a labor and material bond on the System, Equipment or Premises. If the undersigned has filed with a public agency a U.C.C. Financing Statement evidencing a security interest in equipment delivered or installed in connection with the System or the Services, the undersigned agrees to promptly execute and file with such public agency any documents necessary to terminate the effectiveness of such U.C.C. Financing Statement.

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

Exceptions

This document does not affect any of the following:

(1) Portfolio Retention Amounts.

(2) (A)This document is not intended to waive Subcontractor's rights pursuant to any other section of the Agreement, including those relating to breaches other than failure to make payment for Services performed. (B) This document may not be a complete release of all rights to payment under the Agreement. Subcontractor may perform other work under the Agreement for which the Agreement provides separate payment and which this document does not cover.

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IN WITNESS WHEREOF, Subcontractor, by its duly authorized officer or representative, has executed this document as of the date set forth below.

[*Subcontractor full corporate name*]:

By: _____

Name: _____

Title: _____

Date: _____

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Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this "**Agreement**") is entered into by the parties listed below (each a "**Party**" and collectively the "**Parties**") as of [*date*], 2023 (the "**Effective Date**").

Purchaser:		Seller:	
Name and Address		Name and Address	Peninsula Clean Energy Authority 2075 Woodside Rd. Redwood City, CA 94061 Attention
Phone		Phone	
E-mail		E-mail	
Premises Ownership	Purchaser owns the Premises.		
Tax Status			System Owner
Project Name			

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electricity from the solar panel system described in **Exhibit 2** (the "**System**") and installed on the real property comprising Purchaser's premises described or depicted in Schedule A to **Exhibit 2** (the "**Premises**"), including any buildings and other improvements on the Premises other than the System (the "**Improvements**").

The System shall initially be owned by Seller. "**System Owner**" means Seller or a subsequent owner of the System in the event that Seller transfers title to the System.

The exhibits listed below are incorporated by reference and made part of this Agreement.

Exhibit 1 Pricing
Exhibit 2 System Description, Delivery Point and Premises
Exhibit 3 General Terms and Conditions
Exhibit 4 Performance Guaranty
Exhibit 5 Premises-Specific Terms

Purchaser:

Signature: _____
Printed Name: _____
Title: _____
Date: _____

Seller: Peninsula Clean Energy Authority

Signature: _____
Printed Name: Jan Pepper
Title: Chief Executive Officer
Date: _____

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Exhibit 1

Pricing

1. **Initial Term**: Twenty (20) years, beginning on the date that Commercial Operation is achieved (such date, the "**Commercial Operation Date**" and such term, the "**Initial Term**"). "**Commercial Operation**" means that the System is mechanically complete, commences regular, daily operation, complies with all applicable law, has undergone successful system testing, is providing electricity to the Delivery Point at the System Size specified in **Exhibit 2** and has obtained all necessary Approvals (as defined in Section 5(b) of **Exhibit 3**), including permission to operate from the Utility and Seller.

2. **Additional Terms**: Upon mutual written agreement, the Parties may extend the Initial Term for up to two (2) additional terms of up to five (5) years each beginning on the expiration of the Initial Term or on the expiration of the first Additional Term, as applicable (each, an "**Additional Term**").

3. **Contract Price**: $ per kilowatt-hour ("**kWh**").

4. **Contract Price Assumptions**. The Contract Price is based on the following assumptions:

   a. Statutory prevailing wage rates (e.g., Davis-Bacon) do apply.

   b. A Performance Guaranty is being provided.

5. **Contract Price Exclusions**. Unless Seller and Purchaser have agreed otherwise in writing, and except as otherwise provided in Section 2(c) of **Exhibit 3**, the Contract Price excludes the following:

   a. Groundwork (including excavation and circumvention of underground obstacles) that is unforeseen despite reasonable efforts to assess existing site conditions. Upgrades or repair to Purchaser or Utility electrical infrastructure (including: Purchaser or Utility service, transformers, substations, poles, breakers, reclosers, and disconnects). "**Utility**" means the electric distribution utility serving Purchaser.

   b. Tree removal, tree trimming, mowing and any landscape improvements.

   c. Decorative fencing and/or any visual screening materials, decorative enhancements to solar support structures (including: painting, paint matching, masonry/stone work, and any lighting not required to meet the minimum code compliance).

   d. Removal of existing lighting, light poles, or concrete light post bases.

   e. Roof membrane maintenance or reroofing work.

   f. Structural upgrades to the Improvements, including Americans with Disabilities Act ("**ADA**") upgrades.

   g. Installation of public information screen or kiosk (including accompanying Internet connection, power supply, technical support and ADA access).

   h. Changes in System design caused by any inaccuracy in information provided by Purchaser, including information regarding Purchaser's energy use, the Premises and the Improvements, including building plans and specifications.

   If such excluded costs will result in an increase to the Contract Price, Seller shall deliver notice to Purchaser of such increase to the Contract Price not less than sixty (60) days prior to commencement of the installation of the System ("**Commencement of Installation**" and such notice, the "**Excluded Costs Notice**"). If excluded costs will result in an increase to the Contract Price such that the revised Contract Price would be at least ten percent (10%) lower than Purchaser's retail electricity rate (inclusive of demand charges) current as of the Effective Date, Purchaser shall be responsible for such increased Contract Price and the Contract Price shall be amended to reflect the new Contract Price included in the Excluded Costs Notice. If such excluded costs will result in an increase to the Contract Price, such that the revised Contract Price would not be at least ten percent (10%) lower than Purchaser's retail electricity rate (inclusive of demand charges) current as of the Effective Date, Purchaser shall have a right to terminate this Agreement without penalty by providing notice of such termination within thirty (30) days of delivery of the Excluded Costs Notice.

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6. Termination Payment Schedule (**Exhibit 3**, Section 11(b)(iii)(A)):

Contract Year	Termination Payment ($)
1	
2	
3	
4	
5	
6	
7	
8	
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11	
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Exhibit 2

System Description, Delivery Point and Premises

1. System Location:

2. System Size (DC kW):

3. System Description (Expected Structure, etc.):

4. Delivery Point and Premises: Schedule A to this **Exhibit 2** contains one or more drawings or images depicting:

a. Premises, including the Improvements (as applicable);

b. Proposed System location at the Premises;

c. Delivery point for electricity generated by the System (the "**Delivery Point**");

d. Access points needed for Seller to cause the System to be installed and serviced (building access, electrical room, stairs, etc.); and

e. Construction assumptions (if any).

Schedule A

1. Physical building address:
2. Number of Stories:
3. Total Square Footage:
4. Year Built:
5. Year of any mechanical/electrical updates:
6. Type of Construction, (example; wood frame, masonry, steel):
7. Description/ Type of roof structure/system:
8. Confirm whether the building is sprinklered:
9. Describe any additional security measures, (example: video surveillance, etc.):

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Exhibit 3

General Terms and Conditions

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Exhibit 3

General Terms and Conditions

1. **Purchase and Sale of Electricity**. Subject to the terms and conditions of this Agreement, Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electricity generated by the System during the Term (as defined in Section 2(a)). Electricity generated by the System shall be delivered to Purchaser at the Delivery Point. Title to and risk of loss for the electricity generated by the System passes to Purchaser from Seller at the Delivery Point. Should Purchaser elect to "opt out" of receiving retail electric generation service from Seller at the Premises, the provisions of Section 11(b)(iv)(B) shall apply. Seller warrants that it will deliver the electricity to Purchaser at the Delivery Point free and clear of all liens, security interests, claims, and other encumbrances.

2. **Term and Termination**.

   a. **Effective Date; Term**. This Agreement is effective as of the Effective Date. The electricity supply period under this Agreement commences on the Commercial Operation Date (as defined in Section 1 of **Exhibit 1**) and continues for the duration of the Initial Term and any Additional Terms, unless earlier terminated as provided for in this Agreement (collectively, the "**Term**").

   b. **Additional Terms**. The Parties may agree in writing to extend this Agreement for up to two (2) Additional Terms at a Contract Price to be negotiated by the Parties prior to the expiration of the Initial Term or the first Additional Term, as applicable.

   c. **Termination Due to Contract Price Adjustments or Lack of Project Viability**. If, at any time after the Effective Date and prior to Commencement of Installation, (i) Purchaser terminates this Agreement pursuant to Section 5 of **Exhibit 1**, or (ii) Seller determines that the installation of the System will not be viable for any reason, either Party may terminate this Agreement by providing ten (10) days' prior written notice to the other Party. Neither Party shall be liable for any damages in connection with such termination. After Commencement of Installation, the Contract Price shall not be subject to further adjustment pursuant to Section 5 of **Exhibit 1** or otherwise.

   d. **Termination by Purchaser for Delay**. If Commencement of Installation has not occurred within three hundred and sixty-five (365) days after the Effective Date, Purchaser may terminate this Agreement by providing thirty (30) days' prior written notice to Seller; provided that this Agreement will not terminate pursuant to this Section 2(d) if Seller causes to be achieved Commencement of Installation on or before the end of such thirty (30) day notice period or if Commencement of Installation is delayed due to a Force Majeure Event. Purchaser shall not be liable for any damages in connection with such termination. For the avoidance of doubt, such event shall not be deemed a Default Event by Seller and Purchaser's only remedy shall be the reimbursement by Seller of direct costs reasonably incurred by Purchaser by reason of the termination.

3. **Billing and Payment; Taxes**.

   a. **Monthly Charges**. Purchaser shall pay Seller monthly for the electricity generated by the System and delivered to the Delivery Point at the $/kWh rate shown in **Exhibit 1** (the "**Contract Price**"). The monthly payment for such energy will be equal to the applicable $/kWh rate multiplied by the number of kWh of electricity generated during the applicable month, as measured by the Meter (as defined in Section 10). Additional costs for items differing from the assumptions in **Exhibit 1**, Section 4 are Purchaser's responsibility.

   b. **Monthly Invoices**. Seller shall invoice Purchaser monthly for amounts owed by Purchaser hereunder. Such monthly invoices shall state (i) the amount of electricity produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement, and (iii) the total amount due from Purchaser.

   c. **Payment Terms**. All amounts due under this Agreement are due and payable within thirty (30) days following receipt of invoice. Any undisputed portion of the invoice amount not paid within such thirty (30) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) above the Prime Rate (but not to exceed the maximum rate permitted by law). All payments shall be made in U.S. dollars. "**Prime Rate**" shall mean the annual prime rate of interest published in the Wall Street Journal for the applicable period during which interest is incurred pursuant to the terms of the Agreement.

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d. **Taxes**.

i. **Purchaser's Taxes**. Purchaser is responsible for: (A) payment of, or reimbursement of Seller, for all taxes assessed on the generation, sale, delivery or consumption of electricity produced by the System or the interconnection of the System to the Utility's electricity distribution system; (B) real property taxes; and (C) any sales or use taxes as a result of exercising the option to purchase the System in Section 14(b).

ii. **Seller's Taxes.** Seller is responsible for: (A) payment of income taxes or similar taxes imposed on Seller's revenues due to the sale of electricity under this Agreement; and (B) personal property taxes imposed on the System (**"Seller's Taxes"**).

e. **Budgeting for Contract Price**. Upon execution of this Agreement and prior to the commencement of each subsequent budgetary cycle of Purchaser during the Initial Term (and Additional Term, if any), Purchaser shall take all necessary action to obtain all necessary budgetary approvals and certifications for payment of all of its obligations under this Agreement for such budgetary cycle, including, but not limited to including the maximum amount of its annual payment obligations under this Agreement in its budget submitted to Purchaser's City Council for each year of that budget cycle.

4. **RECs and Incentives**.

a. **Definitions**.

"**Governmental Authority**" means any foreign, federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, court, tribunal, arbitrating body or other governmental authority having jurisdiction or effective control over a Party.

"**Incentives**" means (i) a payment paid by a utility or state or local Governmental Authority based in whole or in part on the cost or size of the System such as a rebate, (ii) a performance-based incentive paid as a stream of periodic payments by a utility, state or Governmental Authority based on the production of the System, (iii) investment tax credits, production tax credits, and similar tax credits, grants or other tax benefits under federal, state or local law, including, but not limited to, the election to receive a payment with respect to investment tax credits or production tax credits pursuant to Code Section 6417, and (iv) any other attributes, commodity, revenue stream or payment in connection with the System (such as ancillary or capacity revenue), in each case of (i) through (iv) relating to the construction, ownership, use or production of energy from the System, provided that Incentives shall not include RECs.

"**REC**" means a renewable energy credit or certificate under any state renewable portfolio, standard or federal renewable energy standard, voluntary renewable energy credit certified by a non-governmental organization, pollution allowance, carbon credit and any similar environmental allowance or credit and green tag or other reporting right under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program, in each case relating to the construction, ownership, use or production of energy from the System, provided that RECs shall not include Incentives.

b. **RECs**. The Parties hereby agree that Seller is entitled to the benefit of, and will retain all ownership interests in, the RECs. If necessary, Purchaser shall cooperate with Seller in obtaining, securing and transferring any and all RECs. Purchaser is not obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. Purchaser shall not make any filing or statements inconsistent with Seller's ownership interests in the RECs, nor shall Purchaser attempt to sell, assign or transfer such RECs. If any RECs are delivered directly to Purchaser, Purchaser shall immediately deliver such items or amounts to Seller.

c. **Incentives**. The Parties hereby agree that Seller or a subsequent System Owner, if applicable, and not Purchaser, is entitled to the benefit of, and will retain all ownership interests in, the Incentives. If necessary, Purchaser shall cooperate with Seller and any such third-party System Owner in obtaining, securing and transferring any and all Incentives, including cooperating, as requested by Seller, with respect to any challenges as to Seller obtaining any portion or amount of the Incentives. Purchaser is not obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller or any such System Owner. Purchaser shall not make any filing or statements inconsistent with Seller's or System Owner's ownership interests in the Incentives, nor shall Purchaser attempt to sell, assign or transfer such Incentives. If any Incentives are delivered directly to Purchaser, Purchaser shall immediately deliver such items or amounts to Seller.

5. **Project Completion**.

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a. **Project Development**. Seller shall use reasonable efforts to diligently pursue or cause to be pursued the development and installation of the System, subject to Section 2(c) and the remaining provisions of this Section 5.

b. **Permits and Approvals**. Seller shall use reasonable efforts to cause to be obtained the following at its sole cost and expense (each, an "**Approval**"):

i. any zoning, land use and building permits required for Seller to cause the System to be constructed, installed and operated; and

ii. any agreements and approvals from the Utility necessary in order to interconnect the System to the Utility's electric distribution system.

