**TERM SHEET**

**FOR**

**PROPOSED ENERGY STORAGE AGREEMENT**

THIS TERM SHEET FOR PROPOSED ENERGY STORAGE AGREEMENT(“**Term Sheet**”) sets forth the current mutual intention of Seller and Buyer (as defined below, each a “**Party**” and together, the “**Parties**”) with respect to the proposed transaction described below.

|  |  |  |
| --- | --- | --- |
| **Parties** | | |
| **Seller** | [*Seller name*] | |
| **Buyer** | Marin Clean Energy, a California joint powers authority | |
| **Facility** | | |
| **Description of Facility** | [*Technology, location, interconnection, charging source, existing resource or development status*] | |
| **Storage Contract Capacity** | \_\_\_\_ MW | |
| **Charge Maximum CMax Input That Can Be Sustained for [xx] Hours** | \_\_\_\_ MW | |
| **Charge Minimum CMin Input That Can Be Sustained for [xx] Hours** | \_\_\_\_ MW | |
| **Discharge Maximum DMax Output That Can Be Sustained for Four 4 Hours** | \_\_\_\_ MW | |
| **Discharge Minimum DMin Output That Can Be Sustained for [xx] Hours** | \_\_\_\_ MW | |
| **Storage Facility Efficiency %** | **\_\_\_\_\_\_** | |
| **Milestones** | | |
|  | **Completion Date:** | |
| **Evidence of Site Control** |  | |
| **Permits** | **€ Conditional Use Permit (if required)**  **€ CEQA**  **€ Cat Ex**  **€ Neg Dec**  **€ Mitigated Neg Dec**  **€ EIR** | |
| **Seller’s receipt of Phase I and Phase II Interconnection study results for Seller’s Interconnection Facilities** |  | |
| **Executed Interconnection Agreement** |  | |
| **Financial Close** |  | |
| **Expected Construction Start Date** |  | |
| **Initial Synchronization** |  | |
| **Network Upgrades completed (evidenced by delivery of permission to parallel letter from the PTO)** |  | |
| **Expected Commercial Operation Date** |  | |
| **Commercial Terms** | | |
| **Storage Product** | **€ Utility-scale Grid Asset**  **€ Distributed Energy Resource Provider**  **€ Peak Demand Shaving (C&I Customer)** | |
| **Contract Structure Overview** | [*Describe generally proposed structure for dispatch and control of storage facility, cost responsibility for charging energy, operational or commercial limits on charging/discharging energy, metering of charging/discharging energy, compensation to Seller, etc.*] | |
| **Delivery Term** | \_\_\_\_\_\_\_\_\_ (\_\_) Contract Years | |
| **Initial Expected Export Energy** | **Contract Year[[1]](#footnote-1)** | **Expected Export Energy**  **(MWh)** |
| 1 |  |
| 2 |  |
| 3 |  |
| 4 |  |
| 5 |  |
| **Energy Export Rate[[2]](#footnote-2)** | **Contract Year** | **Energy Export Rate** |
| 1 – [XX] | [$/MWh (flat) with no escalation] |
| **Capacity Rate** | **Contract Year** | **Capacity Rate** |
| 1 – [XX | [$/kW-mo. (flat) with no escalation] |
| **Storage Product Attributes** | 🞏 Discharging Energy  🞏 Green Attributes  🞏 Capacity Attributes (select options below as applicable)  🞏 Energy Only Status  🞏 Full Capacity Deliverability Status and Expected FCDS Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  🞏 Other Attributes | |
| **Scheduling Coordinator** | Buyer | |
| **Seller Performance Assurance** | Development Security: $\_\_\_\_ [***$90/kW Storage Facility***]  Performance Security: $\_\_\_\_\_ [***$90/kW Storage Facility***]  Damage Payment: $\_\_\_\_\_\_\_\_\_\_\_\_\_  Guarantor: \_\_\_\_\_\_\_\_\_\_\_\_\_ (if applicable) | |
| **Other Commercial Terms** |  | |
| **Miscellaneous Provisions** | | |
| **Governing Law** | This TERM SHEET shall be construed under the laws of the State of CALIFORNIA, without REGARD TO PRINCIPLES OF CONFLICTS OF LAW. | |
| **Parties’ Intent** | With the exception of this provision and the Governing Law provision, each Party acknowledges and agrees that, notwithstanding any other provision of this Term Sheet, or any other action or statement of either Party or any of their respective representatives, this Term Sheet merely constitutes a statement of the current mutual intentions of the Parties with respect to the transactions described herein, does not contain all matters upon which definitive agreements must be reached in order for such transactions to be consummated, is not intended to and does not create any legally binding obligation on the part of either Party, whether to consummate such transactions or otherwise, and no such obligation will exist unless and until definitive agreements are executed and delivered by the Parties, and then only to the extent provided in such agreements. | |

[*Signatures on following page.*]

1. *Add additional Contract Years as needed.* [↑](#footnote-ref-1)
2. *Export energy rate is not applicable to Behind the Meter or Distributed Energy Resource Aggregation offers. Grid Asset projects connected to and charging from the CAISO grid may sell discharge energy to MCE at the fixed price below or resell to the CAISO.* [↑](#footnote-ref-2)