

MCE

Feed-In Tariff for Distributed Renewable Generation

Revised and Effective as of March 2018

I. Applicability

This Feed-in Tariff (“FIT”) Schedule (“Schedule FIT”) is available to qualifying Applicants who wish to sell to Marin Clean Energy (“MCE”) the electric output from an Eligible Small-Scale Distributed Renewable Generation Resource (“Eligible Resource”), with capacity of not more than one (1) megawatt (“MW”), as defined in the General Conditions section of this Schedule FIT.

Service under this Schedule FIT is available to qualifying Applicants on a first-come, first-served basis until (a) the combined rated generating capacity of all Eligible Resources under contract and in the FIT queue with MCE reaches twenty-five (25) MW, or (b) the aggregated annual expected energy output from all Eligible Resources under contract with MCE is projected to equal or exceed fifty thousand (50,000) megawatt hours (“MWh”) during the upcoming twelve-month period.

MCE reserves the right to revise this Schedule FIT, the related FIT Application and the terms of its pro forma FIT Power Purchase Agreement (“FIT PPA” or “Agreement”) from time to time. MCE is not obligated to enter into a FIT PPA with any Applicant, and MCE has no binding obligation under or in connection with this Schedule FIT until a related FIT PPA is duly executed by and between an Applicant and MCE for an Eligible Resource.

II. Territory

This Schedule FIT is applicable to any Eligible Resource physically located and interconnected within any member jurisdiction of MCE’s service territory (the “Eligible Territory”).

III. General Conditions

1. REQUIRED APPLICATION AND CONTRACT

Service under this Schedule FIT is subject to MCE’s approval of the Applicant’s FIT Application and execution of a FIT PPA with MCE.

2. CONTRACT DELIVERY TERM

Each FIT PPA shall be for a Delivery Term of twenty (20) years.

3. PARTICIPATION IN OTHER MCE PROGRAMS

Eligible Resources taking service under this Schedule FIT may not also obtain benefits from any of the following:

- a) A power purchase agreement with MCE for deliveries from the same Eligible Resource;
or
- b) Any Net Energy Metering (“NEM”) option for energy deliveries from the same Eligible Resource.

4. ENVIRONMENTAL ATTRIBUTES

An Eligible Resource accepting service under this Schedule FIT will deliver to MCE both the electric energy generated and any environmental attributes (associated with such electric energy) produced by the Eligible Resource.

5. DEFINITION OF ELIGIBLE RESOURCES

For purposes of this Schedule FIT, an Eligible Resource must meet the California Renewables Portfolio Standard Eligibility requirements described in the most current edition of California Energy Commission's ("CEC") guidebook of Renewables Portfolio Standard ("RPS") Eligibility, as the document may be amended or supplemented from time to time. An Eligible Resource must also meet the capacity requirements and requirements described herein.

6. ELECTRICAL INTERCONNECTION

An Eligible Resource receiving service under this Schedule FIT shall be interconnected within the Eligible Territory and shall be required to: 1) comply with applicable wholesale generation interconnection procedures established by Pacific Gas and Electric Company's ("PG&E") Electric Generation Interconnection group, other applicable interconnecting utility, and/or the California Independent System Operator ("CAISO"), as appropriate (collectively, "Interconnection Provider"); and 2) shall execute applicable agreements with the Interconnection Provider to establish and maintain interconnection with such transmission or distribution system. Any resources not meeting the requirements specified in the applicable interconnection procedures of the Interconnection Provider will *not* be eligible for service under this Schedule FIT. Electric interconnection of the Eligible Resource, including execution of all applicable agreements, shall be the sole responsibility and expense of the Applicant.

7. METERING REQUIREMENTS

An Eligible Resource receiving service under this Schedule FIT shall comply with all applicable rules when installing a meter appropriate for full buy/sell or excess sale agreements, and which can be read daily by means acceptable to the Interconnection Provider and MCE. Such meter must be a revenue grade meter capable of separately metering the Eligible Resource, and must be installed on the high side of the Eligible Resource's step up transformer, unless otherwise approved by MCE. All costs associated with such installation will be the responsibility of the Applicant. The Applicant shall be responsible for procuring and maintaining any communication systems required by the Interconnection Provider and MCE for retrieving meter data.

8. PERMITTING

A Schedule FIT Applicant must obtain all necessary permits from the appropriate jurisdictional agency having authority and shall maintain such permits, as may be required, for the duration of the Agreement.