Purchaser shall reasonably cooperate with Seller's reasonable requests to assist Seller in expeditiously obtaining such Approvals, including, without limitation, the execution of documents required to be provided by Purchaser to the Utility. The Parties acknowledge and agree that Purchaser does not have authority or jurisdiction over any other public agency's ability to grant Approvals or ability to impose limitations that may affect the System, provided, that such acknowledgment and agreement does not apply to joint powers authorities or related agencies over which Purchaser asserts authority.

c. **Force Majeure**.

i. **Force Majeure Event**. If either Party is unable to timely perform any of its obligations (other than payment obligations) under this Agreement in whole or in part due to a Force Majeure Event, that Party will be excused from performing such obligations for the duration of the time that such Party remains affected by the Force Majeure Event; provided, that such Party uses reasonable efforts to mitigate the impact of the Force Majeure Event and resumes performance of its affected obligations as soon as reasonably practical. The Party affected by the Force Majeure Event shall notify the other Party as soon as reasonably practical after the affected Party becomes aware that it is or will be affected by a Force Majeure Event. If the Force Majeure Event occurs during the Term and impacts the ability of the System to deliver electricity to the Delivery Point, the Term will be extended day for day for each day delivery is suspended due to the Force Majeure Event.

ii. **Extended Force Majeure**. If a Force Majeure Event notified by either Party under paragraph (i) above continues for a consecutive period of three hundred sixty-five (365) days or more, then either Party may terminate this Agreement without either Party having further liability under this Agreement except: (A) liabilities accrued prior to termination, (B) Seller's obligation to cause the System to be removed as required under Section 9 (but Purchaser shall reimburse Seller for Seller's removal costs if the Force Majeure Event affects Purchaser and Purchaser elects to terminate the Agreement) and (C) if Purchaser elects to terminate the Agreement in accordance with this Section, Purchaser shall pay the applicable Termination Payment. Notwithstanding the foregoing, if the Force Majeure Event can be corrected through repair or restoration of the System or other actions by Seller and, prior to expiration of the three hundred sixty-five (365) day period, Seller provides written evidence to Purchaser that it is diligently pursuing such actions, then Purchaser shall not have the right to terminate this Agreement so long as Seller continues to diligently pursue such actions.

iii. **Definition of "Force Majeure Event."** "Force Majeure Event" means any event or circumstance beyond the reasonable control of and without the fault or negligence of Seller, including, without limitation: an act of God; war (declared or undeclared); sabotage; piracy; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction, tariff or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; tsunami; storm; tornado; blizzard; heatwave; ; hurricane; flood; lightning; hail; wind; drought; animals; epidemic; pandemic; action or the failure to act by a Governmental Authority or the Utility, including, but not limited to, a moratorium on any activities related to this Agreement or the delay or a lack of a final Approval based on the California Environmental Quality Act ("**CEQA**") or other applicable law, provided that the delay in decision-making is not attributable to the Party claiming a Force Majeure Event and that such Party has exercised its reasonable efforts to cause such Approval to be obtained; delays in interconnection, provided that the delay in obtaining interconnection is not attributable to the Party claiming a Force Majeure Event or its agents; unavailability of electricity from the Utility grid; and failure or unavailability of equipment, supplies or products outside of Seller's control or due to a Force Majeure Event. For purposes of the definition of "Force Majeure," a Party shall not be considered a Governmental Authority if such Party is claiming the presence of a Force Majeure Event as an excuse for its failure to timely perform its obligations under this Agreement.

d. **Extension of Time**. If Seller is delayed in causing the achievement of Commencement of Installation due to a Force

Majeure Event, the time for achievement of Commencement of Installation will be automatically extended to account for the impact of the delay.

e. **Commercial Operation**. Seller shall notify Purchaser in writing at least one week prior to the Commercial Operation Date. Upon Purchaser's reasonable request, Seller shall provide Purchaser with the "Final Completion Certificate" as executed by the contractor to Seller responsible for installing the System and the "Final Completion Notification" as executed by Seller to evidence that the System is ready to begin Commercial Operation. Purchaser may not turn on, electrify or otherwise operate the System in the absence of prior, written permission from Seller.

6. **Installation, Operation and Maintenance**.

a. **Seller's General Obligations Regarding the System**. Subject to the terms and conditions of this Agreement, Seller shall use reasonable efforts to cause the System to be designed, engineered, installed, commissioned, monitored, operated and maintained, in each case in a good and workmanlike manner and in accordance with applicable law and prudent solar industry practices in the State of California. The Seller shall ensure that the System complies with all applicable law, rules, regulations and local building codes.

b. **System Design Approval**. Seller has provided Purchaser with a copy of the System design, and Purchaser has approved such design. Should any subsequent changes to the System design be made prior to Commencement of Installation, Purchaser shall be provided with a copy of any such revised System design and Purchaser shall have ten (10) business days after receipt to approve or disapprove the revised design, such approval not to be unreasonably withheld. Failure by Purchaser to respond within such ten (10) business day period shall be deemed approval of the revised System design. If Purchaser disapproves the revised System design, Seller may either (i) cause the design to be reverted to the original design approved by Purchaser or (ii) terminate this Agreement and such termination shall be without further liability to Purchaser. If changes to the System design or other changes, including new information regarding Purchaser's electricity needs or Seller's selection of equipment for the System will result in a change to any of the data on **Exhibit 2** (including, but not limited to the System Size), **Exhibit 2** may be revised and amended pursuant to the written agreement of the Parties.

c. **System Repair and Maintenance**. Seller may cause the suspension of delivery of electricity from the System to the Delivery Point for the purpose of causing the maintenance to and repairs of the System; provided that Seller shall use reasonable efforts to minimize any interruption in service to the Purchaser and shall provide at least thirty (30) business days' advance notice to Purchaser of any scheduled maintenance and repairs. Emergency maintenance and repairs may be performed in the absence of such notice if necessary to prevent harm to persons or property. Scheduled and unscheduled maintenance and repairs shall be undertaken at Seller's sole cost and expense, except that Purchaser shall reimburse Seller for the reasonable cost of any repairs or maintenance resulting from damage caused by Purchaser, its agents, employees or contractors.

d. **System Outage Allowance**. Upon Purchaser's written request, Seller shall cause the System to be taken off-line for a total of forty-eight (48) daylight hours (as defined by the United States National Weather Service in the area where the System is located) during each Contract Year (each event an "**Outage**" and the forty-eight (48) hour period the "**Outage Allowance**"). The Outage Allowance includes all Outage hours undertaken by Seller for maintenance or repairs for which Purchaser is responsible pursuant to Section 6(c) or requested by Purchaser under this Section 6(d) (other than due to the fault or negligence of Seller). Purchaser's request shall be delivered at least forty-eight (48) hours in advance. Purchaser is not obligated to accept or pay for electricity from the System for Outages up to the annual Outage Allowance. If the aggregate hours for Outages, including, but not limited to Outages resulting from a temporary disconnection or removal pursuant to Section 6(f), exceed the Outage Allowance in a given Contract Year and Purchaser has opted out of receiving retail electric generation service from Seller, Seller shall reasonably estimate the amount of electricity that would have been delivered to Purchaser during such excess Outages and Purchaser shall pay Seller for such amount in accordance with this Agreement.

e. **Maintenance of Premises**. Purchaser shall, at its sole cost and expense, maintain the Premises and Improvements in good condition and repair. Purchaser, to the extent within its reasonable control, (i) shall ensure that the Premises remains interconnected to the local Utility grid at all times; and (ii) shall not permit cessation of delivery of electric service to the Premises from the local Utility. Purchaser is fully responsible for, and shall properly maintain in full working order and good repair, the electrical infrastructure on the Purchaser's side of the Delivery Point, including all of Purchaser's equipment that utilizes the System's outputs. Purchaser shall use reasonable efforts to cooperate with Seller to comply with any technical standard of the Utility providing electrical power to the Purchaser.

f. **Alteration or Repairs to Premises**. Not less than ninety (90) days prior to making any alterations or repairs to the

Premises (except for emergency repairs) or any Improvement which may adversely affect the operation and maintenance of the System, Purchaser shall inform Seller in writing and, thereafter, shall use reasonable efforts to conduct such repairs, alterations or Improvements in compliance with any reasonable request made by Seller within ten (10) days after having received such written request to mitigate any adverse effect. If any repair, alteration or Improvement result in a permanent and material adverse economic impact on the System, Purchaser may request relocation of the System under Section 8 hereof. To the extent that temporary disconnection of the System is necessary in order for Purchaser to perform such alterations or repairs, Seller shall cause to be performed such work, and any re-connection of the System, at Purchaser's cost, subject to Sections 6(c), 6(d) and 6(e). To the extent that temporary removal of the System is necessary in order for Purchaser to perform such alterations or repairs, Seller shall use reasonable efforts to cause to be performed such removal work within one hundred and eighty (180) days of Seller's determination that such temporary removal is required and any such removal and re-installation work shall be at Purchaser's cost, subject to Sections 6(c), 6(d) and 6(e). Seller shall cause to be made any alterations and repairs in a good and workmanlike manner, in compliance with all applicable laws, codes and permits.

7. Miscellaneous Rights and Obligations of the Parties.

a. Access Rights. In consideration of and in order to effectuate the mutual covenants and terms of this Agreement, Purchaser hereby grants to Seller and to Seller's agents, employees, contractors and subcontractors and the Utility (i) a non-exclusive license running with the Premises (the "**Non-Exclusive License**") for access to, on, over, under and across the Premises from the Effective Date until the date that is one hundred and eighty (180) days following the date of expiration or earlier termination of this Agreement (the "**License Term**"), for the purposes of performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement and otherwise as required by Seller in order to effectuate the purposes of this Agreement, including, but not limited to design, engineering, development, construction, installation, inspection, interconnection, testing, operation, maintenance, repair, replacement and removal of the System and all incidental and related uses connected therewith. In addition to the foregoing, if the System shall be a ground-mounted System to be located within a secure, fenced area on the Premises, Purchaser hereby grants to Seller an exclusive, sub-licensable license running with the Premises (the "**Exclusive License**", and together with the Non-Exclusive License, the "**Licenses**") for purposes of the installation, operation, use and maintenance of the System on such exclusively licensed area of the Premises during the License Term. Seller and its employees, agents, contractors and subcontractors must comply with Purchaser's site safety and security requirements when on the Premises (other than in respect of the fenced area governed by the Exclusive License) during the License Term. During the License Term, Purchaser shall preserve and protect Seller's rights under the Licenses and Seller's access to the Premises and shall not interfere, or permit any third parties under Purchaser's control to interfere, with such rights or access. Seller may record a customary memorandum of license in the land records respecting the Licenses.

b. OSHA Compliance. Each Party shall comply with all Occupational Safety and Health Act (**"OSHA"**) requirements and other similar applicable safety laws and codes with respect to such Party's performance under this Agreement.

c. Safeguarding the Premises. Purchaser shall maintain the physical security of the Premises and Improvements in a manner to be expected of a reasonable and prudent owner of premises and improvements similar to the Premises and Improvements in nature and location. Purchaser shall not conduct or permit activities on, in or about the Premises or the Improvements that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System. Purchaser shall indemnify Seller for any loss or damage to the System to the extent caused by or arising out of (i) Purchaser's breach of its obligations under this Section or (ii) the acts or omissions of Purchaser or its employees, agents, invitees or separate contractors. Without limiting the foregoing, PCE shall arrange for security of the System, equipment and tools during the construction of the System and Purchaser shall cooperate with PCE and its contractor with respect to such security measures.

d. Insolation. Purchaser acknowledges that unobstructed access to sunlight ("**Insolation**") is essential to Seller's performance of its obligations and a material term of this Agreement. Purchaser shall not, to the extent within its reasonable control, cause or permit any interference with the System's Insolation, and shall ensure that vegetation on the Premises adjacent to the System is regularly pruned or otherwise maintained to prevent interference with the System's Insolation. If either Party discovers any activity or condition that could diminish the Insolation of the System, such Party shall immediately notify the other Party and Purchaser shall cooperate with Seller in preserving and restoring the System's Insolation levels as they existed on the Effective Date.

e. Use and Payment of Contractors and Subcontractors. Seller shall use and shall cause to be used suitably qualified, experienced and licensed contractors and subcontractors to perform its obligations under this Agreement. However, Seller shall be responsible for the quality of the work performed by such contractors and subcontractors. Seller shall

pay or shall cause to be paid when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement.

f. **Liens**.

i. **Lien Obligations**. Purchaser shall not directly or indirectly cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature, except such encumbrances as may be required to allow Seller access to the Premises (each a "**Lien**") on or with respect to the System. Seller shall not directly or indirectly cause, create, incur, assume or allow to exist any Lien on or with respect to the Premises or the Improvements, other than those Liens which Seller is permitted by law to place on the Premises due to non-payment by Purchaser of amounts due under this Agreement. Each Party shall immediately notify the other Party in writing of the existence of any such Lien following such Party's discovery of same, and shall promptly (and in all events within thirty (30) days) cause the same to be discharged and released of record without cost to the other Party; provided, however, that each indemnifying Party has the right to contest any such Lien, so long as it provides a statutory bond or other reasonable assurances of payment that either removes such Lien from title to the affected property, or that assures that any adverse judgment with respect to such Lien shall be paid without affecting title to such property.

ii. **Lien Indemnity**. Each Party shall indemnify the other Party from and against all claims, losses, damages, liabilities and expenses resulting from any Liens filed against such other Party's property as a result of the indemnifying Party's breach of its obligations under Section 7(f)(i).

8. **Relocation of System**. If, during the Term, Purchaser ceases to conduct operations at the Premises or vacates the Premises, the Premises have been destroyed, or the Purchaser is otherwise unable to continue to host the System or accept the electricity delivered by the System for any other reason (other than a Default Event by Seller), Purchaser may propose in writing the relocation of the System, at Purchaser's cost, in lieu of termination of the Agreement by Seller for a Default Event by Purchaser. If such proposal is practically feasible and preserves the economic value of this Agreement for Seller, the Parties shall seek to negotiate in good faith an agreement for the relocation of the System. If the Parties are unable to reach agreement on relocation of the System within sixty (60) days after the date of receipt of Purchaser's proposal, Seller may terminate this Agreement pursuant to Section 11(b)(ii).

9. **Removal of System upon Termination or Expiration**. Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option under Section 14(b)), Seller shall, at its expense (unless expressly provided otherwise in this Agreement), cause to be removed all of the tangible property comprising the System from the Premises with a targeted completion date that is no later than one hundred and eighty (180) days after the expiration of the Term. The portion of the Premises where the System is located shall be returned to substantially its original condition as is reasonably possible, except for ordinary wear and tear, including the removal of System mounting pads or other support structures, and repair and restoration of the roof and the roof membrane. Seller is required to cause to be repaired any and all damage to the Premises caused by removal of the System. Notwithstanding the foregoing, Seller shall not be obligated to remove or cause to be removed any support structures for the System which are affixed to and below the exposed surface of Purchaser's structures or any below grade structures, including foundations and conduits, or any roads. If the System is installed on the roof of an Improvement, Seller's warranties under Section 12(c)(i) shall apply, as applicable. Purchaser must provide sufficient access, space and cooperation as reasonably necessary to facilitate System removal. Purchaser shall comply with Section 7(c) and Section 13 until removal is complete. If Seller fails to cause the removal of the System within one hundred and eighty (180) days after expiration of the Term, Purchaser may, at its option, remove the System to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Seller's cost, *provided* that if Seller pays Purchaser for such costs, Seller shall not be liable to Purchaser for a Default Event by Seller.

