Technical Committee Meeting
Thursday, February 6, 2020
8:30 A.M.

Charles F. McGlashan Board Room, 1125 Tamalpais Avenue, San Rafael, CA 94901
Mt. Diablo Room, 2300 Clayton Road, Suite 1150, Concord, CA 94520
City of El Cerrito, 10890 San Pablo Avenue, Hillside Conference Room, El Cerrito, CA 94530

1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)
5. Consent Calendar (Discussion/Action)
   C.1 Approval of 12.5.19 Meeting Minutes
   C.2 First Amendment to the Seventh Agreement with Braun Blaising Smith Wynne, P.C.
6. GHG-free Allocation from PG&E (Discussion/Action)
7. Potential Prepayment of Certain MCE Renewable Power Purchase Agreements to Reduce Cost (Discussion/Action)
8. Update to MCE’s Feed-in-Tariff Program (Discussion)
9. Open Season 2020 Solicitation (Discussion)
10. Committee Matters & Staff Matters (Discussion)
11. Adjourn
DRAFT

MCE TECHNICAL COMMITTEE MEETING MINUTES
Thursday, December 5, 2019
8:30 A.M.

Mt. Diablo Room
2300 Clayton Road, Suite 1150
Concord, CA 94520

Charles F. McGlashan Board Room
1125 Tamalpais Avenue
San Rafael, CA 94901

City of El Cerrito
10890 San Pablo Avenue, Hillside Conference Room
El Cerrito, CA 94530

City of San Ramon
7000 Bollinger Canyon Road, Room 256
San Ramon, CA 94583

Present:
- John Gioia, County of Contra Costa (El Cerrito) [Call-in]
- Ford Greene, Town of San Anselmo (San Rafael)
- Greg Lyman, City of El Cerrito (El Cerrito) [Call-in]
- Scott Perkins, City of San Ramon (San Ramon) [Call-in]
- Kate Sears, Committee Chair, County of Marin (San Rafael)

Absent:
- Kevin Haroff, City of Larkspur
- Rob Schroder, City of Martinez
- Ray Withy, City of Sausalito and the City of Mill Valley
- Justin Wedel, City of Walnut Creek

Staff & Others:
- Michael Callahan, Senior Policy Counsel (San Rafael)
- CB Hall, Power Supply Contracts Manager (San Rafael)
- Darlene Jackson, Board Clerk (Concord)
- Vicken Kasarjian, Chief Operating Officer (San Rafael)
- Justin Kudo, Strategic Analysis & Rates Manager (San Rafael)
- Jay Marshall, Information Technology Systems Manager (San Rafael)
- Garth Salisbury, Director of Finance (San Rafael)
- Enyo Senyo-Mensah, Administrative Associate (Concord)
- Taylor Sherman, Administrative Assistant (San Rafael)
- Shalini Swaroop, General Counsel (San Rafael)
- Dawn Weisz, Chief Executive Officer (San Rafael)

1. **Roll Call**

Chair Kate Sears called the regular Technical Committee meeting to order at 8:34 A.M. with quorum established by roll call.
2. **Board Announcements (Discussion)**

There were none.

3. **Public Open Time (Discussion)**

There were no speakers.

4. **Report from Chief Executive Officer (Discussion)**

CEO, Dawn Weisz, reported the following:

- On Tuesday, December 3rd, Ms. Weisz made a presentation to the City of Fairfield and the Council voted unanimously to request membership in MCE.
- A presentation was made to the Energy Division of the CPUC regarding resiliency efforts.
- MCE will meet with California State Association of Counties on December 16th in Sacramento. One of the topics will be how CCAs get addressed in the CSAC organization. Anyone interested in attending this meeting is encouraged to contact Dawn.
- MCE Holiday Party reminder: Friday, December 6th at the Napa Valley Marriott Hotel & Spa.

5. **Consent Calendar (Discussion/Action)**

C.1 Approval of 10.3.19 Meeting Minutes

Chair Sears opened the public comment period and there were no comments.

Action: It was M/S/C (Lyman/Perkins) to approve Consent Calendar. (Absent: Directors Haroff, Schroder, Withy, and Wedel).

6. **Renewable Power Purchase Agreement for Small Hydroelectric Energy with Kern and Tule Hydro, LLC (Discussion/Action)**

CB Hall, Power Supply Contracts Manager, presented this item and addressed questions from Committee members.

Chair Sears opened the public comment period and there were no comments.

Action: It was M/S/C (Lyman/Greene) to authorize execution of Renewable Power Purchase Agreement with Kern and Tule Hydro, LLC. (Absent: Directors Haroff, Schroder, Withy and Wedel).
7. **Proposed Changes to MCE’s Net Metering Tariff and Cash-Out Program (Discussion/Action)**

Justin Kudo, Strategic Analysis and Rates Manager, presented this item and addressed questions from Committee members.

Chair Sears opened the public comment period and there were comments from Members of the Public Howdy Gowdy in El Cerrito and Dan Sedegin in San Rafael.

| Action: | It was M/S/C (Gioia/Lyman) 1. to approve the recommended changes to MCE’s Electric Schedule NEM: Net Energy Metering Tariff and associated transitional schedule, effective following each customer’s March-April 2020 billing cycle and 2. to direct staff to issue checks to all eligible NEM customers for the April 2020 Cash-Out, without requiring a customer request. (Absent: Directors Haroff, Schroder, Withy, and Wedel.). |

8. **GHG-Free Allocation Opportunity (Discussion)**

Michael Callahan, Senior Policy Counsel, presented this item and addressed questions from Committee members and members of the public.

Chair Sears opened the public comment period and there were comments from Members of the Public Howdy Gowdy, Dan Sedegin, Bob Miller, Marin Conservation League (San Rafael), and Ken Strong (San Rafael).

| Action: | No action was required. |

9. **Committee & Staff Matters (Discussion)**

10. **Adjournment**

Chair Sears adjourned the meeting at 10:00 a.m. to the next scheduled Technical Committee Meeting on January 2, 2020.

Kathrin Sears, Chair

Attest:

Dawn Weisz, Secretary
February 6, 2020

TO: MCE Technical Committee  
FROM: Shalini Swaroop, General Counsel  
RE: First Amendment to Seventh Agreement with Braun Blaising Smith Wynne, P.C. (Agenda Item 05 – C.2)  
ATTACHMENT: A. Draft First Amendment to Seventh Agreement with Braun Blaising Smith Wynne, P.C.  
B. Seventh Agreement with Braun Blaising Smith Wynne, P.C.

Dear Technical Committee Members:

SUMMARY:

Braun Blaising Smith Wynne, P.C. (BBSW) provides legal and regulatory assistance to MCE. Specifically, BBSW provides assistance on various regulatory proceedings, including the Public Safety Power Shutoff and microgrid proceedings. Staff recommends approval of the First Amendment to the Seventh Agreement with Braun Blaising Smith Wynne, P.C. to increase the maximum sum of the Seventh Agreement by $30,000 for a total of $175,000 for continuation of legal and regulatory services.

Fiscal Impacts: Costs related to the referenced agreement are included in the FY 2019/20 Operating Fund Budget.

Recommendation: Approve the First Amendment to the Seventh Agreement with Braun Blaising Smith Wynne, P.C.
FIRST AMENDMENT TO SEVENTH AGREEMENT
BY AND BETWEEN
MARIN CLEAN ENERGY AND BRAUN BLAISING SMITH WYNNE, P.C.

This FIRST AMENDMENT is made and entered into on February 6, 2020, by and between MARIN CLEAN ENERGY, (hereinafter referred to as “MCE”) and BRAUN BLAISING SMITH WYNNE, P.C. (hereinafter referred to as “Contractor”).