9. WORKFORCE

- a) Local Hire: Applicant will ensure that fifty percent (50%) of the construction workhours from its workforce (including contractors and subcontractors) providing work and services at the project site during the Construction Phase (e.g., the period from Full Notice to Proceed (NTP) through receipt of a Permission To Operate (PTO) letter from the

interconnecting utility) are obtained from permanent residents who live within the same county in which the Eligible Resource will be located (the “Local Hire Requirement”). Applicant’s construction of the Eligible Resource is also subject to any local hire requirements specific to the city or town where the Eligible Resource is located.

- b) Prevailing Wage: To the extent not inconsistent with the requirements of subsection (c) below, Applicant will ensure that all employees hired by Applicant, and its contractors and subcontractors, that are performing work or providing services at the project site during the Construction Phase are paid wages at rates not lower than those prevailing for workers performing similar work in the locality as provided by Division 2, Part 7, Chapter 1 of the California Labor Code (“Prevailing Wage Requirement”). Nothing herein shall require Applicant, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code.

10. ROOFTOP/CAR PORT PRICE BONUS

An Eligible Resource that is located on a rooftop or car port and has a nameplate capacity of two hundred and fifty (250) kilowatt (“kW”) or less is eligible for a \$5/MWh price bonus in addition to the then applicable Pricing Condition (the “Rooftop Price Bonus”). The Rooftop Price Bonus will be applicable for a period of no longer than 5 (five) Contract Years, commencing on the Commercial Operation Date.

11. STORAGE

An Eligible Resource may include storage in compliance with the current version of the CEC RPS Eligibility guidebook where the storage device is integrated into the Eligible Resource such that the energy storage device is capable of storing only energy produced by the Eligible Resource, either as an intermediary form of energy during the generation cycle or after electricity has been generated. An Eligible Resource that includes a storage device will receive the same contract price under this Schedule FIT as an Eligible Resource without storage.



12. ELIGIBLE RESOURCE AT ONE SITE

There may not be more than one exporting renewable energy facility, including the Eligible Resource, being developed or operating on or adjacent to an Assessor Parcel Number (“APN”) occupied, in part or fully, by the Eligible Resource.

IV. Eligibility Criteria

1. Capacity: The nameplate capacity of the Eligible Resource cannot exceed one (1) MW (Alternating Current).
2. Location: The Eligible Resource must be physically located and interconnected within the Eligible Territory, as defined herein.

3. Eligible Renewable Resource: The Eligible Resource must utilize a fuel source meeting the eligibility criteria expressed in the CEC's most current edition of the RPS Eligibility guidebook.
4. Interconnection: At the time of application submittal, the Applicant must provide documentation substantiating that the Eligible Resource has (a) passed all Fast Track screens, (b) passed Supplemental Review, (c) completed a System Impact Study in the Independent Study process, or (d) completed a Phase 1 Study in the Cluster Study Process with the interconnecting utility.
5. Site Control: At the time of application submittal, the Applicant must provide documentation demonstrating full site control via ownership, lease or an option to lease upon FIT PPA execution. Any site lease shall reflect a term length no less than the Delivery Term of the FIT PPA.
6. Prior Experience: At the time of application submittal, the Applicant must include three (3) recent renewable generating project references, all of which must have been successfully completed by the Applicant's development team.
7. Pending Applications or Executed FIT PPA with Affiliated Party: The Applicant must identify any affiliate, subsidiary, or parent of Applicant, or a corporation, partnership or other legal entity wholly owned by Seller (collectively, an "Affiliated Party") that has or will be submitting an Application and which has been offered or has executed a FIT PPA. As used herein, (1) "parent" shall mean a company which owns a majority of Applicant's voting equity; (2) "subsidiary" shall mean an entity wholly owned by Applicant or at least fifty-one percent (51%) of whose voting equity is owned by Applicant; and (3) "affiliate" shall mean an entity controlled, controlling or under common control with Applicant. If the Applicant has a preference as to which FIT Application should be selected, Applicant should indicate this in its FIT Application. In order to make the FIT program available to the broadest possible range of potential Applicants, and to avoid concentration of development, execution and credit risk with any Applicant and its affiliates, MCE fully reserves its right, in its sole discretion, to reject the FIT Application of any Applicant if MCE has offered a FIT PPA to an Affiliated Party of such Applicant.
8. Description of Eligible Resource: At the time of application submittal, the Applicant must provide:
 - a) a to-scale Site Map of the Eligible Resource showing the arrangement of all major components of the facility with the name of the facility, nameplate capacity, longitude and latitude of the centroid of Eligible Resource clearly labeled, in addition to labeling major cross streets and clearly marking the outer boundary of the facility and all Assessor Parcel Numbers included in and adjacent to the facility; and
 - b) a Single Line Diagram which includes the Eligible Resource's point of interconnection on the electric distribution system.
9. Determination of Eligibility Criteria: All determinations by MCE regarding the interpretation of the foregoing Eligibility Criteria, and the Applicant's satisfaction thereof, are final.