10. **Measurement**.

a. **Meter**. The System's electricity output during the Term shall be measured by Seller's meter, which shall be a revenue grade meter that meets ANSI-C12.20 standards for accuracy (the "**Meter**"). Purchaser shall have access to the metered energy output data via the monitoring system caused to be installed and maintained by Seller as part of the System.

b. **Meter Calibration**. Seller shall cause the Meter to be calibrated in accordance with manufacturer's recommendations. Notwithstanding the foregoing, Purchaser may install, or cause to be installed, its own revenue-grade meter at the same location as the Meter. If there is a discrepancy between the data from Purchaser's meter and the data from the Meter of greater than two percent (2%) over the course of a Contract Year, then Purchaser may request that Seller calibrate the Meter at Purchaser's cost.

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c. **Internet Connection**. At all times during the Term, Purchaser shall maintain and make available, at Purchaser's cost:

i. A hard-wired ethernet port for connection to System equipment located within fifty (50) physical feet of the electrical room of the Premises; or, if such hard-wired port is not feasible, Wi-Fi available seven (7) days per week and twenty-four (24) hours per day;
ii. Information technology support services as needed to provide Internet connectivity via the connection described in Section 10(c)(i); and
iii. A dedicated IP address for System equipment.

If Purchaser does not maintain such Internet connection described above, Seller will not be able to cause the System to be monitored or provide the performance guaranty set forth on **Exhibit 4**. Further, if Seller is not able to monitor the System, Seller will be required to estimate the System's power production for purposes of determining the monthly payment(s) for any such month in which the required Internet connection was not available.

d. **Meter Testing**. Purchaser may require Seller to cause the Meter to be tested once at any time during the Term at Seller's cost (an "**Initial Meter Test**"). After the Initial Meter Test, Purchaser may request that Seller cause the Meter to be tested only upon Purchaser's reasonable basis for belief that a Meter Inaccuracy (as defined below) exists, at Seller's cost (a "**Second Meter Test**"). In the absence of a Meter Inaccuracy as demonstrated by a Second Meter Test, any future Meter testing shall be at Purchaser's sole cost and expense. If any Meter test demonstrates inaccuracy of the Meter of greater than two percent (2%) over the course of a Contract Year (a "**Meter Inaccuracy**"), then Seller shall credit any overpayment by Purchaser against, or add any underpayment by Purchaser to, the next monthly invoice it provides to Purchaser. Purchaser shall have the right to witness any Meter test.

11. **Default, Remedies and Damages**.

a. **Default**. Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below is deemed a "**Defaulting Party**", the other Party is the "**Non-Defaulting Party**" and each of the following is a "**Default Event**":

i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("**Payment Default**");

ii. failure of a Party to perform any material obligation under this Agreement or an act or omission of a Party in violation of the terms and conditions of this Agreement not addressed elsewhere in this Section 11(a) within sixty (60) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that if the Default Event cannot reasonably be cured within sixty (60) days and the Defaulting Party has demonstrated prior to the end of that period that it is diligently pursuing such cure, the cure period will be extended for a further reasonable period of time, not to exceed ninety (90) days;

iii. such Party fails to provide or maintain in full force and effect any required insurance, if such failure is not remedied within ten (10) business days after receipt of written notice from the Non-Defaulting Party to the Defaulting Party;

iv. any representation or warranty given by a Party under this Agreement was incorrect in any material respect when made and is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;

v. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect (or, if any such actions are initiated by a third party, such action(s) is (are) not dismissed within sixty (60) days); or,

vi. in the case of Purchaser as the Defaulting Party only, Purchaser (A) loses its rights to occupy and enjoy the Premises, unless (I) the Parties agree upon a relocation under Section 8 above, or (II) Purchaser pays the Termination Payment determined under Section 6 of **Exhibit 1** within thirty (30) days after written request by Seller; (B) loses its right to provide or is in default under Section 7(a); or (C) prevents Seller from performing any material obligation under this Agreement unless such action by Purchaser is (I) permitted under this Agreement, or (II) cured within ten (10) days after written notice thereof from Seller.

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b. **Remedies**.

i. **Suspension**. Upon the occurrence and during the continuation of a Default Event by Purchaser, including a Payment Default, Seller may suspend performance of its obligations under this Agreement, including, but not limited to, turning off the System, until the earlier to occur of the date (A) that Purchaser cures the Default Event in full, or (B) of termination of this Agreement. Seller's rights under this Section 11(b)(i) are in addition to any other remedies available to it under this Agreement, at law or in equity.

ii. **Termination**. Upon the occurrence and during the continuation of a Default Event, the Non-Defaulting Party may terminate this Agreement, by providing thirty (30) days prior written notice to the Defaulting Party; provided, that, in the case of a Default Event under Section 11(a)(v), the Non-Defaulting Party may terminate this Agreement immediately.

iii. **Damages Upon Termination by Default**. Upon a termination of this Agreement pursuant to Section 11(b)(ii), the Defaulting Party shall pay a termination payment to the Non-Defaulting Party determined as follows (the "**Termination Payment**"):

A. Termination by Seller. If Seller terminates this Agreement for a Default Event by Purchaser, the Termination Payment payable to Seller shall be equal to the sum of (1) the applicable amount set forth in the Termination Payment Schedule set forth as Section 6 of **Exhibit 1,** and (2) any other amounts previously accrued under this Agreement and then owed by Purchaser to Seller.

B. Termination by Purchaser. If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser will be equal to the sum of (1) the present value of the excess, if any,of the reasonably expected cost of electricity delivered by the Utility over the Contract Price for the reasonably expected production of the System for a period of the lesser of five (5) years or the remainder of the Initial Term or the then current Additional Term, as applicable; (2) all direct costs reasonably incurred by Purchaser by reason of the termination; and (3) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment determined under this Section 11(b)(iii)(B) cannot be less than zero.

iv. **Liquidated Damages**.

A. The Parties agree that, if Seller terminates this Agreement prior to the expiration of the Term pursuant to Section 11(b)(ii), actual damages would be difficult to ascertain, and the Termination Payment determined in accordance with Section 11(b)(iii)(A) is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement and is not a penalty.

B. The Parties agree that, prior to the Effective Date, Seller provided various services to Purchaser to facilitate the development of the System on the Premises based on an assumption that it would have an ongoing retail electric service customer relationship with Purchaser, including but not limited to: engagement with Purchaser and its employees or other agents to identify, screen, and select candidate facilities for the installation of Systems; engagement of an independent engineering services firm to conduct site investigation, analysis of load data, System design, site layout and single line diagrams, estimated solar production, and coordination with Purchaser's employees or agents; and engagement with Purchaser's employees or agents to support obtaining necessary resolutions and approvals to authorize the installation of the System. In light of the foregoing, the Parties hereby agree that, if Purchaser opts out of receiving its retail electricity service at the Premises from Seller, or if Purchaser terminates this Agreement pursuant to Section 6(b), actual damages would be difficult or impossible to ascertain, and $25,000 is a reasonable approximation of the damages suffered by Seller and is not a penalty.

c. **Obligations Following Termination**. If a Party terminates this Agreement pursuant to Section 11(b)(ii), then following such termination, Seller shall cause the equipment constituting the System to be removed in compliance with Section 9 at the sole cost and expense of the Defaulting Party, *provided, however* that Seller shall not be required to cause the System to be removed following the occurrence of a Default Event by Purchaser pursuant to Section 11(a)(i), unless Purchaser pre-pays the cost of restoration reasonably estimated by Seller.

i. **Reservation of Rights**. Except in the case of a termination under Section 11(b)(ii) and payment of a Termination Payment, if any, determined pursuant to Section 11(b)(iii), nothing in this Section 11 limits either Party's right to pursue any remedy under this Agreement, at law or in equity, including with respect to the pursuit of an action

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for damages by reason of a breach or Default Event under this Agreement.

ii. **Mitigation Obligation**. Regardless of whether this Agreement is terminated for a Default Event, the Non-Defaulting Party must make reasonable efforts to mitigate its damages as the result of such Default Event; provided that such obligation shall not reduce Purchaser's obligation to pay the full Termination Payment set forth in Section 6 of **Exhibit 1** following a Default Event by Purchaser.

iii. **No Limitation on Payments**. Nothing in this Section 11 excuses a Party's obligation to make any payment when due under this Agreement, including with respect to payments for electricity that would have been delivered to Purchaser but for a Purchaser breach or Default Event.

12. Representations and Warranties.

a. General Representations and Warranties. Each Party represents and warrants to the other the following:

i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary governmental action, and do not and will not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors' rights generally).

ii. Such Party has obtained all licenses, authorizations, consents and approvals required by applicable law and any Governmental Authority or other third-party and necessary for such Party to own its assets, carry on its business and operations and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

b. Purchaser's Representations and Warranties. Purchaser represents and warrants to Seller the following:

i. **Licenses**. (A) Purchaser has title to and is the fee owner of the Premises such that Purchaser has the full right, power and authority to enter into and perform all of its obligations under this Agreement, (B) this Agreement does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Premises and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Premises, and (C) there are no deeds of trust, mortgages or similar security instruments with a lien against the Premises.

ii. **Other Agreements**. Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser is bound.

iii. **Accuracy of Information**. All information provided by Purchaser to Seller, as it pertains to (A) the Premises, (B) the Improvements on which the System is to be installed, if applicable, (C) Purchaser's planned use of the Premises and any applicable Improvements, and (D) Purchaser's estimated electricity requirements, is accurate in all material respects.

iv. **Purchaser Status**. Purchaser is not a public utility or a public utility holding company and is not subject to regulation as a public utility or a public utility holding company.

v. **Limit on Use**. No portion of the electricity generated by the System shall be used to heat a swimming pool.

c. Seller's Warranties.

i. If Seller causes to be penetrated the roof of any Improvement on which the System is installed, during System installation or any System repair, Seller shall provide for a warranty on roof damage caused by these roof penetrations. This roof warranty shall terminate upon the earlier of (A) five (5) years following the Commercial Operation Date and (B) the expiration of the warranty applicable to such roof provided by Purchaser's roofing contractor.

ii. If Seller or its agents damage any other part of the Premises or any Improvement (including roof damages not covered under Section 12(c)(i) above), Seller shall repair or reimburse Purchaser for such damage, as agreed by the Parties

and subject to Section 15.

d. **NO OTHER WARRANTY**. THE WARRANTIES SET FORTH IN SECTIONS 12(a) AND 12(c) OF THIS AGREEMENT ARE PURCHASER'S SOLE AND EXCLUSIVE BASIS FOR ANY CLAIM OR LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS SECTION 12, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. OTHER THAN AS EXPRESSLY SET FORTH IN SECTIONS 12(a) AND 12(c), NO WARRANTY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, APPLIES UNDER THIS AGREEMENT.

13. Insurance.

a. **Insurance Coverage**. At all times during the Term, the Parties shall maintain the following insurance, as applicable:

i. Seller's Insurance. Seller shall maintain (A) property insurance on the System for the replacement cost thereof, (B) commercial general liability, employers liability and automobile liability insurance with primary coverage of at least $1,000,000 per occurrence, an excess liability limit of $5,000,000, for a total of $6,000,000 in the aggregate, and (C) workers' compensation insurance as required by law. Seller's coverage may be provided as part of an enterprise insurance program.

ii. Purchaser's Insurance. Purchaser shall maintain commercial general liability insurance with coverage of at least $2,000,000 per occurrence.

b. **Policy Provisions**. The insurance policies referenced in Section 13(a) shall (i) contain a provision whereby the insurer agrees to give theother Party at least thirty (30) days (ten (10) days for non-payment of premiums) written notice before the insurance is cancelled, or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other Party.

c. **Certificates**. Upon the other Party's request, each Party shall deliver to the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.

d. **Deductibles**. Each Party shall pay or cause to be paid its own insurance deductibles, except in the case of claims (i) resulting from a breach of this Agreement, in which case the breaching Party is responsible for payment of the non-breaching Party's deductible for any responding insurance, and (ii) covered by an indemnity set forth in this Agreement.

14. Ownership; Option to Purchase.

a. **Ownership of System**.

i. **Ownership; Personal Property**. System Owner or its assignee shall be the legal and beneficial owner of the System and the System will remain the personal property of System Owner or such assignee and will not attach to or be deemed a part of, or fixture to, the Premises or any Improvement on which the System is installed. Each of the Seller and Purchaser agree that System Owner or its assignee is the tax owner of the System and all tax filings and reports shall be filed in a manner consistent with this Agreement. The System will at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code.

ii. **Notice to Purchaser Lienholders**. Purchaser shall use reasonable efforts to place all parties having a Lien on the Premises or any Improvement on which the System is installed on notice of the ownership of the System and the legal status or classification of the System as personal property. If any mortgage or fixture filing against the Premises could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder.

iii. **Fixture Disclaimer**. Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Premises are located. If, at any point after the Effective Date, Purchaser is not the fee owner of the Premises, Purchaser shall obtain such consent from such fee owner. For the avoidance of doubt, in either circumstance Seller has the right to file such disclaimer.

iv. **SNDA**. Upon request, Purchaser shall deliver to Seller a subordination and non-disturbance agreement in a form mutually acceptable to Seller and Purchaser, any mortgagee with a Lien on the Premises, and other Persons holding a similar interest in the Premises.

v. **Eviction Notice**. Purchaser hereby represents and warrants that it is the legal owner of the Premises. To the extent that Purchaser does not own the Premises or any Improvement on which the System is installed after the Effective Date, Purchaser shall provide to Seller immediate written notice of any such change in ownership and receipt of notice of eviction from the Premises or applicable Improvement or termination of Purchaser's lease of the Premises and/or Improvement.

b. Option to Purchase.

i. Exercise of Option. At the end of the Initial Term and each Additional Term, so long as Purchaser is not in default under this Agreement, Purchaser may purchase the System from System Owner on any such date for a purchase price equal to the Fair Market Value of the System applicable as of the date of the transfer of title to the System. Purchaser shall notify Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of the Initial Term or Additional Term, as applicable, and the purchase shall be completed prior to the end of the Initial Term or Additional Term, as applicable.

ii. Fair Market Value. The "**Fair Market Value**" of the System shall be determined by mutual agreement of the Parties; provided, however, if the Parties cannot agree to a Fair Market Value within thirty (30) days after Purchaser has delivered to Seller a notice of its intent to purchase the System, the Parties shall select a nationally recognized independent appraiser with experience and expertise in the solar photovoltaic industry to determine the Fair Market Value of the System. Such appraiser shall act reasonably and in good faith to determine the Fair Market Value of the System on an installed basis and shall set forth such determination in a written opinion delivered to the Parties. The valuation made by the appraiser will be binding upon the Parties in the absence of fraud or manifest error. The costs of the appraisal shall be borne by the Parties equally.

iii. Title Transfer; Warranties; Manuals. If Purchaser exercises its purchase option pursuant to Section 14(b)(i) above, title to the System and manufacturers' warranties shall transfer to Purchaser upon System Owner's receipt of the purchase price and execution by System Owner and Purchaser of a written instrument or agreement to effect such transfer to be negotiated between System Owner and Purchaser. The System will be sold "as is, where is, with all faults." Upon purchase of the System, Purchaser shall assume complete responsibility for the operation and maintenance of the System and liability for the performance of (and risk of loss for) the System, and, except for any Seller obligations that survive termination under Section 19(d), System Owner will have no further liabilities or obligations hereunder for the System.