RECITALS

WHEREAS, MCE and Contractor entered into an agreement to provide regulatory and legal services as directed by MCE staff dated March 1, 2019 (“Agreement”); and

WHEREAS, Section 4 and Exhibit B to the Agreement provided for Contractor to be compensated in an amount not to exceed $145,000 for the regulatory and legal services described within the scope therein; and

WHEREAS the parties desire to amend the Agreement to increase the contract amount by $30,000 for total consideration not to exceed $175,000.

NOW, THEREFORE, the parties agree to modify Section 4 and Exhibit B as set forth below.

AGREEMENT

1. Section 4 is hereby amended to read as follows:

MAXIMUM COST TO MCE:
In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of $175,000.

2. The last sentence of Exhibit B is hereby amended to read as follows:

In no event shall the total cost to MCE for the services provided herein exceed the maximum sum of $175,000 for the term of the Agreement.

3. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the day first written above.

CONTRACTOR:    MARIN CLEAN ENERGY:
By: ________________________           By: ________________________
Date: ______________________  Date: ______________________

MARIN CLEAN ENERGY:
By: ________________________
Date: ______________________
SEVENTH AGREEMENT

BY AND BETWEEN

MARIN CLEAN ENERGY AND BRAUN BLAISING SMITH WYNNE, P.C.

THIS SEVENTH AGREEMENT ("Agreement") is made and entered into this day March 1, 2019 by and between MARIN CLEAN ENERGY, hereinafter referred to as "MCE" and BRAUN BLAISING SMITH WYNNE, P.C., hereinafter referred to as "Contractor."

RECITALS:

WHEREAS, MCE desires to retain a person or firm to provide the following services: regulatory and legal services as needed and as requested by MCE;

WHEREAS, Contractor warrants that it is qualified and competent to render the aforesaid services;

NOW, THEREFORE, for and in consideration of the agreement made, and the payments to be made by MCE, the parties agree to the following:

1. SCOPE OF SERVICES:
   Contractor agrees to provide all of the services described in Exhibit A attached hereto and by this reference made a part hereof.

2. FURNISHED SERVICES:
   MCE agrees to make available all pertinent data and records for review, subject to MCE Policy 001 - Confidentiality.

3. FEES AND PAYMENT SCHEDULE; INVOICING:
   The fees and payment schedule for furnishing services under this Agreement shall be based on the rate schedule which is attached hereto as Exhibit B and by this reference incorporated herein. Said fees shall remain in effect for the entire term of the Agreement. Contractor shall provide MCE with his/her/its Federal Tax I.D. number prior to submitting the first invoice. Contractor is responsible for billing MCE in a timely and accurate manner. Contractor shall email invoices to MCE on a monthly basis for any services rendered or expenses incurred hereunder. Fees and expenses invoiced beyond 90 days will not be reimbursable. The final invoice must be submitted within 30 days of completion of the stated scope of services or termination of this Agreement.

4. MAXIMUM COST TO MCE:
   In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of $145,000.

5. TIME OF AGREEMENT:
   This Agreement shall commence on April 1, 2019, and shall terminate on March 31, 2020. Certificate(s) of Insurance must be current on the day the Agreement commences and if scheduled to lapse prior to termination date, must be automatically updated before final payment may be made to Contractor.

6. INSURANCE AND SAFETY:
   All required insurance coverages shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to MCE. The general liability policy shall be endorsed naming Marin Clean Energy and its employees, officers and agents as additional insureds. The certificate(s) of insurance and required endorsement shall be furnished to MCE prior to commencement of work. Each certificate shall provide for thirty (30) days advance written notice to MCE of any cancellation or reduction in coverage. Said policies shall remain in force through the life of this Agreement and shall be payable on a per occurrence basis only, except those required by paragraph 6.4 which may be provided on a claims-made basis consistent with the criteria noted therein.

Nothing herein shall be construed as a limitation on Contractor's obligations under paragraph 16 of this Agreement to indemnify, defend and hold MCE harmless from any and all liabilities arising from the Contractor's negligence, recklessness or willful misconduct in the performance of this Agreement. MCE agrees to timely notify the Contractor of any negligence claim.

Failure to provide and maintain the insurance required by this Agreement will constitute a material breach of the agreement. In addition to any other available remedies, MCE may suspend payment to the Contractor for any services provided during any time that insurance was not in effect and until such time as the Contractor provides adequate evidence that Contractor has obtained the required coverage.
6.1 GENERAL LIABILITY
The Contractor shall maintain a commercial general liability insurance policy in an amount of no less than one million dollars ($1,000,000) with a two million dollar ($2,000,000) aggregate limit. MCE shall be named as an additional insured on the commercial general liability policy and the Certificate of Insurance shall include an additional endorsement page. (see sample form: ISO - CG 20 10 11 85).

6.2 AUTO LIABILITY
Where the services to be provided under this Agreement involve or require the use of any type of vehicle by Contractor in order to perform said services, Contractor shall also provide comprehensive business or commercial automobile liability coverage including non-owned and hired automobile liability in the amount of one million dollars combined single limit ($1,000,000.00).

6.3 WORKERS' COMPENSATION
The Contractor acknowledges the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Contractor has employees, a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-Insure shall be provided to MCE prior to commencement of work.

6.4 PROFESSIONAL LIABILITY INSURANCE (REQUIRED IF CHECKED ☑)
Covérages required by this paragraph may be provided on a claims-made basis with a “Retroactive Date” either prior to the date of the Agreement or the beginning of the contract work. If the policy is on a claims-made basis, coverage must extend to a minimum of twelve (12) months beyond completion of contract work. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a “retroactive date” prior to the Agreement effective date, the contractor must purchase extended reporting coverage for a minimum of twelve (12) months after completion of contract work. Contractor shall maintain a policy limit of not less than $1,000,000 per incident. If the deductible or self-insured retention amount exceeds $100,000, MCE may ask for evidence that contractor has segregated amounts in a special insurance reserve fund or contractor's general insurance reserves are adequate to provide the necessary coverage and MCE may conclusively rely thereon.

Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Agreement. Contractor shall monitor the safety of the job site(s) during the project to comply with all applicable federal, state, and local laws, and to follow safe work practices.

7. NONDISCRIMINATORY EMPLOYMENT:
Contractor and/or any permitted subcontractor, shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, age or condition of disability. Contractor and/or any permitted subcontractor understands and agrees that Contractor and/or any permitted subcontractor is bound by and will comply with the nondiscrimination mandates of all federal, state and local statutes, regulations and ordinances.

8. SUBCONTRACTING:
The Contractor shall not subcontract nor assign any portion of the work required by this Agreement without prior written approval of MCE except for any subcontract work identified herein. If Contractor hires a subcontractor under this Agreement, Contractor shall require subcontractor to provide and maintain insurance coverage(s) identical to what is required of Contractor under this Agreement and shall require subcontractor to name Contractor as additional insured under this Agreement. It shall be Contractor’s responsibility to collect and maintain current evidence of insurance provided by its subcontractors and shall forward to MCE evidence of same. Nothing contained in this Agreement or otherwise stated between the parties shall create any legal or contractual relationship between MCE and any subcontractor, and no subcontract shall relieve Contractor of any of its duties or obligations under this Agreement. Contractor shall be solely responsible for ensuring its subcontractors’ compliance with the terms and conditions of this Agreement. Contractor’s obligation to pay its subcontractors is an independent obligation from MCE’s obligation to make payments to Contractor. As a result, MCE shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

9. ASSIGNMENT:
The rights, responsibilities and duties under this Agreement are personal to the Contractor and may not be transferred or assigned without the express prior written consent of MCE.