V. FIT Queue and Capacity

1. QUEUE ASSIGNMENT

MCE will maintain the FIT queue on a first-come, first-served basis. Queue position shall be based on the submittal date and time of a complete and conforming FIT Application, as determined by MCE in its reasonable discretion, delivered to the email address identified in the FIT Application.

2. REVIEW AND CURE PERIOD

Upon receipt, MCE will review the FIT Application for completeness.

If any minor deficiencies in the Application are identified by MCE staff, the Applicant will have ten (10) business days, from the date of MCE's notification, to cure the deficiency(ies) (also known as the "Cure Period"). During the Cure Period, Applicant will retain its queue position. If the Applicant fails to cure the deficiency(ies) within the allotted ten (10) business days, the Applicant's position in MCE's FIT queue will be forfeited and reallocated.

If major deficiencies are identified during MCE's review, MCE will notify the Applicant of the incomplete Application. Further review of the Application will be discontinued and no queue position will be assigned. The Applicant may re-apply for participation in MCE's FIT program after all issue(s) have been resolved. A queue position will be assigned to the Applicant at the time the Application is deemed complete, subject to MCE's then-current available FIT capacity and the prevailing FIT price at that time.

All determinations by MCE regarding the completeness of an Application are final.

Once an Application is deemed complete, MCE will provide notice to the Applicant indicating the assigned MCE FIT queue position and applicable price.

3. CAPACITY PER PRICING CONDITION

The megawatt capacity allocated to each Pricing Condition is outlined in Section VII, below. A Pricing Condition will be deemed complete when MCE has determined that (a) the megawatts associated with approved Applications in a given Pricing Condition reasonably fill the megawatts allocated to that Condition, or, (b) the expected aggregate energy output from all FIT projects under contract and in the FIT queue with MCE exceeds a specific condition's annual MWh generation limit. Once deemed complete, the next eligible Application, on a first-come, first-served basis, will be assigned to the subsequent Pricing Condition until the megawatts allocated for the program have been filled, as determined by MCE. MCE reserves the right to review and adjust Pricing Conditions anytime during the duration of the program for non-executed PPAs and non-queue holders in its sole discretion.

4. REALLOCATION OF TERMINATED MEGAWATTS

For any megawatts associated with queue reservations that fail to execute a PPA, or any megawatts associated with executed PPAs that terminate before or after the Guaranteed Commercial Operation Date, MCE may, in its discretion, reallocate those megawatts into the then current Pricing Condition, unless the final Pricing Condition (Condition 12) has already been deemed complete.

VI. Payments for Electric Generation Produced by Eligible Resources

Under this Schedule FIT, MCE will pay for the Products delivered by the Eligible Resource according to the applicable price for metered energy specified at a fixed rate for the Delivery Term of the PPA.

Applicable prices are presented below in Section VII, "Prices for Energy Produced by Eligible Resources", and will also be reflected in the FIT PPA.

VII. Prices for Energy Produced by Eligible Resources

MCE has established the following price schedule which will be used to determine prices paid to an Eligible Resource meeting the requirements of this Schedule FIT. MCE’s Board of Directors may periodically review and revise this price schedule¹.

The addition of any Eligible Resource must reasonably fit but not exceed the allotted capacity reservation, determined at MCE’s sole discretion, for any Pricing Condition’s combined rated generation megawatt or megawatt hour capacity under contract with MCE or reserved in MCE’s FIT queue.

FIT Pricing Conditions	Eligible Resource Price (20-year Term, \$/MWh)	Cumulative MW Allocation	MWh/year
Condition 1	\$ 137.66	2	N/A
Condition 2	\$ 120.00	4	N/A
Condition 3	\$ 115.00	6	N/A
Condition 4	\$ 110.00	8	N/A
Condition 5	\$ 105.00	10	N/A
Condition 6	\$ 95.00	12	24,000
Condition 7	\$ 90.00	15	30,000
Condition 8	\$ 85.00	17	34,000
Condition 9	\$ 80.00	19	38,000
Condition 10	\$ 75.00	21	42,000
Condition 11	\$ 70.00	23	46,000
Condition 12	\$ 65.00	25	50,000

¹ MCE Staff reserves the right to divert select FIT projects to the MCE “Local Sol” cooperative solar development program under the terms of any condition without regard to active FIT condition, at the sole discretion of MCE staff and subject to approval of the MCE Board of Directors. Capacity assigned to the Local Sol program will not affect the price schedule or the active condition (rate) for FIT projects.