15. Indemnification and Limitations of Liability.

a. General. Each Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party, its affiliates and the other Party's and its affiliates' respective directors, officers, shareholders, partners, members, agents and employees (collectively, the "**Indemnified Parties**"), from and against any loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from (i) any Claim (as defined in Section 15(c)) relating to the Indemnifying Party's breach of any representation or warranty set forth in Section 12 and (ii) injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein will require the Indemnifying Party to indemnify the Indemnified Parties for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, an Indemnified Party. This Section 15(a) does not apply to Liabilities arising out of or relating to any form of Hazardous Substances or other environmental contamination, such matters being addressed exclusively by Section 15(d).

b. Permission to Operate Indemnification. Purchaser shall defend, indemnify and hold harmless Seller Indemnified Parties from and against any Liabilities resulting from Purchaser's breach of Purchaser's obligations under Section 5(e).

c. Notice and Participation in Third-Party Claims. The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third-party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the

defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party may settle any Claim covered by this Section 15(c) unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party has no liability under this Section 15(c) for any Claim for which such notice is not provided if the failure to give notice prejudices the Indemnifying Party.

d. **Environmental Indemnification**.

i. Seller Indemnity. Seller shall indemnify, defend and hold harmless all of Purchaser's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 15(d)(iii)) to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.

ii. Purchaser Indemnity. Purchaser shall indemnify, defend and hold harmless all of Seller's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance, except to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees or, where the deposit, spill, or existence of the Hazardous Substance is not caused by Seller or any of its contractors or agents, to the extent the condition is known by Seller or any of its contractor or agents and is worsened as a result of the negligent acts or omissions, willful misconduct, or breach of Contract by Seller or any of its contractors, agents or employees.

iii. Notice. Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises generally or any deposit, spill or release of any Hazardous Substance. "**Hazardous Substance**" means any chemical, waste or other substance (a) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (b) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (c) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (d) the storage, use, handling, disposal or release of which is restricted or regulated by any Governmental Authority, or (e) for which remediation or cleanup is required by any Governmental Authority.

e. **Limitations on Liability**.

i. No Consequential Damages. Except with respect to indemnification of third-party claims pursuant to Section 15, fraud or willful misconduct, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers will be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature (including, without limitation, lost revenues, lost profits, lost business opportunity or any business interruption) arising out of their performance or non-performance hereunder even if advised of such. Notwithstanding the previous sentence, the Termination Payment set forth in Section 6 of **Exhibit 1** shall be deemed to be direct, and not indirect or consequential damages for purpose of this Section 15(e)(i).

ii. Actual Damages. Except with respect to indemnification of Claims pursuant to this Section 15, and except as otherwise limited in Section 12(d), Seller's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement cannot exceed $1,000,000. The provisions of this Section 15(e)(ii) will apply whether such liability arises in contract, tort, strict liability or otherwise.

f. **EXCLUSIVE REMEDIES**. TO THE EXTENT THAT THIS AGREEMENT SETS FORTH SPECIFIC REMEDIES FOR ANY CLAIM OR LIABILITY, SUCH REMEDIES ARE THE AFFECTED PARTY'S SOLE AND EXCLUSIVE REMEDIES FOR SUCH CLAIM OR LIABILITY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

g. **Comparative Negligence**. Where negligence is determined to have been joint, contributory or concurrent, each Party

shall bear the proportionate cost of any Liability.

16. Change in Law.

a. Impacts of Change in Law. If Seller determines that a Change in Law has occurred or will occur that has or will have a material adverse effect on Seller's rights, entitlement, obligations or costs under this Agreement, then Seller may so notify the Purchaser in writing of such Change in Law. Within thirty (30) days following receipt by the Purchaser of such notice, the Parties shall meet and attempt in good faith to negotiate such amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller may terminate this Agreement and cause the System to be removed and the Premises to be restored in accordance with Section 9 without either Party having further liability under this Agreement except with respect to liabilities accrued prior to the date of termination.

b. Illegality or Impossibility. If a Change in Law renders this Agreement, or Seller's performance of this Agreement, either illegal or impossible, then Seller may terminate this Agreement immediately upon notice to Purchaser without either Party having further liability under this Agreement except with respect to liabilities accrued prior to the date of termination.

c. "Change in Law" means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation, (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority that materially alters the financial obligations of Seller under this Agreement.

17. Assignment and Financing.

a. Assignment.

i. Restrictions on Assignment. Subject to the remainder of this Section 17(a), this Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. Purchaser may not withhold its consent to an assignment proposed by Seller where the proposed assignee has the financial capability and experience necessary to operate and maintain solar photovoltaic systems such as the System in accordance with prudent solar industry practices in the State of California.

ii. Permitted Assignments. Notwithstanding Section 17(a)(i), Seller may, without the prior written consent of Purchaser, assign, mortgage, pledge or otherwise directly or indirectly assign its interests in this Agreement to (A) any Financing Party (as defined in Section 17(b)), (B) any entity through which Seller is obtaining financing from a Financing Party, or (C) any affiliate of Seller or any person succeeding to all or substantially all of the assets of Seller; provided, that, the assignment does not negatively affect the terms of this Agreement or Seller's ability to perform hereunder or thereunder. Seller is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Seller's obligations hereunder by binding written instrument.

iii. Successors and Permitted Assignees. This Agreement is binding on and inures to the benefit of successors and permitted assignees. The restrictions on assignment contained herein do not prohibit or otherwise limit changes in control of Seller.

b. Financing. The Parties acknowledge that Seller and/or System Owner may obtain debt or equity financing or other credit support from lenders, investors or other third parties (each, a "**Financing Party**") in connection with the installation, construction, ownership, operation and maintenance of the System. In furtherance of Seller's and/or System Owner's financing arrangements and in addition to any other rights or entitlements of Seller or System Owner's under this Agreement, Purchaser shall timely execute any consents to assignment (which may include notice, cure, attornment and step-in rights) or estoppels and negotiate any amendments to this Agreement that may be reasonably requested by Seller and/or System Owner or the Financing Parties; provided, that such estoppels, consents to assignment or amendments do not alter the fundamental economic terms of this Agreement.

c. Termination Requires Consent. Seller and Purchaser agree that any right of Seller to terminate this Agreement is subject to the prior written consent of any Financing Party.

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18. Confidentiality.

a. Confidential Information. To the maximum extent permitted by applicable law, if either Party provides confidential information ("**Confidential Information**") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information of the other Party, the receiving or learning Party shall (i) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Seller, financing, of this Agreement. Subject to Section 18(b)(iii), the Parties hereby agree to treat Sections 3 and 6 of **Exhibit 1** as Confidential Information of each Party for purposes of this Section 18 and to redact the numbers set forth in such Sections from any publication or disclosure of this Agreement.

b. Permitted Disclosures. Notwithstanding Section 18(a):

i. A Party may provide such Confidential Information to its affiliates and to its and its affiliates' respective officers, directors, members, managers, employees, agents, contractors, consultants and Financing Parties (collectively, "**Representatives**"), and potential direct or indirect assignees of this Agreement if such potential assignees are first bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information. Each Party is liable for breaches of this provision by any person to whom that Party discloses Confidential Information.

ii. Confidential Information does not include any information that (A) becomes publicly available other than through breach of this Agreement, (B) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena, (C) is independently developed by the receiving Party, or (D) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall reasonably cooperate with the other Party's efforts to limit the disclosure to the extent permitted by applicable law.

iii. Each Party hereto acknowledges and agrees that this Agreement and information and documentation provided in connection with this Agreement may be subject to the California Public Records Act (Government 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, the recipient of such request or demand shall, to the extent permissible, notify the other Party in writing in advance of any disclosure that the request or demand has been made and shall take all reasonably necessary and customary steps to protect Confidential Information that is the subject of any California Public Records Act request submitted by a third person to Purchaser, including, but not limited to, applicable exceptions described by Cal. Gov't Code Sections 6254 and 6255.

iv. A Party may be required to make portions of this Agreement available to the public in connection with the process of seeking approval from its respective governing board of its entry into this Agreement. Such Party shall provide prior, written approval of the other Party prior to such disclosure, and shall provide such other Party the opportunity to review any redacted version of this Agreement to be so disclosed.

v. 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, provided that any such credit rating agency agrees in writing to maintain the confidentiality of such Confidential Information.

c. Miscellaneous. All Confidential Information remains the property of the disclosing Party and will be returned to the disclosing Party or destroyed (at the receiving Party's option) after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party acknowledges that the disclosing Party would be irreparably injured by a breach of this Section 18 by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, for breaches of this Section 18. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 18, but will be in addition to all other remedies available at law or in equity. The obligation of confidentiality will survive termination of this Agreement for a period of two (2) years.

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d. **Goodwill and Publicity**. Neither Party may (A) make any press release or public announcement of the specific terms of this Agreement or the use of solar or renewable energy involving this Agreement (except for filings or other statements or releases as may be required by applicable law), or (B) use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party. The Parties shall coordinate and cooperate with each other when making public announcements regarding this Agreement, the System and its use, and each Party may promptly review, comment upon and approve any publicity materials, press releases or other public statements before they are made. Notwithstanding the above, Seller is entitled to place signage on the Premises reflecting its association with the System.

19. **General Provisions**.

a. **Definitions and Interpretation**. Unless otherwise defined or required by the context in which any term appears: (i) the singular includes the plural and vice versa, (ii) the words "herein," "hereof" and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection of this Agreement, (iii) references to any agreement, document or instrument mean such agreement, document or instrument as amended, restated, modified, supplemented or replaced from time to time, and (iv) the words "include," "includes" and "including" mean include, includes and including "without limitation." The captions or headings in this Agreement are strictly for convenience and will not be considered in interpreting this Agreement. As used in this Agreement, "dollar" and the "$" sign refer to United States dollars.

b. **Choice of Law; Dispute Resolution**. 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 conflict of laws. In the event of a dispute, controversy, or claim arising out of or relating to this Agreement, the Parties shall confer and attempt to resolve such matter informally. If such dispute or claim cannot be resolved in this matter, then the dispute or claim shall be referred first to executive officers of the Parties for their review and resolution. If the dispute or claim still cannot be resolved by such officers, then the matter shall be arbitrated and either Party may file a written demand for arbitration with Judicial Arbitration & Mediation Services ("**JAMS**") and shall send a copy of such demand to the other Party. The arbitration shall be conducted in accordance with the current JAMS arbitration rules then in effect. The arbitration shall be heard by one arbitrator, who shall have experience in the general subject matter to which the dispute relates. The award rendered by the arbitrator shall be final and binding on the Parties and shall be deemed enforceable in any court having jurisdiction thereof and of the Parties. The prevailing Party in any dispute arising out of this Agreement is entitled to reasonable attorneys' fees and costs.

c. **Notices**. All notices under this Agreement shall be in writing and delivered by hand, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and will be deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices must be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either Party may specify in writing.

d. **Survival**. Section 6 of **Exhibit 1,** and Sections 3, 4, 5(c), 11, 12(c), 14, 15, 17, 18 and 19 of this **Exhibit 3** shall survive termination of this Agreement.

e. **Further Assurances**. Each Party shall provide such information, execute and deliver any instruments and documents and to take such other actions as may be reasonably requested by the other Party to give full effect to this Agreement and to carry out the intent of this Agreement.

f. **Waivers**. No provision or right or entitlement under this Agreement may be waived or varied except in writing signed by the Party to be bound. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

g. **Non-Dedication of Facilities**. Nothing in this Agreement may be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party may knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party may assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this Agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use reasonable efforts torestructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller may terminate this Agreement without further liability under this Agreement except with respectto liabilities accrued

prior to the date of termination and remove the System in accordance with Section 9.

h. **Service Contract**. The Parties intend this Agreement to be a "service contract" within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser shall not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.

i. **No Partnership**. No provision of this Agreement may be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.

j. **Entire Agreement, Modification, Invalidity, Captions**. This Agreement constitutes the entire agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such provision shall not be read to render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be rectified or interpreted so as to best accomplish its objectives within the limits of applicable law.

k. **No Third-Party Beneficiaries**. Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto, and the Financing Parties to the extent provided herein or in any other agreement between a Financing Party and Seller or Purchaser, and do not imply or create any rights on the part of, or obligations to, any other Person.

l. **Counterparts**. This Agreement may be executed in any number of separate counterparts and each counterpart will be considered an original and together comprise the same Agreement.

m. **Electronic Signatures**. If the Parties agree, electronic signatures may be used in place of original signatures on this Agreement. Each Party intends to be bound by the signatures on the electronic document, is aware that the other Party will rely on the electronic signatures, and hereby waives any defenses to the enforcement of the terms of this Agreement based on the use of an electronic signature. After both Parties agree to the use of electronic signatures, both Parties must sign the document electronically.

n. **No Recourse to Members of Seller**. Seller 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. Seller shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Purchaser shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Seller's constituent members, or the employees, directors, officers, consultants or advisors of Seller or of its constituent members, in connection with this Agreement.

End of Exhibit 3

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Exhibit 4

Performance Guaranty

In consideration for Purchaser's entering into the Solar Power Purchase Agreement between Peninsula Clean Energy Authority ("**Seller**") and the [CITY] related to the System at the Premises (the "**PPA**"), this Performance Guaranty (this "**Guaranty**") is entered into by the parties listed below (each a "**Party**" and collectively the "**Parties**") as of the date signed by Guarantor below (the "**Effective Date**").

Purchaser:		**Guarantor:**	
Name and Address		Name and Address	Peninsula Clean Energy Authority 2075 Woodside Rd. Redwood City, CA 94061
Phone		Phone	
E-mail		E-mail	
Project Name			

This Guaranty sets forth the terms and conditions of a guaranty provided by Guarantor in conjunction with the PPA. Capitalized terms not otherwise defined herein have the meanings given such terms in the PPA. The term of this Guaranty will be concurrent with the term of the PPA; except that it will not exceed the Initial Term. This Guaranty will be updated by Guarantor to reflect the as-built specifications of the System.

1. **Guaranty.** Guarantor guarantees that during the term of the PPA the System will generate not less than ninety percent (90%) of the estimated generation of the System based on PVSyst ("**Estimated PVSyst Production (Annual kWh)**") as set forth in **Table 1.A** below (such guaranteed generation, the "**Guaranteed Production (Annual kWh)**" set forth on **Table 1.A** below); provided that the Guaranteed Production values are subject to reasonable downward adjustment for extreme weather conditions.

   A. Guarantor will use local weather data to adjust the System's Guaranteed kWh, based on the following methods if available and in descending order of preference: (i) satellite data provided by a third-party vendor of Seller; or (ii) available data from a locally installed weather station at the Premises owned and properly maintained by Purchaser.

   Table 1.A, projected production values assuming average weather conditions:

Contract Year	**Estimated PVSyst Production (Annual kWh)**	**Guaranteed Production (Annual kWh)**
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		
Year 6		
Year 7		
Year 8		
Year 9		
Year 10		
Year 11		
Year 12		

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Year 13		
Year 14		
Year 15		
Year 16		
Year 17		
Year 18		
Year 19		
Year 20		

B. If at the end of each successive Contract Year the AC electricity produced by the System as measured and recorded by Seller (the "**Actual kWh**") is ***less*** than the Guaranteed kWh for that Contract Year, then Guarantor shall pay Purchaser an amount equal to (i) the difference between the Guaranteed kWh and the Actual kWh, multiplied by (ii) the Performance Guarantee Payment Rate (as defined in Section 1(E)), in each case with respect to the affected Contract Year.