10. RETENTION OF RECORDS AND AUDIT PROVISION:
Contractor and any subcontractors authorized by the terms of this Agreement shall keep and maintain on a current basis full and complete documentation and accounting records, employees’ time sheets, and correspondence pertaining to this Agreement. Such records shall include, but not be limited to, documents supporting all income and all expenditures. MCE shall have the right, during regular business hours, to review and audit all records relating to this Agreement during the Contract period and for at least five (5) years from the date of the completion or termination of this Agreement. Any review or audit may be conducted on Contractor’s premises or, at MCE’s option,
Contractor shall provide all records within a maximum of fifteen (15) days upon receipt of written notice from MCE. Contractor shall refund any monies erroneously charged. Contractor shall have an opportunity to review and respond to or refute any report or summary of audit findings, and shall promptly refund any overpayments made by MCE based on undisputed audit findings.

11. WORK PRODUCT:
All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Contractor, its officers, employees and agents in the course of implementing this Agreement shall become the sole property of MCE upon payment to Contractor for such work. MCE shall have the exclusive right to use such materials in its sole discretion without further compensation to Contractor or to any other party. Contractor shall, at MCE’s expense, provide such reports, plans, studies, documents and writings to MCE or any party MCE may designate, upon written request. Contractor may keep file reference copies of all documents prepared for MCE.

12. TERMINATION:
A. If the Contractor fails to provide in any manner the services required under this Agreement or otherwise fails to comply with the terms of this Agreement or violates any ordinance, regulation or other law which applies to its performance herein, MCE may terminate this Agreement by giving five business days’ written notice to the party involved.
B. The Contractor shall be excused for failure to perform services herein if such services are prevented by acts of God, strikes, labor disputes or other forces over which the Contractor has no control.
C. Either party hereto may terminate this Agreement for any reason by giving 30 calendar days’ written notice to the other party. Notice of termination shall be by written notice to the other parties and be sent by registered mail or by email to the email address listed in Section 19 Invoices; Notices.
D. In the event of termination not the fault of the Contractor, the Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Agreement so long as proof of required insurance is provided for the periods covered in the Agreement or Amendment(s).
E. MCE may terminate this Agreement if funding for this Agreement is reduced or eliminated by a third-party funding source.

13. AMENDMENT:
This Agreement may be amended or modified only by written agreement of all parties.

14. ASSIGNMENT OF PERSONNEL:
The Contractor shall not substitute any personnel for those specifically named in its proposal unless personnel with substantially equal or better qualifications and experience are provided, acceptable to MCE, as is evidenced in writing.

15. JURISDICTION AND VENUE:
This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Marin County, California.

16. INDEMNIFICATION:
Contractor agrees to indemnify, defend, and hold MCE, its employees, officers, and agents, harmless from any and all liabilities including, but not limited to, litigation costs and attorney’s fees arising from any and all claims and losses to anyone who may be injured or damaged by reason of Contractor’s negligence, recklessness or willful misconduct in the performance of this Agreement.

17. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF MCE:
MCE 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 the Joint Powers Agreement and is a public entity separate from its constituent members. MCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Contractor shall have no rights and shall not make any claims, take any actions or assert any remedies against any of MCE’s constituent members in connection with this Agreement.

18. COMPLIANCE WITH APPLICABLE LAWS:
The Contractor shall comply with any and all applicable federal, state and local laws and resolutions (including, but not limited to the County of Marin Nuclear Free Zone, Living Wage Ordinance, and Resolution #2005-97 of the Marin County Board of Supervisors prohibiting the off-shoring of professional services involving employee/retiree medical and financial data) affecting services covered by this Agreement.
19. INVOICES; NOTICES
This Agreement shall be managed and administered on MCE's behalf by the Contract Manager named below. All invoices shall be submitted by email to:

Email Address: invoices@mcecleanenergy.org

All other notices shall be given to MCE at the following location:

Contract Manager: Troy Nordquist
MCE Address: 1125 Tamalpais Avenue
San Rafael, CA 94901
Email Address: contracts@mcecleanenergy.org
Telephone No.: (415) 464-6027

Notices shall be given to Contractor at the following address:

Contractor: Scott Blaising
Address: 915 L Street, Suite 1480
Sacramento, CA 95814
Email Address: blaising@braunlegal.com
Telephone No.: (916) 712-3961

20. ACKNOWLEDGEMENT OF EXHIBITS
In the event of a conflict between the Terms of this Agreement and the terms in any of the following Exhibits, the terms in this Agreement will govern.

[ ] Check applicable Exhibits

CONTRACTOR'S INITIALS

EXHIBIT A.
[ ] Scope of Services

EXHIBIT B.
[ ] Fees and Payment

21. SEVERABILITY
Should any provision of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, such invalidity will not invalidate the whole of this Agreement, but rather, the remainder of the Agreement which can be given effect without the invalid provision, will continue in full force and effect and will in no way be impaired or invalidated.

22. COMPLETE AGREEMENT
This Agreement along with any attached Exhibits constitutes the entire Agreement between the parties. No modification or amendment shall be valid unless made in writing and signed by each party. Failure of either party to enforce any provision or provisions of this Agreement will not waive any enforcement of any continuing breach of the same provision or provisions or any breach of any provision or provisions of this Agreement.

23. COUNTERPARTS
This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement.
24. PERFORMANCE AND PAYMENT BOND (REQUIRED IF CHECKED □)
Contractor shall furnish, concurrently with signing the contract, a Performance & Payment Bond for a sum not less than 100 percent (100%) of the total amount of the contract. The bond shall be in the form of a bond and not a deposit in lieu of a bond. The bond shall be executed by an admitted surety insurer. The bond shall guarantee payment by Contractor of all materials, provisions, provender, supplies, and equipment used in, upon, for, or about the performance of said construction, and protect MCE from any liability, losses, or damages arising therefrom.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

APPROVED BY
Marin Clean Energy:
By: [Signature]
CEO
Date: 3-1-19

By: [Signature]
Chairperson
Date: 3-1-19

CONTRACTOR:
By: [Signature]
Name: Scott Blaisdell
Date: 3-8-2019

MODIFICATIONS TO STANDARD SHORT FORM
☐ Standard Short Form Content Has Been Modified

List sections affected: ______________________________________________________

Approved by MCE Counsel: ________________________________________________ Date: __________
EXHIBIT A
SCOPE OF SERVICES (required)

Contractor will provide task-specific legal and regulatory services and assistance as requested and directed by the General Counsel, up to the maximum time/fees allowed under this Agreement.
EXHIBIT B
FEES AND PAYMENT SCHEDULE

For services provided under this Agreement, MCE shall pay Contractor in accordance with the hourly rate and the payment schedule as specified below:

<table>
<thead>
<tr>
<th>Position</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Shareholder</td>
<td>$420</td>
</tr>
<tr>
<td>Junior Shareholder</td>
<td>$360</td>
</tr>
<tr>
<td>Senior Associate</td>
<td>$310</td>
</tr>
<tr>
<td>Junior Associate</td>
<td>$275</td>
</tr>
<tr>
<td>Law Clerk</td>
<td>$165</td>
</tr>
<tr>
<td>Of Counsel</td>
<td>$315-$365</td>
</tr>
<tr>
<td>Contract Associate (As Authorized)</td>
<td>$310</td>
</tr>
</tbody>
</table>

Contractor shall bill in .10 hour increments on a monthly basis for all services rendered. In no event shall the total cost to MCE for the services provided herein exceed the maximum sum of $145,000 for the term of the Agreement.
February 6, 2020

TO: MCE Technical Committee

FROM: Michael Callahan, Senior Policy Counsel

RE: GHG-free Allocation from PG&E (Agenda Item #06)

Introduction

Currently, through the power charge indifference adjustment (PCIA), MCE customers are required to pay a portion of the costs to operate PG&E’s existing large hydropower (“hydro”) fleet and the Diablo Canyon Nuclear Power Plant (Diablo). However, historically, PG&E has kept all of the energy output and associated GHG-free attributes generated from these resources. This has an unintended consequence of making PG&E’s portfolio appear “cleaner” as PG&E has fewer customers to share the same amount of GHG-free resources. These PCIA costs are in addition to the decommissioning costs MCE customers currently pay for Diablo, which will be permanently shut down by 2025.  