C. If a payment of greater than fifty dollars ($50) is due under Section 1(B), (i) Guarantor will deliver a statement to Purchaser detailing the Guaranteed kWh and the calculation of the payment due; and (ii) the payment shall be due within ninety (90) days after the end of the Contract Year. If no payment is due, then no statement or payment will be issued.

D. "**Performance Guarantee Payment Rate**" means the Contract Price plus $0.01 per kWh.

2. **Exclusions.** The Guaranty set forth in Section 1 does not apply to the extent of any reduced generation from the System due to the following (including the downtime required for repair, replacement or correction):

A. a Force Majeure Event, which includes (i) destruction or damage to the System or its ability to safely produce electricity not caused by Seller or its approved service providers while servicing the System (e.g., vandalism); (ii) a power or voltage surge caused by someone other than Seller, including a grid supply voltage outside of the standard range specified by the Utility; and (iii) theft of the System; and (iv) curtailment or reduction of energy production required by the Utility or grid operator.

B. Purchaser's failure to perform, or breach of, Purchaser's obligations under the PPA.

3. **Liquidated Damages; Waiver of Cost Savings**. The Parties agree that the payment described in Section 1(B) is a reasonable approximation of the damages suffered by Purchaser as a result of underperformance of the System, is bargained-for by the Parties, and shall be the Purchaser's sole and exclusive remedy hereunder for underperformance of the System. Purchaser hereby disclaims, and any beneficiary of this Guaranty hereby waives, any warranty with respect to any cost savings from using the System.

4. **Incorporation of PPA Provisions**. Section 5(c) (Force Majeure), Section 17 (Assignment and Financing) and Section 19 (General Provisions) of **Exhibit 3** of the PPA and any Sections referenced therein are incorporated into this Guaranty as if any reference therein to "Agreement" were to this Guaranty and any reference to "Parties" were to the Parties to this Guaranty.

Guarantor: Peninsula Clean Energy Authority

Signature: _____

Printed Name: Jan Pepper_____

Title: Chief Executive Officer_____

Date:_____

Purchaser:

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit 5

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Premises-Specific Terms

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PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 13, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: KJ Janowski, Director of Marketing and Community Relations &
Leslie Brown, Director of Account Services

SUBJECT: Update on Marketing, Outreach Activities, and Account Services

BACKGROUND

The Marketing, Community Relations, and Account Services 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. Please refer to the "Strategic Plan" section below for further information/explanation as to how these activities support Peninsula Clean Energy's strategic plan objectives.

Zero Percent Loan Program and Heat Pump Rebates
These programs are being promoted in our Energy Programs Bulletin, which is emailed semi-monthly to about 200,000 residential customers, and in paid search. In the last 30 days, 531 users visited the Zero Percent Loan webpage, 1,242 visited the heat pump water heater program page and 4,052 visited the heat pump heating and cooling program page (about 30 percent of the latter resulted from our outreach partner Sound of Hope).

Electrification Messaging and Campaign Support of Decarbonization
Marketing has started to roll out messaging centered on encouraging electrification. Messaging is being refined for a campaign. The campaign will support our organizational

priority to contribute to our community reaching a goal of 100% greenhouse gas-free for buildings and transportation by 2035.

Used Electric Vehicle (EV) Campaign
In the past 30 days, 831 users visited the main EV page on our web site. A search advertising campaign addressing barriers and benefits of electric vehicles, underway since November 2021, was paused through most of December. We restarted the campaign again in January. It is currently achieving a click-through rate of 5.81% at a cost of $1.72 per click.

All-Electric Leader Awards Program
The awards selection committee, comprised of building electrification experts, reviewed all the submissions and decided the award winners on January 10. The awards selection committee, comprised of building electrification experts, reviewed all the submissions and decided the award winners on January 10. Award winners will be notified in the next couple of weeks and awards will be presented at the Sustainable San Mateo County annual to take place in-person at the College of San Mateo on March 30, 2023.

Outreach Grants
We launched the 2023 round of this highly successful program, which provides grants to local community-based non-profit organizations that reach out to diverse and hard-to-reach segments of our population. Leveraging trusted relationships with their constituencies, grantee organizations help decipher utility bills, help residents avoid PG&E disconnection, educate residents and influencers about electrification, and promote Peninsula Clean Energy programs in multiple languages. Grant agreements were executed with thirteen community-based organizations and grantee training was held on January 10, 2023. We plan to publicly announce the awardees in a January press release.

Los Banos Update
Our local Los Banos representative Sandra Benetti continues providing information and answering customer questions. She is tabling twice monthly on bill pay dates at Los Banos City Hall, scheduling presentations at local high schools, and drafting an article for a local newspaper about rates and billing. She is also conducting outreach to eligible local public agencies about the GovPV program, and to local businesses and developers about EV charging support.

News & Media
Full coverage of Peninsula Clean Energy in the news can be found on our News & Media webpage.

ENROLLMENT UPDATE

ECO100 Statistics (since December report)

Total ECO100 accounts at end of December:	6,395
ECO100 accounts added in December:	28

ECO100 accounts dropped in December: 35
Total ECO100 accounts at the end of November: 6,402

Enrollment Statistics
Opt-outs during December 2022 were 320, which is 194 more than the previous month of November 2022 (126). This includes 221 opt outs in our new service territory of Los Banos during the month of December and 99 from San Mateo County during this month. In January, there have been an additional 27 opt outs from Los Banos and 9 opt outs from San Mateo County as of January 12th, 2023. Total participation rate across all of San Mateo County as of January 12th was 97.10%. The participation rate for the City of Los Banos as of the end of December, 2022 was 91.94%.

In addition to the County of San Mateo, there are a total of 15 ECO100 cities which means they have elected to receive 100% renewable energy for their municipal accounts. As of January 12, 2023, the ECO100 towns and cities 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 as of January 12th, 2023							
TOT	RES Count	COM Count	Active Count	Eligible Count	Participation Percent	ECO100 Count	ECO100 Percent
ATHERTON INC	2410	225	2635	2705	97%	61	2%
BELMONT INC	10720	910	11630	11932	97%	165	1%
BRISBANE INC	1963	490	2453	2524	97%	89	4%
BURLINGAME INC	13381	1958	15339	15689	98%	342	2%
COLMA INC	575	292	867	879	99%	32	4%
DALY CITY INC	30904	1969	32873	33995	97%	113	0%
EAST PALO ALTO INC	7113	449	7562	7928	95%	25	0%
FOSTER CITY INC	13696	867	14563	14868	98%	331	2%
HALF MOON BAY INC	4202	633	4835	4983	97%	115	2%
HILLSBOROUGH INC	3790	141	3931	4037	97%	71	2%
LOS BANOS INC	12714	1287	14001	15240	92%	3	0%
MENLO PARK INC	14046	1714	15760	16042	98%	395	3%
MILLBRAE INC	8780	642	9422	9725	97%	113	1%
PACIFICA INC	13989	862	14851	15400	96%	181	1%
PORTOLA VALLEY INC	1455	133	1588	1685	94%	1487	94%
REDWOOD CITY INC	31407	3302	34709	35537	98%	717	2%
SAN BRUNO INC	14760	1066	15826	16471	96%	94	1%
SAN CARLOS INC	12205	2063	14268	14632	98%	324	2%
SAN MATEO INC	39704	3861	43565	44725	97%	689	2%
SO SAN FRANCISCO INC	21414	3088	24502	25442	96%	123	1%
UNINC SAN MATEO CO	20859	2968	23827	24618	97%	648	3%
WOODSIDE INC	2005	216	2221	2276	98%	62	3%

Table reflects data as of January 12th, 2023

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
Social Media Policy	KT3 Tell the story of Peninsula Clean Energy through diverse channels		
Zero Percent Loan and Heat Pump Rebates programs		KT6: Promote programs and services, including community energy programs and premium energy services	
Electrification Messaging Project		KT5: Provide inspirational, informative content that spurs action to reduce emissions.	
EV Campaign		KT6 (see above)	
All-Electric Leader Awards		KT6 (see above)	
Los Banos Update	KT4: Engage community through participation in local events	KT6 (see above)	
Los Banos Update	KT4: Engage community through participation in local events		
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

Item No. 17

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: January 13, 2022
BOARD MEETING DATE: January 26, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Jeremy Waen, Director of Regulatory Policy
Doug Karpa, Senior Regulatory Analyst
Matthew Rutherford, Senior Regulatory Analyst
Zsuzsanna Klara, Regulatory Compliance Analyst

SUBJECT: Update Regarding Regulatory Policy Activities

SUMMARY

Jeremy continues to direct the team, oversee key proceedings relating to the Power Charge Indifference Adjustment (PCIA) and annual rate adjustments, and helping guide the agency's strategic engagement with State entities to accomplish our objectives.

Doug has been particularly heavily focused on work to reform the California Public Utilities Commission's (CPUC) Resource Adequacy construct and concepts for ensuring resources are procured within the IRP construct.

Matthew has continued his work in supporting PCE's programmatic efforts through Transportation Electrification, Building Decarbonization, Resiliency, Supplier Diversity, and DAC-Green Tariff matters.

Zsuzsanna prepared the timeline and task list for the upcoming 2023 filings. She worked with the Procurement and the Programs team on coordinating the filings due in January.

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Regulatory Compliance

Zsuzsanna continues her work on the Compliance Checklist and Guideline. Zsuzsanna has also built a database about counterparty contracts so PCE has an overview of the living contracts and review contractual obligations. She prepared drafts for contract amendments that would contain NDA language on Customer Confidentiality. Zsuzsanna coordinated the filings of data requests for the Procurement team and met with team members for having up-to-date information about the status of the monthly ongoing filings and the January and February due filings. She primarily focused on coordinating the collection of necessary data for the DAC-GT quarterly and CSGT biannual filing, and for the DAC-GT Budget Advice Letter.

Power Charge Indifference Adjustment and 2023 Rates Outlook

On December 29, 2022, PG&E issued its revised Annual Electric True-Up Advice Letter, which is the final regulatory hurdle before establishing its generation and PCIA rate adjustments for 2023. PG&E's bundled electricity service customers will be paying a class average generation rate of $0.1486/kWh. PCE's San Mateo customers (with a 2016 Vintage) will be subject to a class average PCIA rate of $0.00318/kWh, PCE's Los Banos customers will be subject to either class average PCIA rates of -$0.00376/kWh (2021 Vintage) and $0.01240/kWh (2022 Vintage). Though these PCIA rates vary by customer groups, they are all historically low PCIA rates for PCE's customers. Lastly, the historically high methane gas prices that we're presently witnessing in the electricity market are not reflected within this 2023 rate adjustment. Instead they will factor into the rate adjustment for 2024.

(Public Policy Objective A, Key Tactic1)

Transportation Electrification

Matthew continues to lead the group of Joint CCAs engaged in transportation electrification (TE) issues, with the primary focus on the Development of Rates and Infrastructure for Vehicle Electrification Order Instituting Rulemaking (DRIVE OIR), a CPUC docket opened in December 2018. As included in the November Regulatory Policy memo, on Friday, October 14, 2022, the CPUC issued a long-awaited Proposed Decision (PD) in the docket. The DRIVE OIR was opened by the CPUC to address all manner of transportation electrification (TE) issues, with a particular focus on the Transportation Electrification Framework (TEF) which would serve as an overarching policy model for utility investments and rates related to TE. On November 17, despite the objections of several parties, the CPUC adopted a final decision to implement a new behind the meter (BTM) Funding Cycle 1 (FC1) with a total budget of $1 billion starting in 2025 and ending in 2030. The primary focus of FC1 would be a statewide BTM TE rebate program that will be administered by a single third party, thereby taking the place of individual IOU programs that have traditionally been the primary vehicle for ratepayer-funded TE programs. The FC1 program would exclusively support charging for multi-unit dwellings (MUD) and small medium duty and heavy duty (MHDH) fleets.

The Joint CCAs' engagement in the PD focused primarily on the proposed Locally Invested Transportation Electrification (LITE) Pilot Program. The final decision retains that

The Program will allow CCAs and community benefit organizations (CBOs) to submits to receive funding to administer locally focused innovative pilots aimed to advance TE among underserved communities. The Decision also directs the IOUs to coordinate with the relevant CCA in the delivery of technical assistance for participating customers that are also CCA customers.

The final Decision incorporated several amendments to the LITE program which were originally proposed by the Joint CCAs in comments. Among those amendments are the following pilot process improvements: (i) lengthening the pilot implementation period from two to three years; (ii) clarifying the contracting process for selected pilot administrators; (iii) clarifying that the CPUC's Energy Division will play a direct role in evaluating proposed pilots, thereby limiting the possibility of the IOUs exerting unilateral control over approval for CCA pilot proposals; (iv) making reasonable adjustments to limit the documentation required to submit a proposal; (v) limiting IOU involvement in the implementation of selected proposals to give the administrators of the pilots more autonomy; and (vi) giving the CPUC the flexibility to extend pilots or modify pilots after the first implementation phase.

The Decision did not address other regulatory process issues raised by the Joint CCAs in opening comments. The Decision remains silent with regards to the many arguments raised by the Joint CCAs throughout the proceeding's record as to why the CCAs should be permitted to serve as Program Administrators (PAs) subject to the same regulatory compliance standards as the IOUs and allowing CCAs to seek CPUC-regulated ratepayer funding for their approved programs and investments.

During the CPUC voting meeting, Commissioner Rechtschaffen, lead commissioner in the DRIVE OIR, suggested that interconnection issues for electric vehicle infrastructure may be the next topic that will be addressed in this docket.

(Public Policy Objective A, Key Tactic 1, Key Tactic 2, and Key Tactic 3)

Integrated Resource Planning & Resource Adequacy

The Resource Adequacy (RA) proceeding concluded the working group proposals last month and after comment, we await a Proposed Decision. The Integrated Resource Plan (IRP) proceeding remains quiet for the moment while Energy Division considers the comments of stakeholders, including a CalCCA proposal for the procurement program to focus on incremental renewable resources.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

STAKEHOLDER OUTREACH

Dr. Karpa hosted Peninsula Clean Energy's regular monthly call with environmental justice and environmental advocates and other CCA staff on January 11, 2023. This

conversation focused on strategies to address local reliability and local resource adequacy needs. (Public Policy Objective A, Key Tactic 2)

FISCAL IMPACT

Not applicable.

PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence

DATE: January 12, 2023
BOARD MEETING DATE: January 26, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Update on Peninsula Clean Energy's Legislative Activities

SACRAMENTO SUMMARY – Beginning of 2023 Session:

The 2023-24 state legislative session convened on December 5, 2022, with the oath of office administered to the newly elected members. New members officially received an office budget and were able to hire staff. In the intervening weeks, office space is being allotted and committee assignments are being made. Legislators then adjourned until January 4.