PCIA charges are only supposed to cover the difference in cost between the price at which PG&E bought the resources and the price at which PG&E can now sell the resources. PG&E sells the electricity from these resources in the market administered by the California Independent System Operation (CAISO). Therefore, the total cost CCA customers pay for these GHG-free resources in the PCIA is reduced by the revenue PG&E receives in the CAISO market for the energy generated from these assets.

However, the CAISO revenue does not reflect any value for the GHG-free attributes of this energy. Given that an increasing number of CCAs have launched with a mission to reduce electricity-related GHGs, the GHG-free attributes of this energy are becoming increasingly valuable. Numerous CCAs and CalCCA requested the California Public Utilities Commission (CPUC) establish a GHG-free benchmark to reflect the value of the GHG-free attribute and reduce the PCIA fee by that amount. This is a similar approach to the existing Renewable Portfolio Standard and Resource Adequacy benchmarks that reflect the value of those resources and reduce the PCIA rates. The CPUC denied the request to establish a GHG-free benchmark; this results in a cost shift from PG&E to CCA customers because CCA customers are paying for a portion of the GHG-free attributes that PG&E claims for its own customers.

1 Diablo has two generating units. One unit is planned to be taken offline in 2024 with the second in 2025.
To address this cost shift, PG&E has voluntarily offered to allocate a proportionate share of the output of these GHG-free resources at no additional cost to CCAs and Direct Access providers whose customers pay the PCIA. There are two parallel processes to develop a mechanism to allow the voluntary allocations.

In mid-2019, East Bay Community Energy (EBCE) approached PG&E to discuss whether it would sell energy from its large hydro facilities. In 2018, PG&E had issued a solicitation and sold energy from large hydro resources, but it did not make any sales in 2019. PG&E subsequently approached EBCE and offered to allocate GHG-free resources (nuclear and large hydro) to them and other eligible load serving entities (LSEs), and are having discussions with EBCE (leading on behalf of PG&E territory CCAs) on the mechanics of implementation.

Separately, there is another effort occurring in the PCIA Phase 2, Working Group 3 (WG 3) that is also focusing on the allocation of GHG-free energy, among other things. Since the WG 3 effort is not expected to be implemented until 2021 at the earliest, the EBCE effort is being considered as an interim approach until WG 3 decisions are finalized. To distinguish the two efforts from each other, the EBCE effort shall be called the “Interim Proposal,” and the PCIA WG 3 effort the “PCIA Proposal.” Both proposals are works in progress and subject to change pending final CPUC approval.

The purpose of this memorandum is to provide background and information to supplement discussion and help the Technical Committee decide whether to accept the share of the GHG-free allocation under the Interim Proposal, and if so, from which pool(s).

Interim Proposal
Under the Interim Proposal, in 2020, PG&E will allocate to each eligible Load Serving Entity (LSE) its load share of large hydro (hydro pool) and/or nuclear resources (nuclear pool) based on an LSE’s election. The LSE has 30 days to accept its allocation of hydro and/or nuclear pool(s), and any unallocated amounts will revert back to PG&E to use or dispose as it sees fit pursuant to applicable law. Although there was an attempt by EBCE for LSEs to receive allocations retroactively for 2019, that effort was unsuccessful.

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2 Large hydro and nuclear resources count as GHG-free on the power content label (PCL), and investor-owned utilities (IOUs) have been benefiting from counting those resources to meet their GHG-free targets. CCA Customers and PCIA-paying Direct Access Customers on the other hand have been paying for those same assets through PCIA, yet do not receive any of the GHG-free benefits through the PCL.

3 Clean Power Alliance is having similar negotiations with Southern California Edison (SCE) in SCE territory, but both Interim Proposals are distinct and separate from each other.

4 WG 3 was established by a CPUC scoping memo in early 2019. The memo indicated that there should be three working groups to implement the CPUC’s directives. The first working group focuses on appropriate forecasting and benchmarking, the second focuses on prepayment of the PCIA, and the third working group is generally supposed to focus on the transition of contracts from the investor-owned utilities to the CCAs.

5 An eligible LSE (as defined in the CAISO Tariff) is one that (1) has forecasted load identified in PG&E’s Energy Resource Recovery Account (ERRA) Forecast Application (ERRA Forecast Departed Load) for the calendar year in which the allocation amount is accepted; and (2) serves customers who pay the PCIA departing load charges for the above market costs of resources.

6 For the backwards-looking piece of the Interim proposal, the CEC declined to allow it under its Power Source Disclosure rules.
In exchange for the allocation by PG&E, the receiving LSE accepts the conditions that 1) the manner in which the disposition of the resource pools is reasonable; and 2) the LSE waives its ability to make arguments to the CPUC or the California Legislature asserting that PG&E has not offered any allocation, sale, or transfer of GHG-free energy or environmental attributes for that year.

The Interim Proposal will become effective upon CPUC approval of an advice letter that PG&E filed to amend PG&E’s Bundled Procurement Plan to permit allocations. The Interim Proposal will remain in effect until the effective date of a CPUC action on the PCIA Proposal in Rulemaking (R.17-06-026) that orders an alternative methodology (PCIA Proposal). The Interim Proposal is expected to remain in effect through 2020.

PCIA Proposal
On October 11, 2018 the CPUC issued Decision (D.)18-10-019, which modified the PCIA Methodology and opened a second phase of the proceeding to further develop proposals for portfolio optimization and cost reduction. On February 1, 2019, the CPUC directed the parties to convene three working groups to further develop PCIA-related proposals for consideration by the CPUC. Working Group 3 (WG 3) is focused on portfolio optimization and tasked with answering the question: “what are the structures, processes, and rules governing portfolio optimization that the CPUC should consider in addressing excess resources in utility portfolios?” A final CPUC decision on the activities of WG 3 is expected in Q2 2020; therefore, implementation of the PCIA Proposal is expected in 2021 at the earliest.

Under the PCIA Proposal, an LSE would receive a proportional share of GHG-free attributes and energy on an hourly basis related to the generation from each applicable vintage of the IOUs’ generation. Allocation is based on each LSE’s customers’ forecasted share of vintage load on an asset.

Similar to the Interim Proposal, an LSE may opt-out of its allocation of one or both pools of resources (for example, an LSE could opt out of nuclear allocation but keep its hydro allocation), but it would not receive compensation in lieu of allocation. Unlike the Interim Proposal, allocations not accepted by a LSE under the PCIA Proposal would be reallocated automatically among LSEs participating in the allocation of that category of resources, and not simply returned to the IOU. Allocations would continue for as long as the underlying assets are in the PCIA

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7 A copy of this advice letter can be found online at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5705-E.pdf. In summary, PG&E will provide some historical production data and ongoing allocation amounts for LSEs to forecast and keep track of allocation amounts. They will also provide the LSE with an annual attestation confirming actual year-end totals of generation from the resource pool(s), and notify the California Energy Commission (CEC) of the sale of the product for purposes of Power Content Label reporting.