2022 General Election Results and Implications

The 2022 General Election results bring many changes in the state and federal representation of jurisdictions in Peninsula Clean Energy's service territory. In Congress, Kevin Mullin has been elected to the seat formerly held by Jackie Speier as representative for most of San Mateo County. Anna Eshoo will continue representing the balance of the county. In Merced County Republican John Duarte will replace Democrat Jim Costa as Los Banos' member of Congress.

Peninsula Clean Energy's state Senate delegation remains unchanged. The area will continue to be represented by Senators Scott Wiener and Josh Becker, who did not face the voters in 2022, and Anna Caballero, who won re-election in a newly shaped district.

The Senate pro tem has announced the makeup of Senate committees for the upcoming session.

The new chair of the Senate Committee on Energy, Utilities and Communications is Senator Steven Bradford. Interestingly, the membership of the committee has been expanded from 14 to 18 members. Senator Becker remains as a member of the committee and Senator Anna Caballero, who represents Los Banos, is one of 7 new faces

on the Energy Committee. 12 of the 18 members of the committee have CCAs in their district. Here is the current makeup of the committee:

Energy, Utilities and Communications

- **Senator Steven Bradford (D-Gardena), Chair**
- Senator Brian Dahle (R-Bieber), *Vice-Chair*
- Senator Angelique Ashby (D-Sacramento)
- Senator Josh Becker (D-Menlo Park)
- Senator Anna M. Caballero (D-Merced)
- Senator Bill Dodd (D-Napa)
- Senator María Elena Durazo (D-Los Angeles)
- Senator Susan Talamantes Eggman (D-Stockton)
- Senator Lena A. Gonzalez (D-Long Beach)
- Senator Shannon Grove (R-Bakersfield)
- Senator Mike McGuire (D-Healdsburg)
- Senator Dave Min (D-Irvine)
- Senator Josh Newman (D-Fullerton)
- Senator Susan Rubio (D-Baldwin Park)
- Senator Kelly Seyarto (R-Murrieta)
- Senator Nancy Skinner (D-Berkeley)
- Senator Henry I. Stern (D-Los Angeles)
- Senator Scott Wilk (R-Santa Clarita)

Also notable, Senator Becker has been appointed as Chair of the Budget Subcommittee #2 which has jurisdiction over Resources, Environmental Protection and Energy. This committee helps to direct approximately $12 billion in state resources annually for state agencies addressing climate issues, including the California Environmental Protection Agency, California Energy Commission and the Public Utilities Commission.

Senator Caballero will remain as chair of Governance and Finance. Senator Wiener will chair the Housing Committee.

Senator Dave Min of Irvine is the new chair of Natural Resources.

In the state Assembly, Diane Papan will take the seat that had been held by Kevin Mullin. Esmerelda Soria, a member of the Fresno City Council, was elected to represent Los Banos in the Assembly, a position previously held by Adam Gray. Assemblymembers Phil Ting and Marc Berman were re-elected.

Asm. Papan has been appointed as a member of the Rules Committee. Asm. Soria has been named chair of the Military and Veterans' Affairs Committee. Asm. Berman retains his position as chair of Business and Professions Committee and Asm. Ting will stay in place as Chair of the Budget Committee.

While the Assembly committee chairs, and the balance of the Rules Committee have been named, as of this writing the Speaker has not yet provided the names of the members who will fill out the committees.

Eduardo Garcia is still listed as chair of Utilities and Energy with Republican Jim Patterson continuing as Vice Chair of that key committee.

The 2023 freshman class in both the Assembly and the Senate is unusually large.

The state senate will be comprised of 32 Democrats and 8 Republicans. The state Assembly will be a Democrats advantage of 62-18.

Weighing heavily on the Assembly dynamics is the fact that Speaker Rendon is termed out in 2 years. Under an agreement ratified on December 5, Mr. Rendon will remain as Speaker until June 30 and on July 1 Mr. Robert Rivas (D-Hollister) will become Speaker.

The timing of this is unusual as the Legislature's summer recess does not begin until July 15. While the budget must be approved by that date, recent history suggests that there will be significant trailer bills that will not be finalized until later in the summer. Furthermore, that is the time when bills approved in one house will be moving to the other house for consideration. It is possible that committee members, including committee chairs, could change with the shift in Speaker.

2023 LEGISLATIVE ACTIVITY IN SACRAMENTO:

December 5 officially began the opportunity for legislators to introduce legislation. For the most part, the bills introduced on December 5 were placeholders – sometimes called "spot" or "intent" bills - that will be further fleshed out and will need to be amended to include substantive language by mid-March.

There are a few bills that caught our attention, and we will be following:

AB 2 (Ward) – recycling of solar panels

AB 3 (Zbur) – to accelerate the development of offshore wind and ensure protection of the environment, jobs, and environmental justice

AB 9 (Muratsuchi) – moves up the timetable for the state to reach statewide greenhouse gas emissions limits – the 2006 California Global Warming Solutions Act requires the state to reach 40% below 1990 emissions by 2030. This moves up the requirement to 55% of 1990 emissions by the end of 2030.

AB 50 (Wood) – to address interconnection delays

AB 80 (Addis) – funds to mitigate the impact of offshore wind projects on tourism, fishing, wildlife

SB 38 (Laird) – legislation to address the need for safety at battery storage facilities

SB 48 (Becker) – to enact building performance standards to improve energy efficiency in large buildings while improving equity and burdens on disadvantaged communities

SB 56 (Skinner) – Mandating that each load-serving entities' Integrated Resource Plan include a balanced and diverse portfolio of resources that provides an optimal integration of renewable resources in a cost-effective manner that meets GHG reduction targets.

We are also following with great interest possible legislation to address the recycling of lithium-ion batteries. As California's policies and state-funded programs create incentives for the greater deployment of electric vehicles powered by lithium-ion batteries and promote solar arrays, the state will be faced with increasing amounts of batteries and panels in the waste stream. Peninsula Clean Energy and other CCAs are in the forefront of encouraging EV deployment and solar energy, and we are prepared to work with others to promote recycling of these components.

A few years ago, the Legislature initiated a study of the use and recycling of lithium-ion batteries, and the report came out late last year.

Another issue we are looking into is the adoption and/or implementation of a rate design that reduces as much as possible the rate for "marginal" increases in a customer's load due to electrification. We know that to achieve our climate goals, California must encourage customers to electrify by switching to EVs and heat-pump water heaters as much as possible. Doing so, will certainly increase a customer's energy usage, but it is our hope to find a way where this marginal increase in usage will not be subject to fixed charges in order to make electrification as affordable as possible.

Another issue that has our attention, is the notion that the state needs a Central Procurement Entity (CPE) to provide a backstop for Load Serving Entities, such as Peninsula Clean Energy and other CCAs, in case the Load Serving Entities cannot or are unable to procure enough Resource Adequacy to meet requirements.

Another issue floated at the end of the 2022 session, but which did not gain much traction at the time, was the imposition of penalties on Load Serving Entities for failure to meet Resource Adequacy targets.

One more issue to be aware of is the possibility of legislation to continue pursuing regionalization and expanding the California Independent System Operator or CAISO to be a regional transmission organization covering multiple states across the west.

At the request of the governor, a special session commenced on December 5. The governor is seeking rebates for the public, funded by oil companies, to discourage oil and gas price gouging.

On December 5 the governor's initial proposal took the form of a bill, introduced by Senator Nancy Skinner, SBX1-2

The bill would

- Make it unlawful to charge excessive profits – excessive refiner margins would be punishable by a civil penalty from the CEC.
- Gives the Legislature room to set the amount of the maximum margin and the amount of the penalty.
- Requires any penalties collected to go to a Price Gouging Penalty Fund and then given back to Californians.
- Improves transparency and oversight of the oil industry by the state
- Expands the CEC and the California Department of Tax and Fee Administration's ability to investigate and obtain information on costs, profits, and pricing so that the state can better address the causes of pricing irregularities
- Minimizes the likelihood of future supply or price shocks.

The Legislature has yet to begin addressing the next steps on the special session.

On October 17, Governor Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023. In so doing the Governor offered that this timeline would provide the healthcare system with flexibility to handle any potential surge in COVID-19 cases during the winter months and give sufficient time to prepare for the phaseout of the emergency order.

Of significance to local government, including Peninsula Clean Energy, the termination of the State of Emergency will end the suspension of the Brown Act that has enabled virtual attendance at meetings by elected officials from undisclosed, remote locations. Peninsula Clean Energy staff has been researching the possibility that legislation may be introduced during the 2023 session that would extend these provisions.

FY 2023-24 State Budget

Of great interest to all Californians is the state budget situation. The Legislative Analyst's Office is forecasting as much as a $25 billion deficit for fiscal 2023-24. Some legislators, including Budget Chair Phil Ting, are positing that this will not be as devastating as it might have appeared in years past thanks to prudent marshalling of resources during the recent flush years. The state has a substantial rainy-day fund and much of the recent budget surplus was invested in one-time expenditures and capital projects.

Governor Newsom unveiled his proposed 2023-24 budget on January 10. A revised budget will be advanced by the Governor in May, after receipt of the April tax revenues. The Legislature must adopt the budget for the next fiscal year in June.

The initial budget proposed by the Governor this month seeks $22.5 billion in lower funding. He is asking for more than $6 billion in cuts to climate initiatives over the next 3

years, with a proviso that this funding could be restored in the May revise budget if revenues increase over current projections.

In the 2022 budget cycle the Governor had pushed for a climate package of $54 billion. He is now calling for a scaling back of that effort to $48 billion, of which more than half of the cuts – about $3.3 billion – would come from clean transportation initiatives.

One related note of interest, in 2022 the state Legislature approved a budget package that included $1 billion in state funding for the extension of service for Diablo Canyon Nuclear Power Plant to be paid out over 3 years. The governor's recent budget proposal does not cut that total funding amount, but only includes $100 million in FY 2023-24. Significantly, on November 20 the United States Department of Energy announced that $1.1 billion in federal funding would be made available to support the extension of the Diablo Canyon Nuclear Power Plant.

(Public Policy Objective B, Key Tactic 1)

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: Jan. 20, 2023
BOARD MEETING DATE: Jan. 23, 2023
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. Highlights from Prior Month
2. Building and EV Reach Codes
3. Buildings Programs
   - 3.1. Appliance Rebates and On-Bill Financing
   - 3.2. Low-Income Home Upgrades & Electrification
   - 3.3. Building Pilots
   - 3.4. Refrigerator Recycling
4. Distributed Energy Programs
   - 4.1. Solar and Storage for Public Buildings
   - 4.2. Power On Peninsula – Homeowner
   - 4.3. FLEXmarket
   - 4.4. Community Solar, DAC-GT
5. Transportation Programs
   - 5.1. "EV Ready" Charging Incentive
   - 5.2. Used EV Rebate
   - 5.3. EV Ride & Drives/EV Rental Rebate
   - 5.4. E-Bikes for Everyone Rebate
   - 5.5. Municipal Fleets
   - 5.6. Transportation Pilots

DETAIL

1 Highlights from Prior Month

- Public EV Fleets commenced
- 2 reach codes adopted in December and January

2 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) and East Bay Community Energy (EBCE). 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.BayAreaReachCodes.org).

In addition, in January 2020 the Board approved an extension of the reach code technical assistance plus additional elements – Education and training for developers and contractors, and consumer education program on the benefits of all-electric buildings. This technical assistance is publicly available at www.AllElectricDesign.org. In December 2020, the Board approved to extend the contract with TRC Engineers include technical assistance for developing policy for existing buildings. In February 2022 the Board extended the initiative for another two years.

Model Code Summary

- New construction building electrification codes require all-electric and include a menu of exceptions for cities to choose from
- New construction EV codes are the same as last cycle for most building types, requiring more access than the state code. Multi-family buildings are required to provide at least one level 2 charging access point for every dwelling unit. 15% must be Level 2 charging stations. 85% can be low-power Level 2 EV ready.
- Existing building model codes provide a full menu of options for cities to choose from, including: end of flow requirements, time-of-replacement mandates, time of sale disclosure requirements, and a requirement to upgrade existing EV-capable circuits to EV-ready by a time-certain deadline.

Status:

- **City Progress**: Most cities with reach codes from the prior cycle have re-adopted or adopted for the first time, including:
  - New construction:
    - Adopted: Atherton, Belmont, Brisbane, Burlingame, County of San Mateo, Daly City, East Palo Alto, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo
    - Continuing reach codes from 2019: Hillsborough
    - In Progress: South San Francisco, East Palo Alto, Colma
  - Existing buildings:
    - Adopted: Portola Valley, City of San Mateo
    - Exploring: San Carlos (study session 1/23/23)

Strategic Plan:
Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- 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

3 Buildings Programs

3.1 Appliance Rebates and Zero Percent Loans

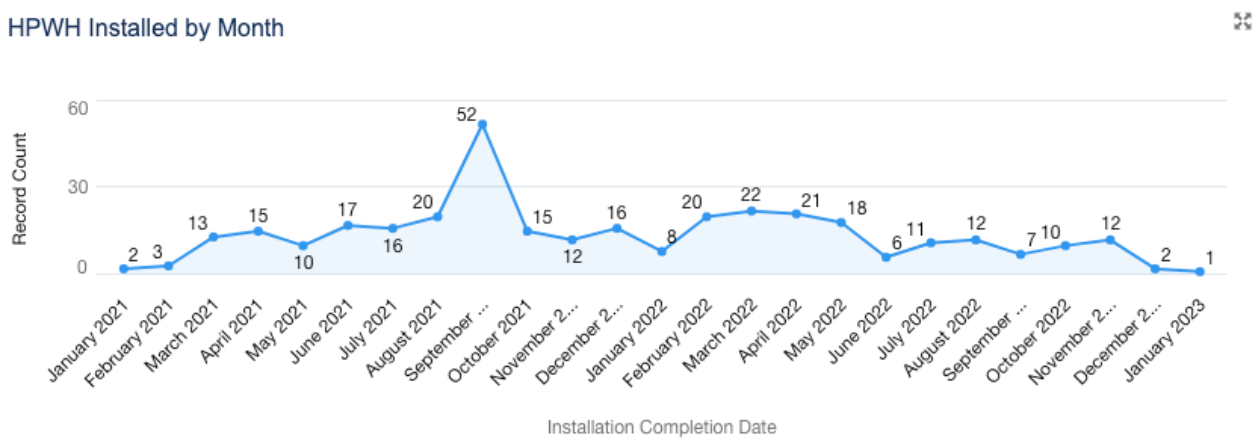
Background: In May 2020, the Board approved a 4-year, $6.1 million for electrifying existing buildings. This included $2.8 million for implementing an appliance rebate program. Peninsula Clean Energy successfully launched the heat pump water heater (HPWH) rebates on January 01, 2021. Peninsula Clean Energy rebates were exclusively offered in partnership with BayREN's Home+ program, which offers additional rebates for HPWHs that are combined with Peninsula Clean Energy's. Additionally, in August 2021, the Board approved an On-Bill Financing program (now referred to as the Zero Percent Loan program) with $1.0 million in loan capital (treated as a balance sheet asset and not part of the annual budget). The program offers qualified residential customers a 0% interest loan up to $10,000 to fund the cost of eligible electrification and complementary electrical and energy efficiency upgrades.

On October 17, 2022, Peninsula Clean Energy launched its Zero Percent Loan program and rolled out modifications and enhancements to the Appliance Rebates Program including increasing its HPWH rebate, launching a new heat pump heating ventilation and air conditioning (HVAC) rebate, adjusting the eligibility criteria for its electrical panel upgrade bonus rebate, and creating a rebate application process for customers not working with BayREN contractors, while still maintaining the integrated application process with the BayREN Home+. These modifications were made to A) bring fuel switching/electrification to at least cost parity with gas replacements, B) backstop the loss of state incentives, and C) support the adoption of existing building reach codes.

Status: The below table summarizes the number of rebates issued as of November 3, 2022.

Measure	Count
HPWH rebates	341 (see chart below for detail, note reporting lags 2-3 months from installation)
Heat pump HVAC rebates	24
Electrical panel rebates	62

These rebates amount to $624,000 or 22% of the total program budget.



View Report (HPWH Installed by Month)

The table below summarizes the status of the zero percent loan program as of November 3, 2022.

Metric	Count
Applications received	33
Applications approved / loans secured	16
Loans issued	4

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

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

3.2 (Low-Income) Home Upgrade Program

Background: In May 2020, the Board approved $2 million for implementing a turnkey low-income home upgrade program to offer minor home repair, energy efficiency, and electrification measures to income-qualified homeowners at no cost to them. The measures implemented in each home will vary depending on the home's needs but will include at least one electrification measure such as installing a HPWH or replacing a gas stove with an electric induction stove. The contract with the administration and implementation firm, Richard Heath & Associates (RHA), was executed after being approved by the Board in the March 2021 meeting.

Status: The program was announced on September 28, 2021. The below table summarizes the program's status as of currently available data.

Stage/category	#s as of December 31, 2022

Leads	2,076
Reached	871
Pre-assessments	428
Enrolled	338
Installations in progress	44
Fully complete	102

The following table summarizes the number of electrification measures implemented on the fully complete homes.

Measure	Count
Heat pump water heater	39
Induction cooktop/range	27
Electric dryer	25
Central or mini split heat pump (HVAC)	3
Window or wall mounted heat pump (HVAC)	11
Portable heat pump (HVAC)	23

The program is now oversubscribed as the amount of homes enrolled and fully eligible exceeds the current approved funding for the program. Staff is evaluating a short-term amendment of the current program and contract with the implementer while planning for a competitive solicitation of an expanded program. More information about this plan will be brought to the Board for discussion and approval.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

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

3.3 Building Pilots

Background: In May 2020, The Board approved $300,000 for piloting a new innovative technology from Harvest Thermal Inc., a Bay Area-based startup, that combines residential space and water heating into a unified heat pump electric system with a single water storage tank. Through this project, this technology will be installed in 3-5 homes within the San Mateo County to assess its performance and demonstrate its effectiveness for emission reductions.

Status (no updates from last month): The home recruitment process began in late April 2021 and the project received 290 applications. Homes were selected based on technical

criteria (home characteristics, energy usage patterns, and technical feasible of the upgrade within budget). The four pilot homes are located in Daly City, South San Francisco, Redwood City, and Menlo Park. As of September 7, 2022, all four homes have had their system installed. The consulting firm TRC has been contracted to provide independent measurement and verification services for the project and have begun collecting data on the homes installed. A final report is anticipated in the summer of 2023 after a year a data has been collected and analyzed. Lastly, the Technical Advisory Committee (TAC) had its third meeting on August 31, 2022, following the second meeting on June 2, 2022 and first meeting on September 30, 2021. The objective of the TAC is to review and provided feedback on the project. TAC members include former building officials, former contractor, city commissioner, peer CCA program managers, CPUC staff, CAC member and Board member Jeff Aalfs. Senator Josh Becker toured a Harvest Thermal home and Home Upgrade home on July 20th with PCE staff in attendance.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

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

3.4 Refrigerator Recycling

Background: In April 2019, Peninsula Clean Energy launched a small turnkey refrigerator recycling program with a budget of $75,000 as part of the Community Pilots program. The program administrator, ARCA Recycling, manages orders intake, pick up scheduling, and rebate processing. The objective of the program is to capture high impact greenhouse gas gases from old appliances by facilitating proper recycling of the appliance's refrigerants and foaming agents for insulation (which also continue refrigerants). The initial program budget was exhausted in May but in June 2022, following Board approval, staff executed a contract amendment to continue, and expand the program with an additional budget of $200,000 over three years (FY23-FY25). The contract amendment includes adding more appliance types (air conditioning units, and allowing non-working units to be eligible) and allowing for bulk pickups from apartment complexes and waste distribution centers.

Status: Since inception in April 2019 and as of November30, 2022, the recycling program has recycled 770 refrigerators and freezers resulting in approximately 1,500 MTCO2e in greenhouse gas reduction.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

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

4 Distributed Energy Programs

Peninsula Clean Energy has Board-approved strategies for the promotion of 20 MW of new distributed energy resources in San Mateo County and is advancing distributed energy resources to provide resilience, lower decarbonization costs, provide load shaping to support our strategic goal for 24/7 renewables. The projects described below are efforts towards meeting both of these goals.

4.1 Solar and Storage for Public Buildings

Background: The Solar and Storage for Public Buildings (formerly called Local Government Solar Program) is aimed at aggregating local government facilities into a group procurement of solar and optionally storage systems. Peninsula Clean Energy provides no-cost site assessments and preliminary designs as well as manages the procurement process. Participating sites have systems installed as part of power purchase agreements directly with Peninsula Clean Energy. As part of the pilot phase, in October 2020, the Board approved a Solar Site Evaluation Services contract with McCalmont Engineering for Solar site evaluation and designs for County and municipal facilities identified as candidates for solar-only or solar + storage resilience projects. In March 2022, the board approved up to $8 million in capital for system installations to be repaid over 20 years and $600,000 for technical assistance on the second round of the aggregated solar program. Peninsula Clean Energy developed a portfolio of 15 sites in 13 cities for a total portfolio size of approximately 2 MW of solar. Battery storage will be explored for 4 of the 15 sites. A Request for Proposals for equipment was conducted and closed in August.

Status: Please see separate memo for current program status for the first round of the program.

In December 2022, the CPUC finalized a decision to change rules to net metering, which will reduce the value of solar exported to the grid during the day. Customers can get grandfathered into current net metering rules (“NEM 2.0”) before the rules go into effect (“NEM 3.0”).

Staff is designing a second round of the program and is currently conducting outreach to enroll public agency customers. Staff intends to increase the size of the portfolio from round one, and help our customers lock-in NEM 2.0 for their projects. Customers who are interested in participating can submit a list of their facilities to staff through the end of January, 2023.

4.2 Power On Peninsula – Homeowner

Background: Power on Peninsula – Homeowner is a solar+storage energy resiliency program run by Peninsula Clean Energy in partnership with Sunrun. This program provides energy storage systems paired with solar power to single family and multifamily Peninsula Clean Energy customers. Customers who sign up for this program receive an incentive up to $500. At Peninsula Clean Energy's direction, Sunrun will dispatch the stored energy during evening hours when renewable generation on the California grid is low and electricity prices are high. This will also help Peninsula Clean Energy to reduce its peak load and thereby reduce our resource adequacy requirements.

Status (no updates from last month): The program has commenced dispatching customer batteries in the evening to help reduce Peninsula Clean Energy's net peak. Sunrun is continuing to enroll new customers throughout 2022. The program is being impacted by supply chain issues including contractor, materials, and product supply and cost. Sunrun has significantly increased effective dispatch of battery systems as part of the Peninsula Clean Energy Load Modification agreement and this dispatch has been very supportive of state needs during recent statewide Flex Alerts.

4.3 FLEXmarket

Background: In November 2021 the Board approved a program plan for the establishment of an innovative "virtual power plant" using what is known as FLEXmarket. FLEXmarket is a market-based program structure that provides incentives to program "aggregators" to implement programs for energy efficiency and load shaping. The novel elements of the structure include a "pay-for-performance" approach which only provides incentives on confirmed performance using meter data. This novel structure was innovated by MCE and is also being implemented by East Bay Community Energy and Sonoma Clean Power. In addition, the program plan was developed for submission to the CPUC to allow Peninsula Clean Energy to run the program with fully reimbursed funding through the CPUC. Peninsula Clean Energy's billing data services provider Calpine has entered into a strategic partnership with the firm Recurve to provide FLEXmarket services through a streamlined structure.

Status: In Q4 2022, Peninsula Clean Energy and our program partners Calpine and Recurve continued to develop the FLEXmarket program. We are launching the FLEXmarket platform in Q1, 2023. The program will first be open to residential customers in order to drive investment in energy efficiency, building electrification, and load shaping. Staff intends to launch the commercial version of the program later in 2023.

4.4 Community Solar, DAC-GT

Background: The Disadvantaged Communities Green Tariff program ("DAC-GT") and associated Community Solar Green Tariff ("CSGT") are community solar programs developed by the California Public Utilities Commission (CPUC) to enable DAC residents to participate in renewable energy projects, and to promote development of renewable

projects in DACs. Participating customers will receive a 20% discount on their full electric bill (PG&E and Peninsula Clean Energy charges). Peninsula Clean Energy administers these programs on behalf of its customers.

Peninsula Clean Energy began enrolling DAC-GT customers in San Mateo County in January 2022 and customers in Los Banos in April 2022. Those customers are currently served by an interim resource procured from Marin Clean Energy pending Peninsula Clean Energy's procurement of a new renewable resource for the program.

Per the CPUC DAC program guidelines, Peninsula Clean Energy is authorized to procure up to 3MW of solar capacity. Until a new solar resource is procured, Peninsula Clean Energy will serve customers from MCE's interim resource. Peninsula Clean Energy executed a PPA with Marin Clean Energy for its existing Goose Lake Solar project, which meets DAC program guidelines, to provide for its DAC customers until a permanent resource is procured.

Status: Peninsula Clean Energy signed a PPA with Renewable America, LLC for a 3MW solar resource located in Dos Palos, CA, approximately 15 miles southeast of the City of Los Banos. The Dos Palos Clean Power solar project has a Commercial Operation Date of August 1, 2023.

Staff launched a Request for Proposals for 402kW of solar as part of their Community Solar Green Tariff ("CSGT"). Proposals are due by February 28, 2023.

Strategic Plan

- Distributed Energy Resources: Support strategic decarbonization and local power
  - Key Tactic 1: Create minimum of 20 MW of new local renewable power sources in PCE service territory by 2025
  - Key Tactic 2: Support distributed energy resources to lower costs, support reliability, and advance distributed and grid decarbonization
  - Key Tactic 3: Foster Resilience

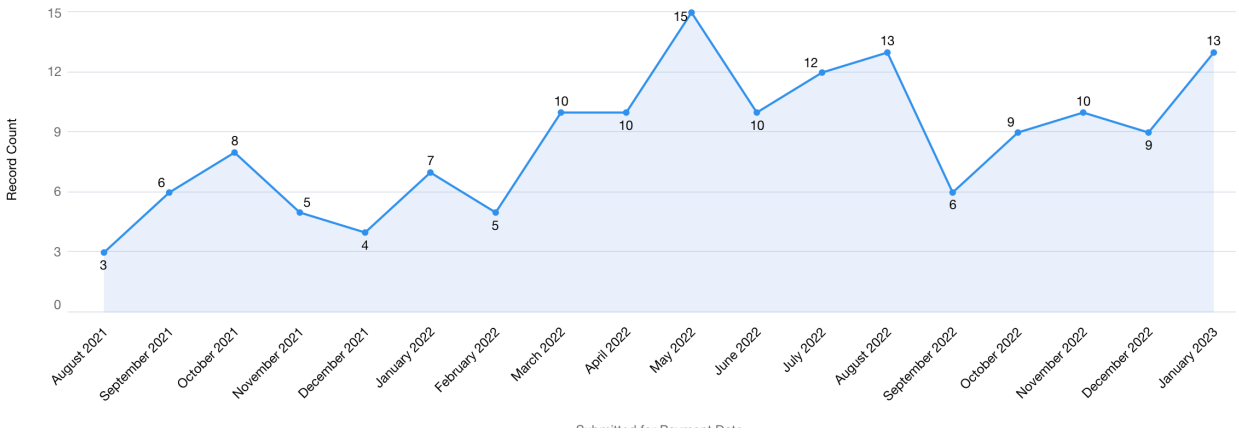
5 Transportation Programs

5.1 Used EV Rebate Program

Background: Launched in March 2019, the Used EV Rebate Program (formerly referred to as "DriveForward Electric") provided an incentive up to $4,000 for the purchase of used plug-in hybrid electric vehicles (PHEVs) and full battery electric vehicles (BEVs) to income-qualified San Mateo County residents (those making 400% of the Federal Poverty Level or less). The incentives may be combined with other state-funded income-qualified EV incentive programs. In October 2020, the Board approved expanding the program to offer used EV incentives to all San Mateo County and Los Banos residents, while

maintaining the increased incentives for income-qualified residents. In February 2021, Peninsula Clean Energy executed a competitively bid contract with GRID Alternatives ("GRID") to administer the expanded program. The 'old' program incentivized 105 rebates from March 2019 through August 2021. In August 2021, the program was officially re-launched. In March 2022, staff made modifications to the program to adjust to market conditions (I.e. high used vehicle prices). Modifications included raising the eligible vehicle price cap from $25,000 to $35,000 and increasing the rebate amount for income-qualified residents by $2,000 taking the maximum rebate amount to $6,000.

Status: Since the re-launch of the program in August 2021 and as of January 13, 2023, 155 rebates have been provided under the new program (see monthly chart below) and 300+ customers are actively in the pipeline (customers must apply prior to purchase).



Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

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

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

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

5.2 "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, Peninsula Clean Energy 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. Of Peninsula Clean Energy's $12 million in incentives, $8 million was previously administered through the CEC's California Electric Vehicle Incentive Project (CALeVIP) and $4 million under a dedicated, complementary

Peninsula Clean Energy incentive fund. The dedicated Peninsula Clean Energy incentives address Level 1 charging, assigned parking in multi-family dwellings, affordable housing new construction, and public agency new construction. In August, Peninsula Clean Energy elected to directly administer the not yet approved pool of funds that were previously administered through CALeVIP, worth approximately $4 million, further described below.