8 Vintage is a term that refers to the year in which a CCA customer departed. A CCA customer is responsible for all of the generation contracts signed by the IOU up until the year of its departure, or vintage. Therefore, a customer with a 2010 vintage would be responsible for fewer contract commitments than a customer with a 2020 vintage. Because of MCE’s inclusion of new communities since its launch, MCE customers have a wide variety of vintages depending on when their community voted to join MCE and customers departed.

9 The generation resources would have to be GHG-free, not be counted towards the IOU’s Renewable Standard Portfolio compliance, and be eligible for the PCIA.
mechanism, but LSEs could opt in or out each year by a certain deadline.\textsuperscript{10} Attributes would be tradeable or available for sale after received by an LSE, with no further involvement of the IOU.

**Estimated Allocations**
MCE’s estimated allocation volumes per resource pool are highlighted in Tables 1 and 2 below, for large hydro, and nuclear resources, respectively. Note that the estimated volumes do not reflect vintaging and are based on a combination of various sources.

**Estimated Large Hydro Allocation:** 450 – 700 GWh per year (with 2020 multiplied by 75%)

**Estimated Nuclear Allocation:**
- 2020: 1200 GWh x 75% = 900 GWh
- 2021: 1200 GWh
- 2022: 1200 GWh
- 2023: 1200 GWh
- 2024: 1200 GWh x 75% = 900 GWh
- 2025: 1200 GWh x 25% = 300 GWh

**Uncertainty in the Market**
The decision to accept an allocation may be based, in part, on a strategy to sell all of the allocation. Such an approach would allow the CCA to capture the monetary value of the allocations while not using the allocation to serve their own customers. However, it is noteworthy that the actual value for such sales is unknown. There are three primary variables contributing to this uncertainty: (1) price; (2) demand; and (3) volume. Given a large portion of GHG-free resources will be made available to the market, the increase in supply may lead to a drop in prices. This factor results in a wide range of potential benefits from accepting an allocation. Additionally, there is limited data about the demand for resold nuclear energy and associated GHG-free attributes given the environmental risks and history of safety failures associated with the nuclear power industry. There have not traditionally been bilateral sales of nuclear power, because IOUs have owned these plants and used them to serve their own load. As a result, CCA accepting the allocations with the intent to sell may find limited or no buyers. If a CCA cannot sell its allocation, it will be forced to use it to serve their own load. Finally, the volume of the allocation is uncertain. Both the Interim Proposal and the PCIA Proposal share uncertainty because they both are contingent upon the actual output from the GHG-free resources. Both proposals are also subject to reductions in availability that result from IOU sales.\textsuperscript{11} The PCIA Proposal has additional uncertainty related to rejected volumes being reallocated among all LSEs accepting allocations.

**Conclusion**
Both the Interim and PCIA Proposals are opportunities for CCAs to gain access to significant volumes of GHG-free resources that their customers are already paying for through the PCIA.

\textsuperscript{10} The IOUs will provide forecasts of aggregated hydro and nuclear production or aggregated hydro-only production, and quarterly updates for the remaining balance of year of the monthly total, aggregated production. They will also provide the past three years of historical, aggregated, hourly production data by combined nuclear and non-nuclear pool or only hydro pool.

\textsuperscript{11} The revenue from such sales would be used to reduce the PCIA rates for all customers.
They would also stop the current effect of the IOUs portfolios appearing more GHG-free as customers depart the IOUs for CCAs. The implementation of both proposals vary, as the Interim Proposal and the PCIA Proposal treat unallocated volumes differently (revert back to PG&E v. reallocated among LSEs choosing allocation). Both proposals are still a work in progress but the decisions for the draft Interim Proposal and draft PCIA Proposal are expected in Q1 2020, and Q2 2020, respectively.

**Recommendation:** Reject the nuclear allocation and accept the hydro allocation in the Interim Proposal; and reconsider the allocations under the PCIA Proposal before Q4 2020.

**Alternative #1:** Accept the nuclear and hydro allocations in the Interim Proposal and use the hydro to serve MCE’s load while attempting to sell the nuclear allocation.

**Alternative #2:** Accept the nuclear and hydro allocations in the Interim Proposal and use them to serve MCE’s load.

*Note: The two alternative options above would bring additional value to MCE, which may be earmarked for a specific community investment project.*
Dear Technical Committee Members:

Purpose

This is an informational update regarding MCE’s Feed-in Tariff (FIT) program. Staff is finalizing and will be incorporating four adjustments to the FIT program that will enable future FIT projects to better match MCE’s generation needs and reflect industry best practices.

The four adjustments are as follows:

1. Require all new solar generators to pair solar with energy storage.
2. Include a price adder for non-solar renewable technologies to be built.
3. Require all solar projects to install a pollinator friendly habitat.
4. Increase the Inverter Load Ratio (ILR) cap on solar installations to reflect current industry norms.
MCE’s FIT is a standard-offer program to incentivize local, renewable energy development of small-scale generation projects within our service area on a first-come, first served basis. The program provides up-front, fixed pricing which “steps down” on a pre-designated megawatt (MW) capacity basis with a standardized 20-year contract. FIT programs create demand for new development, create local jobs and contribute to the local economy.

While MCE’s FIT program is technology agnostic, when broken down by technology, solar is the dominant resource of MCE’s built and developing projects. Of the 24 MW installed or under development, over 23 MW are solar. MCE has several other large-scale solar resources delivering energy during daylight hours in its portfolio. With this level of solar penetration, as well as new state policies that are increasing levels of solar curtailment, there is a need for MCE to incentivize participation of other renewable technologies in its portfolio. Technologies such as wind and energy storage create generation profiles that are more complimentary to MCE’s portfolio and MCE customers’ usage patterns. Creating incentives for these technologies align future FIT generation with MCE needs.

FIT Program History

In December of 2010, MCE’s Board approved the implementation of a FIT program, which is currently in operation and has been updated and expanded since that time. In December of 2017, MCE’s Board approved expanding the FIT program to add 10 MW of capacity for projects 0-1 and it approved a 20 MW FIT Plus program for projects sized >1-5 MW. When fully subscribed, the combined programs will total 45 MW of local renewable energy projects.

The price offered is reduced in “steps” as capacity is reserved. The FIT (0-1 MW) price is reduced after each 2 MW of capacity is reserved. The starting price in 2010 was $137.66/MWh. The final step will come down to $65.00/MWh when the last 2 MWs become available.

The FIT Plus (>1-5 MW) price offered is reduced after each 5 MW of capacity is reserved, starting at $80.00/MWh and stepping down to $65.00/MWh when the last 5 MWs become available. A standardized application, a Schedule with program criteria and requirements and a form Power Purchase Agreement (PPA) are posted on MCE’s website. All projects must be built within MCE’s service area and qualify as California Energy Commission (CEC) eligible renewable resources. The existing program has established an annual system output cap of 2,400 kWh per installed kW/year.

MCE executed its first FIT PPA in 2012. Currently 12 projects (8 MW) have achieved Commercial Operation. 11 projects (16 MW) have reserved program capacity and are slated for construction in the next 12-24 months. As of the date of this report, 21 MW of available capacity remain in the combined FIT programs (9 FIT, 12 FIT Plus). The proposed changes to the programs outlined in this report apply to the 21 MW of un-
Overview of FIT Program Changes

Detail on updates to both FIT and FIT Plus:

1. Require all new solar generators to pair solar with energy storage.
   - Storage system to be sized at 40% of the solar system’s Alternate
     Current (AC) nameplate rating.

2. Include a price adder for non-solar renewable technologies to be built.
   - Offer additional $7/MWh price adder for CEC eligible renewable, non-
     solar and non-baseload renewable resources.
   - There is no net fiscal impact to the program with this adder, as the price
     adder either offsets MCE’s load in expensive CAISO market hours
     (applicable to FIT projects), or is offset by CAISO revenues from projects
     participating in the CAISO market (FIT Plus projects).

3. Require counterparties to install pollinator friendly habitats on all new solar
   projects.
   - Reference “Pollinator-friendly Solar Scorecard” attachment to Staff Report
     on standards for developing a habitat beneficial to pollinators within the
     landscape of a PV solar facility.

4. Increase the Inverter Load Ratio from 1.2 to 1.4.
   - This reflects current industry norms and design principles.

Detail on updates applicable to FIT Plus only:

1. Require all new solar generators to pair solar with energy storage.
   - Provide a $10/kW month price adder for energy storage to be added to all
     new solar FIT Plus projects.
   - Require all FIT Plus projects to obtain Full Capacity Deliverability Status
     (FCDS) in order to obtain Resource Adequacy value.
     - Storage adder will not be provided to FIT projects as there is no
       capacity value to offset the additional expense

Fiscal Impact

There will be no impact on the Fiscal Year (FY) 2019/2020 Operating Fund Budget.
Costs in future years will be accounted for in planning and budget setting for power
supply costs within the Operating Fund Budget.

Non-solar, non-baseload resource adder for FIT and FIT Plus:
The addition of a $7/MWh non-solar, non-baseload price adder has no net change to
the cost of the FIT programs. The price adder is offset by generation produced in more valuable hours that match MCE demand.

**Storage adder for FIT Plus:**
The storage price adder of $10/kW month is expected to reduce the net cost of the FIT Plus program. There are two primary drivers of this cost reduction: 1) a portion of the energy will be shifted to more valuable hours, and 2) the projects will obtain Full Capacity Deliverability Status and thereby offset part of MCE’s Resource Adequacy obligation. If all 12 MW of remaining capacity in the FIT Plus program are filled by solar paired with energy storage, then the FIT Plus program cost would be reduced by $71,250/year.

**Inverter Load Ratio Cap:**
The update to the solar Inverter Load Ratio cap increases the maximum annual output per installed MW by 400 MWhs/year. The maximum additional expense to the program is approximately $500,000/year when the program becomes fully subscribed in the coming years.

**Pollinator Friendly Habitats:**
The pollinator habitat requirement will have no cost impact on MCE. The cost to install a pollinator friendly habitat is minimal and will be borne by developers.

**Recommendation:**
Information only.
Pollinator-friendly solar scorecard

The entomologist-approved standard for what constitutes "beneficial to pollinators" within the managed landscape of a PV solar facility. Only for use in countries and/or states that have not yet adopted a standard.

1. PERCENT OF PROPOSED SITE VEGETATION COVER TO BE DOMINATED BY WILDFLOWERS

- 31-45 % +5 points
- 46-60 % +10 points
- 61+% +15 points

Total points

Note: Projects may have "array" mixes and diverse open area/border mixes; forb dominance should be averaged across the entire site. The dominance should be calculated from total numbers of forb seeds vs. grass seeds (from all seed mixes) to be planted.

2. PLANNED % OF SITE DOMINATED BY NATIVE SPECIES COVER

- 26-50% +5 points
- 51-75% +10 points
- 76-100% +15 points

Total points

3. PLANNED COVER DIVERSITY (# of species in seed mixes; numbers from upland and wetland mixes can be combined)

- 10-19 species +5 points
- 20-25 species +10 points
- 26 or more species +15 points

Total points

Note: exclude invasives from species totals.

4. PLANNED SEASONS WITH AT LEAST 3 BLOOMING SPECIES PRESENT (check/add all that apply)

- Spring (April-May) +5 points
- Summer (June-August) +5 points
- Fall (September-October) +5 points
- Winter (November-March) +5 points

Total points

Note: Check local resources for data on bloom seasons

5. AVAILABLE HABITAT COMPONENTS WITHIN .25 MILES (check/add all that apply)

- Native bunch grasses for nesting +2 points
- Native trees/shrubs for nesting +2 points
- Clean, perennial water sources +2 points
- Created nesting feature/s (bee blocks, etc.) +2 points

Total points

6. SITE PLANNING AND MANAGEMENT

- Detailed establishment and management plan developed with funding/contract to implement + 15 points
- Signage legible at 40 or more feet stating "pollinator friendly solar habitat" (at least 1 every 20ac.) +5 points

Total points

7. SEED MIXES

- Mixes are composed of at least 40 seeds per square foot +5 points
- All seed genetic origin within 175 miles of site +5 points
- At least 2% milkweed cover to be established from seed/plants +10 points

Total points

8. INSECTICIDE RISK

- Planned on-site insecticide use or pre-planting seed/plant treatment (excluding buildings/electrical boxes, etc.) -40 points
- Perpetual bare ground under the panels as a result of pre and post emergent herbicide. -40 points
- Communication/registration with local chemical applicators about need to prevent drift from adjacent areas. +10 points

Total points

9. OUTREACH/EDUCATION

- Site is part of a study with a college, university, or research lab. +5 points

Grand total

Provides Exceptional Habitat >85
Meets Pollinator Standards 70-84

Project Name: Vegetation Consultant: Project Location: Total acres (array and open area): Projected Seeding Date:

Note: Percent "cover" should be based on "absolute cover" (the percent of the ground surface that is covered by a vertical projection of foliage as viewed from above). To measure cover diversity use plots, and/or transects in addition to meander searches. Wildflowers in question 1 refer to "forbs" (flowering plants that are not woody or graminoids) and can include introduced clovers and other non-native, non-invasive species beneficial to pollinators.
SMALL RENEWABLE GENERATOR
POWER PURCHASE AGREEMENT
BETWEEN
MARIN CLEAN ENERGY AND

THIS SMALL RENEWABLE GENERATOR POWER PURCHASE AGREEMENT ("Agreement") is entered into as of the Effective Date between Marin Clean Energy, a California joint powers authority ("MCE" or "Buyer"), and ______________ ("Seller"). MCE and Seller are each also referred to as a "Party" and collectively as the "Parties."

The Parties agree as follows:

1. DOCUMENTS INCLUDED; DEFINED TERMS

This Agreement includes the following appendices, which are specifically incorporated herein and made a part of this Agreement.

Appendix A – Definitions
Appendix B – Initial Product Delivery Date Confirmation Letter
Appendix C – Counterparty Notification and Forecasting Requirements
Appendix D – Description and Location of Facility
Appendix E – Facility Drawings
Appendix F – Workforce Requirements
Appendix G – Form of Commercial Operation Date Certificate
Appendix H – Pollinator Scorecard

2. SELLER’S GENERATING FACILITY, PURCHASE PRICES AND PAYMENT

2.1. Facility. This Agreement governs MCE’s purchase of Product from the Generating Facility [and Storage Facility] described below in this Section 2.1 (the “Facility”):

2.1.1 The Facility’s Energy Delivery Profile is [select one of the following designations that best represents the energy generating profile for the Facility: 1) “Peak”; 2) “Baseload”; or 3) “Intermittent”]. Seller shall be required to deliver Product consistent with the Energy Delivery Profile of the Facility.

2.1.2 Contract Type: Standard Feed-In-Tariff – Schedule FIT

2.1.3 A description of the Facility, including a summary of its significant energy generating [and energy storage] components, is attached and incorporated herein as Appendix D. A drawing showing the general arrangements of the Facility, and

1 If applicable.
2 If applicable.
a single line diagram illustrating the interconnection of the Facility and loads with the PG&E electric transmission or distribution system, other applicable interconnecting utility, and/or CAISO, as applicable (collectively, “Interconnection Provider”), are attached and incorporated herein as Appendix E.