Status: , Peninsula Clean Energy implemented changes in August 2022 to expedite installations, including providing customers with greater flexibility in selecting contractors, adjusted incentive levels to account for rising costs, and direct management of all Level 2 projects not already approved by the Center for Sustainable Energy in the CALeVIP program (worth approximately $4 million in funding). Since the changes were implemented in mid-August, there has been significant uptake in the program. Ten new contractors have been added to the Technical Assistance component of the program, including 2 minority or woman-owned businesses. Customers receiving Technical Assistance may choose from these contractors or another of their choosing.
Summary of program metrics is outlined in the table below:

	Sites/ Applications	Ports	Incentive Amount
# of sites in PCE Technical Assistance	172	1,900+	-
# of Technical Assistance site evaluations approved by PCE	121	1,305	-
# of active funding applications received in Peninsula Clean Energy incentive program	90	1,500	$5.3 million
# of funding applications approved in Peninsula Clean Energy incentive program	77	1,184	$3.8 million
# of CALeVIP applications approved*	42	631	
Total # of ports installed	18	300	$1.2 million

*Includes DCFC and L2 ports: 242 DCFC, 389 L2 ports

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

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

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

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

5.3 E-Bikes for Everyone Rebate Program

Background: The Board initially approved the income-qualified E-Bikes Rebate program in July 2020 with a budget of $300,000, approved an increase of an additional $300,000 in December 2022, and approved a further increase of $150,000 in August 2022, bringing the total program budget to $750,000. The program runs in annual cycles and is available to residents with low to moderate incomes. Two cycles in 2021 and 2022 have provided 510 rebates. Silicon Valley Bicycle Coalition is under contract to Peninsula Clean Energy as an outreach and promotional partner and local bike shops are under contract to provide the rebate as a point-of-sale discount to customers. Enrolled bike shops include Summit Bicycles, Mike's Bikes, Sports Basement, Chain Reaction, Woodside Bike Shop, and E-Bike Annex.

Status: Staff are planning to reopen the program in 2023 for new applicants, utilizing the remaining funds. Exact timing is under evaluation.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

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

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

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

5.4 Public EV Fleet Program

Background: The Board approved the Public EV Fleet Program in November 2020. This program will run for three years with a total budget of $900,000 and is comprised of three components to help local agencies begin their fleet electrification efforts: hands-on technical assistance and resources, gap funding, and a vehicle to building resiliency demonstration that will assess the costs and benefits of utilizing fleet EVs as backup power resources for agencies in grid failures and other emergencies. In August 2022, the Board of Directors approved a contract with Optony to assist in administration of this program.

Status: The program has now started. A workshop was held on November 16 to promote the program and recruit local agency fleet managers. Four applications were received from Menlo Park, Burlingame, San Mateo, and South San Francisco, which are now receiving technical assistance. Other agencies are encouraged to apply, when ready, at .

Strategic Plan:

Goal 3 – Community Energy Programs

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

- Key Tactic 2: Bolster electrification of fleets and shared transportation
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

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

5.5 Transportation Pilots

Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is Peninsula Clean Energy'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 with up to 100 EVs. Because ride-hail vehicles drive much higher than average miles per year, each vehicle in this electrification pilot is expected to save over 2,000 gallons of gas and 20 tons of greenhouse gas emissions per year.

Status (no updates since last month): The 100 EV fleet has been put into service by Lyft and Peninsula Clean Energy is monitoring progress. 250+ unique drivers have already rented them, with each rental averaging over three months. Over 2.8 million all electric miles have been driven so far with an average of 120 miles/day per vehicle, comparable to gas counterparts. Vehicles include a customer-facing PCE branded placard that informs riders about the pilot and directs them to the PCE website for more information.

Strategic Plan

Goal 3 – Community Energy Programs

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

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

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

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

EV Managed Charging Pilot

Background: Peninsula Clean Energy aims to facilitate EV charging that avoids expensive and polluting evening hours through "managed charging" systems. This work is in the second phase of a pilot. In 2020, Peninsula Clean Energy ran a proof-of-concept pilot for EV managed charging with startup FlexCharging to test timing of EV charging through vehicle-based telematics. This was a limited pilot with approximately 10 vehicles.

The system utilizes existing Connected Car Apps and allows Peninsula Clean Energy to manage EV charging via algorithms as a non-hardware-based approach to shift more charging to occur during off-peak hours. The pilot is moving to Phase 2 intended for a larger set of 1,000 to 2,000 vehicles. In October of 2021, the Board approved a contract up to $220,000 with the University of California, Davis' Energy Economics Program (DEEP) to develop and advise on an incentive structure experiment that will be used to inform the Peninsula Clean Energy managed charging program design. This collaboration has been ongoing. In November, the Board approved a contract up to $220,000 with ev.energy as the platform provider for EV managed charging services.

Status: Following Board approval of the contract with ev.energy, which is the selected managed charging platform, the project commenced on December 1. The platform and data warehouse systems development have already begun and will be completed in the new year. Large-scale recruitment will occur in Q2 2023 with the goal of recruiting at least 1,000 customers for the pilot. A Technical Advisory Committee, consisting of staff from CEC, CPUC, CCAs, and NGOs, is also informing the pilot and held its first meeting mid-February, additional meetings to be scheduled shortly. The pilot is expected to launch in Q2 2023.

Strategic Plan

Goal 3 – Community Energy Programs

Community Benefits: Deliver tangible benefits throughout our diverse communities

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

Innovation and Scale: Leverage leadership, innovation and regulatory action for scaled impact

- Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
    - Pilot and scale EV load shaping programs to ensure that 50% of energy for EV charging takes places in non-peak hours

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: January 13, 2023
BOARD MEETING DATE: January 26,2023
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 – January 2023

BACKGROUND

This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in December. This summary is provided to the Board for information purposes only.

DISCUSSION

Execution Month	Purpose	Counterparty	Term
January	Purchase of Import Allocation Rights for Resource Adequacy	City of Riverside	1 Month
January	Purchase of Resource Adequacy	City of Riverside	1 Month
January	Purchase of Resource Adequacy	Pacific & Gas Electric Company	1 Month
January	Purchase of Resource Adequacy	Pacific & Gas Electric Company	2 Months
January	Purchase of Energy Hedge	Morgan Stanley Capital Group Inc.	6 Months
December	Purchase of GHG-free energy	Pacific & Gas Electric Company	12 Months

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.
   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.

   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 November 31st 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 November 31st 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 November 31st of the prior year	Up to 12 months

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 and October support the Power Resources Objective A for Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost, reliable power.

Power & Grid Symmetry, LLC

4900 9th Avenue, Sacramento, CA 95820

TO: CC Power Board of Directors and Alternates **DATE:** 12/15/2022

FROM: Tim Haines – Interim General Manager

SUBJECT: **Report on CC Power Regular Board of Directors Meeting – December 14, 2022**

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, December 14, 2022, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: https://cacommunitypower.org

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.
- **Public Comment.** None.
- **Consent Calendar** - The Board approved the following items:
  - Minutes of the Regular Board Meeting held on November 16, 2022.
  - Resolution 22-12-01 Determination that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the Proclaimed State of Emergency

- **Update from General Manager Search ad hoc Committee:** Chair Syphers informed the Board that J Tedesco & Associates has been retained to conduct the search for a full-time General Manager. The Position Specification is posted on the CC Power website and the process is expected to continue into late Q1 or early Q2. The ad hoc committee will keep the Board informed throughout the process.

- **Resolution 22-12-02 Approving the CC Power Strategic Business Plan –** The Board has received updates and provided feedback on the development of the three-year Strategic Business Plan during its recent monthly meetings. Phyllis Currie presented the recommended plan and responded to Board questions. The Board discussed the plan in relation to the full-time GM and additional items of Member interest. Ms. Curry noted that within the first 90 days in the position, the full-time GM will provide the Board feedback on the plan and develop an implementation plan. The Board adopted Resolution 22-12-02.

- **Resolution 22-12-03 Approving Amendment No. 1 to the Tumbleweed Energy Storage Service Agreement and Delegating Authority to the Interim General Manager to Execute the Amendment.** Monica Padilla explained that the California Independent System Operator increased capacity deliverability of the project from 69 MW to 75 MW. This amendment provides the additional capacity and associated energy to the project Participants at the same shares as the original contract. The Board adopted Resolution 22-12-03.

- **Resolution 22-12-04 Approving Amendments to the CC Power Project Participation Share Agreements and Delegating Authority to the Interim General Manager to Execute the Amendments** –General Counsel Iles and Justin Wynne presented the

amendment to the Board. The amendment is part of an ongoing process to concentrate responsibility and authority for CC Power matters with the General Manager. The Board adopted Resolution 22-12-02.

- **Resolution 22-12-05 Setting the Regular Meeting Dates for 2023** – The Board adopted Resolution 22-12-05.

- **Discussion on End of Covid-19 State of Emergency in California meeting protocols** – General Counsel Iles described the general requirements for remote meetings under the Brown Act and the individual Member requirements under the approach that is being considered by CC Power. The Board was asked to give this consideration and provide feedback.

Power & Grid Symmetry, LLC

4900 9th Avenue, Sacramento, CA 95820

TO: CC Power Board of Directors and Alternates **DATE:** 1/18/2023

FROM: Tim Haines – Interim General Manager

SUBJECT: **Report on CC Power Regular Board of Directors Meeting – January 18, 2023**

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, January 18, 2023, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: https://cacommunitypower.org

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.

- **Public Comment.** None.

- **Consent Calendar** - The Board approved the following items:
  - Minutes of the Regular Board Meeting held on December 14, 2022.
  - Resolution 23-01-01 Determination that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the Proclaimed State of Emergency

- **Update from General Manager Search ad hoc Committee:** Chair Syphers informed the Board that the GM Search ad hoc committee has scheduled interviews with an initial list of candidates provided by J Tedesco & Associates. The committee may return to the Board with a recommendation as early as the February meeting but the search may continue into March. The Chair also informed the Board that he is adding Board Member Balachandran to the search committee.

- **Resolution 23-01-02 Election of CC Power Chair and Vice-Chair.** The Board unanimously elected Board Member Balachandran and Board Chair and Board Member Mitchell as Vice-Chair.

- **Resolution 23-01-03 Appointment of CC Power Secretary and Treasurer/Controller for 2023.** The Board unanimously voted in support of the appointment of Board Member Syphers as Treasurer/Controller and General Counsel Iles as Secretary.

- **Discussion of Offshore Wind Development.** The Board discussed the timing and approach to obtain information from offshore wind developers. The Chair appointed Board Member Marshall and alternate Board Member Shaw to sponsor the effort. A more detailed proposal will be discussed at the February Board meeting.

COMMONLY USED ACRONYMS AND KEY TERMS

AB xx – Assembly Bill xx
ALJ – Administrative Law Judge
AMP- Arrears Management Plans
AQM – Air Quality Management
BAAQMD – Bay Area Air Quality Management District
BLPTA – Buyer Liability Pass Through Agreement
CAC – Citizens Advisory Committee
CAISO – California Independent System Operator
CalCCA – California Community Choice Association
CAM – Cost Allocation Mechanism
CAP – Climate Action Plan
CAPP – California Arrearage Payment Program
CARB – California Air Resources Board, or California ARB
CARE- California Alternative Rates for Energy Program
CBA – California Balancing Authority
3CE- Central Coast Community Energy (Formerly Monterey Bay Community Power-MBCP)
CCA – Community Choice Aggregation (aka Community Choice Programs (CCP) or
CCE – Community Choice Energy (CCE)
CCP – Community Choice Programs
CEC – California Energy Commission
CPP- Critical Peak Pricing
CPSF – Clean Power San Francisco
CPUC – California Public Utility Commission (Regulator for state utilities) (Also PUC)
CSD – California Department of Community Services and Development
CSGT - Community Solar Green Tariff
DA – Direct Access
DAC-GT - Disadvantaged Communities Green Tariff
DER – Distributed Energy Resources
DG – Distributed Generation
DOE – Department of Energy
DR – Demand Response
DRP – Demand Response Provider
DRP/IDER – Distribution Resources Planning / Integrated Distributed Energy Resources
EBCE – East Bay Community Energy
ECOplus – PCE's default electricity product, 50% renewable and 50% carbon-free (in 2021)
ECO100 – PCE's 100% renewable energy product
EDR – Economic Development Rate
EE – Energy Efficiency
EEI – Edison Electric Institute; Standard contract to procure energy & RA
EIR – Environmental Impact Report
ELCC – Effective Load Carrying Capability
ESP – Electric Service Provider

ESS – Energy Storage Systems
ESSA – Energy Storage Services Agreement
ERRA – Energy Resource Recovery Account
EV – Electric Vehicle
EVSE – Electric Vehicle Supply Equipment (Charging Station)
FERA- Family Electric Rate Assistance Program
FERC – Federal Energy Regulatory Commission
FFS – Franchise Fee Surcharge
GHG – Greenhouse gas
GHG-Free – Greenhouse gas free
GTSR – Green Tariff Shared Renewables
GWh – Gigawatt Hours (Energy) = 1000 MWh
IDER – Integrated Distributed Energy Resources
IOU – Investor-Owned Utility (e.g. PG&E, SCE, SDG&E)
IRP – Integrated Resource Plan
IVR – Interactive Voice Response
ITC – Investment Tax Credit (it's a solar tax credit)
JCC – Joint Cost Comparison
JPA – Joint Powers Authority
JRC – Joint Rate Comparison
JRM – Joint Rate Mailer
kW – kilowatt (Power)
kWh – Kilowatt-hour (Energy)
LDS – Long Duration Storage
LDES – Long Duration Energy Storage
LIHEAP- Low Income Home Energy Assistance Program
Load Shaping – changing when grid energy is used
LSE – Load Serving Entity
MCE – Marin Clean Energy
Methane Gas - formerly known as 'natural gas'
Microgrid – building or community energy system
MW – Megawatt (Power) = 1000 kW
MWh – Megawatt-hour (Energy) = 1000 kWh
MUD – Multi-unit Dwelling
NBCs – non-bypassable charges
NEM – Net Energy Metering
NERC – North American Electric Reliability Corporation
NDA – Non-Disclosure Agreement
NG – Natural Gas
OBF – On-bill Financing
OBR – On-bill Repayment
OES – Office of Emergency Services
OIR – Order Instituting Rulemaking
PACE – Property Assessed Clean Energy
PCC – Portfolio Content Category (aka "buckets") – categories for RPS compliance
PCC1 – Portfolio Content Category 1 REC (also called bucket 1 REC)
PCC2 – Portfolio Content Category 2 REC (also called bucket 2 REC)
PCC3 – Portfolio Content Category 3 REC (also called bucket 3 REC or unbundled REC)

PCE – Peninsula Clean Energy Authority
PCIA – Power Charge Indifference Adjustment
PCL – Power Content Label
PLA – Project Labor Agreement
POU – Publicly Owned Utility
PPA – Power Purchase Agreement
PPSA – Project Participation Share Agreement (CC Power)
PSPS – Public Safety Power Shutoff
PV – Photovoltaics (solar panels)
RA – Resource Adequacy
RE – Renewable Energy
REC – Renewable Energy Credit/Certificate
RICAPS - Regionally Integrated Climate Action Planning Suite
RPS – California Renewable Portfolio Standard
SB xx – Senate Bill xx
SCP – Sonoma Clean Power
SJCE – San Jose Clean Energy
SJVAPCD - San Joaquin Valley Air Pollution Control District
SMD – Share My Data, interval meter data
SQMD – Settlement Quality Meter Data
SVCE – Silicon Valley Clean Energy
TEF – Transportation Electrification Framework (CPUC Proceeding)
TNCs – Transportation Network Companies (ridesharing companies)
TOB – Tariff on Bill
TOU RATES – Time of Use Rates
VGI – Vehicle-Grid Integration
V2G – Vehicle-to-Grid
VPP – Virtual Power Plant
WECC – Western Energy Coordinating Council
WREGIS – Western Renewable Energy Generation Information System
WSPP – Western Systems Power Pool; standard contract to procure energy and RA