2.1.4 The name and address MCE and the Interconnection Provider use to locate the electric service account(s) and premises used to interconnect the Facility with the Interconnection Provider’s transmission or distribution system is:

_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

2.2. Contract Capacity. “Contract Capacity” means the amount of Generating Capacity plus, if applicable, the Storage Capacity. Generating Capacity shall not exceed 1,000 kilowatts. A Generating Facility using solar photovoltaic (PV) technology shall include a co-located Storage Facility with an Installed Battery Capacity that is equal to forty percent (40%) of the Installed Generating Capacity of the Generating Facility. Seller shall not modify the Facility to increase the Contract Capacity without the prior written consent of MCE. Any increase in Contract Capacity must be consistent with the interconnection requirements of the Interconnection Provider.

2.3. Transaction. Subject to the terms of this Agreement, during the Delivery Term of this Agreement, Seller shall sell and deliver, or cause to be delivered, and MCE shall purchase and receive, or cause to be received, the Product from the Facility at the Delivery Point, pursuant to Seller’s election of a (check one) ☐ Full Buy/Sell or ☐ Excess Sale arrangement as described in Sections 2.3.1 and 2.3.2 below. MCE shall pay Seller the Contract Price, set forth in Section 2.5, in accordance with the terms hereof. Whenever Facility output is not enough to supply Station Use and transformation and transmission losses to the Delivery Point, Seller shall purchase energy required to serve the Facility’s on-site load from MCE pursuant to MCE’s applicable retail rate schedule. In no event shall Seller have the right to procure or substitute the Product from sources other than the Facility for sale or delivery to MCE under this Agreement. MCE shall have no obligation to receive or purchase Product from Seller prior to the Initial Product Delivery Date, as defined in Section 2.4, or after the end of the Delivery Term, as defined in Section 2.4.

2.3.1 Full Buy/Sell. Seller agrees to sell to MCE the Facility’s gross output of Product delivered to the Delivery Point. For purposes of this Section 2.3.1, the Energy conveyed to MCE shall be net of Station Use and transformation and transmission losses.

2.3.2 Excess Sale. Seller agrees to sell to MCE the Facility’s gross output of Product delivered to the Delivery Point. For purposes of this Section 2.3.2, the Energy conveyed to MCE shall be net of Station Use and any on-site use by Seller and transformation and transmission losses.

2.3.3 Excess Energy.

A. If the Facility does not have a Storage Facility, and during any CAISO Settlement Interval (as defined by CAISO) Seller delivers energy in excess of the product of the Generating Capacity and the duration of the
Settlement Interval, expressed in hours, the price applicable to all such excess MWh shall be zero dollars ($0.00);  

B. If the Facility does have a Storage Facility and during any CAISO Settlement Interval (as defined by CAISO) and Seller delivers (i) energy in excess of the product of the Contract Capacity and the duration of the Settlement Interval, expressed in hours, or (ii) energy solely from the Generating Facility in excess of the product of 1,000 kW and the duration of the Settlement Interval, expressed in hours, the price applicable to all such excess MWh shall be zero dollars ($0.00).

2.4. Delivery Term.

2.4.1 The Seller shall deliver the Product from the Facility to MCE for a period of twenty (20) Contract Years (“Delivery Term”), which shall commence on the Initial Product Delivery Date (as defined below) and continue until the end of the last Contract Year unless terminated under the terms of this Agreement. “Initial Product Delivery Date” means the date set forth in the Initial Product Delivery Date Confirmation Letter” attached hereto as Appendix B. The Initial Product Delivery Date shall not occur until Seller has completed to MCE’s reasonable satisfaction the following conditions:

A. The Commercial Operation Date has occurred, if the Facility was not in operation prior to the Execution Date of this Agreement;

B. Seller has identified a certified Qualified Reporting Entity (“QRE”), according to criteria established by WREGIS, for the Facility and has executed the appropriate agreement(s) with such QRE to ensure that the net electric energy produced by the Facility will be timely reported to WREGIS for the purpose of creating related renewable energy certificates throughout the Delivery Term; a copy of the aforementioned QRE agreement(s) has been provided to MCE;

C. The Facility’s status as an Eligible Renewable Energy Resource is demonstrated by Seller’s receipt of pre-certification from the CEC and registration with WREGIS;

D. Seller has demonstrated compliance with the Workforce Requirements in Appendix F by certifying such compliance to MCE in writing and providing reasonably requested documentation demonstrating such compliance as set forth in Appendix F; and

E. If applicable, Seller will have provided a certificate as set forth in Appendix G demonstrating an Installed Battery Capacity of forty percent (40%) of the installed generating capacity of the Generating Facility.

As evidence of the Initial Product Delivery Date, the Parties shall execute and exchange the “Initial Product Delivery Date Confirmation Letter” attached hereto as Appendix B.
2.5. **Contract Price.** For the Delivery Term, the contract price for the Product shall be \[\text{[$XX/MWh, without escalation]}\] ("Contract Price"). Amounts owed to Seller by MCE will be calculated by multiplying (a) the Contract Price plus, as applicable, the Rooftop Bonus and/or Technology Bonus, by (b) the applicable hourly Energy quantity delivered to MCE (as metered at the Delivery Point), net of any Station Use and transformation and transmission losses, as described above in Section 2.3; however, Seller shall not receive payment for any Product delivered in any hour to MCE in excess of the maximum hourly energy delivery quantity specified in Section 2.3.3 or Appendix D.

2.5.1 **Rooftop Price Bonus.** A Generating Facility that is located on a rooftop or carport and has a nameplate capacity of 250 kW or less is eligible for a $5.00/MWh price bonus in addition to the Contract Price (the “Rooftop Price Bonus”). The Rooftop Price Bonus will be applicable for a period of no longer than five (5) years, commencing on the Initial Product Delivery Date.

2.5.2 **Technology Bonus.** A Generating Facility that uses a non-solar, non-baseload fuel source otherwise meeting the eligibility criteria expressed in the CEC’s most current edition of the RPS Eligibility guidebook to generate electricity, is eligible for a $7.00/MWh price bonus in addition to the then applicable Pricing Condition (the “Technology Bonus”). The Technology Bonus will be applicable for the entire Delivery Term.

2.6. **Billing.** MCE shall pay Seller by check or Automated Clearing House transfer no later than thirty (30) days of invoice receipt from Seller if the value of the purchased energy in a month is at least fifty dollars ($50.00); if less, MCE may pay Seller quarterly. Seller shall submit invoices for Product to MCE on a monthly basis consistent with the terms of this Agreement. MCE shall have the right, but not the obligation, to read the Facility’s meter on a daily basis.

2.7. **Title and Risk of Loss.** Title to and risk of loss related to the Product from the Facility shall transfer from Seller to MCE at the Delivery Point. Seller warrants that it will deliver to MCE all Product from the Facility free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point.

2.8. **No Additional Incentives.** Seller agrees that during the Term of this Agreement, Seller shall not seek additional compensation or other benefits pursuant to the Self-Generation Incentive Program, as defined in CPUC Decision (“D”) 01-03-073, the California Solar Initiative, as defined in CPUC D.06-01-024, PG&E’s net energy metering tariff, MCE’s net energy metering tariff, or other similar California ratepayer subsidized program relating to energy production with respect to the Facility.

2.9. **Private Energy Producer.** Seller agrees to provide to Buyer copies of each of the documents identified in California Public Utilities Code Section 2821(d)(1), if applicable, as may be amended from time to time, as evidence of Seller’s compliance with such California Public Utilities Code section. Such documentation shall be provided to Buyer within thirty (30) days of Seller’s receipt of written request therefore.

2.10. **Workforce Requirements.** Seller agrees to comply with Workforce Requirements and to provide Buyer copies of documentation establishing ongoing compliance with the
Workforce Requirements set forth in Appendix F, as may be reasonably requested by Buyer from time to time.

2.11. **Sale of Facility.**

2.11.1 Seller shall give MCE at least thirty (30) days’ prior notice of the commencement by Seller or any of its affiliates of substantive negotiations with any unaffiliated third party with respect to the sale of any equity interests in Seller or the Facility, or any group(s) of assets or equity interests that includes the Facility, in order to provide MCE with an opportunity to discuss and negotiate with Seller the possible sale of the Facility to MCE.

2.11.2 After the seventh (7th) Contract Year, MCE shall have the right to initiate discussions with Seller regarding the potential sale of the Facility to MCE. MCE may initiate such discussions by notifying Seller in writing of this election at least three (3) months prior to the anticipated purchase date. The purchase price for the Facility shall be equal to the fair market value of the Facility at the applicable purchase date (“Purchase Price”). The Purchase Price amount shall be determined through good faith negotiations by both Parties hereto, except that if the Parties cannot agree upon the fair market value determination, the Parties shall select an independent appraiser who is familiar with appraising renewable energy facilities to perform the required evaluation. Such appraiser shall determine, at equally shared expense of Buyer and Seller, the fair market value of the Facility as of the applicable purchase date, taking into account such items as deemed appropriate by the appraiser, which may include the resale value of the Facility, and the price of the Product. In the event Seller agrees to sell and MCE agrees to buy the Facility, (a) the Parties shall promptly execute all documents necessary to (X) cause title to the Facility to pass to MCE on the purchase date, free and clear of any liens or encumbrances, and (Y) assign all vendor warranties for the Facility to MCE, and (b) MCE shall pay the Purchase Price to Seller on the purchase date, such payment to be made in accordance with any previous written instructions delivered to MCE for payments under the Agreement. Upon execution of the documents and payment of the Purchase Price, in each case as described in the preceding sentence, this Agreement shall terminate automatically. Notwithstanding anything to the contrary, neither Party is obligated to proceed with negotiations for the sale of the Facility, or be obligated to proceed with the purchase or sale of the Facility, or the payment of the Purchase Price, except following the execution of binding, definitive documents.

2.12. **Support for Pollinators.** MCE supports healthy habitats for bees, bats, butterflies, hummingbirds and other pollinators through pollinator habitat creation, restoration, and protection efforts. Each Facility using solar photovoltaic (PV) resources is required to use reasonable efforts to support healthy habitats for pollinators by taking measures such as planting and maintaining milkweed and native nectar plants, and adopting herbicide and pesticide practices that are not harmful to pollinators. Each Facility is required to use reasonable efforts to achieve a score of 70 or above on the attached Pollinator-friendly solar scorecard (“Scorecard”) attached as Appendix H. Every three (3) years during the Delivery Term, Applicant shall be responsible for providing an updated Scorecard to MCE.
3. GREEN ATTRIBUTES; RESOURCE ADEQUACY BENEFITS

3.1 Conveyance of Green Attributes. Seller provides and conveys all rights, title, and interest in all Green Attributes (whether now existing or that hereafter come into existence during the Term) from the Facility to MCE as part of the Product delivered to MCE for the duration of the Delivery Term. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to MCE to the fullest extent allowed by applicable law as included in the delivery of the Product from the Facility. Seller represents that the Product and Green Attributes from the Facility have not been, nor will be, sold or used to satisfy any California Renewables Portfolio Standard obligation other than the RPS Requirements applicable to MCE.

3.2 WREGIS. Prior to the Initial Product Delivery Date, Seller shall register the Facility in WREGIS and take all other actions necessary to ensure that the Product from the Facility are tracked for purposes of satisfying the MCE RPS Requirements. Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. [STC REC-2, Non-modifiable. D.11-01-025]

3.3 Resource Adequacy Benefits. In accordance with California Public Utilities Code Section 399.20(f), Seller conveys to MCE all Resource Adequacy Benefits attributable to the physical generating capacity of Seller’s Facility to enable MCE to count such capacity towards MCE’s resource adequacy requirement for purposes of California Public Utilities Code Section 380. At MCE’s request, Seller shall take all reasonable actions and execute documents and instructions necessary to enable MCE to secure Resource Adequacy Benefits; Seller shall comply with all applicable reporting requirements.

4. REPRESENTATION AND WARRANTIES; COVENANTS

4.1. Representations and Warranties. On the Execution Date, each Party represents and warrants to the other Party that:

4.1.1 It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

4.1.2 The execution, delivery and performance of this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;

4.1.3 This Agreement and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms;

4.1.4 It is not bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt;
4.1.5 There is not pending or, to its knowledge, threatened against it or any of its affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement; and

4.1.6 It is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of, and understands and accepts, the terms, conditions and risks of this Agreement.

4.2. **General Covenants.** Each Party covenants that throughout the Term of this Agreement:

4.2.1 It shall continue to be duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

4.2.2 It shall maintain (or obtain from time to time as required, including through renewal, as applicable) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

4.2.3 It shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

4.3. **Seller Representation and Warranty and Covenant.**

4.3.1 **Representation and Warranty.** In addition to the representations and warranties specified in Section 4.1, Seller makes the following additional representations and warranties as of the Execution Date:

A. Seller has not received an incentive under the Self-Generation Incentive Program, as defined in CPUC D.01-03-073, or the California Solar Initiative, as defined in CPUC D.06-01-024.

B. Seller’s execution of this Agreement will not violate California Public Utilities Code Section 2821(d)(1) if applicable.

4.3.2 **Eligibility.** Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource (“ERR”) as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project’s output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a Change in Law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC 6, Non-Modifiable. (Source: D.07-11-025, Attachment A.) D.08-04-009].

4.3.3 **Transfer of Renewable Energy Credits.** Seller and, if applicable, its successors, represents and warrants that throughout the Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set
forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC REC-1, Non-modifiable. D.11-01-025]

5. GENERAL CONDITIONS

5.1. Extension of Guaranteed Commercial Operation Date. So long as Seller is not otherwise in breach of this Agreement, Seller may be eligible for a one-time extension of the Guaranteed Commercial Operation Date of up to twelve (12) months. An extension request must be submitted in writing at least thirty (30) days prior to the original Guaranteed Commercial Operation Date, and Seller must demonstrate to the reasonable satisfaction of MCE Staff that (a) Seller has pursued development of the Facility in a commercially reasonable, diligent and continuous manner and (b) the pre-parallel date recorded in its executed Small Generator Interconnection Agreement with the Interconnection Provider is reasonably expected to occur within the requested extension period.

5.2. Facility Care, Interconnection and Transmission Service. If either MCE or the Interconnection Provider does not deem Seller’s existing interconnection service, equipment and agreement satisfactory for the delivery of Product under this Agreement, Seller shall execute an interconnection agreement for the Facility with the Interconnection Provider and pay and be responsible for designing, installing, operating, and maintaining the Facility in accordance with all applicable laws and regulations and shall comply with all applicable MCE, Interconnection Provider, CAISO, CPUC and FERC tariff provisions, including applicable interconnection and metering requirements. Seller shall also comply with any modifications, amendments or additions to the applicable tariff and protocols. Prior to and during the Delivery Term, Seller shall arrange and pay independently for any and all necessary costs under any interconnection agreement with the Interconnection Provider. To make deliveries to MCE, Seller must maintain an interconnection agreement with the Interconnection Provider in full force and effect.

5.3. Metering Requirements. Seller shall comply with all applicable rules in installing a meter appropriate for deliveries pursuant to the Full Buy/Sell or Excess Sale arrangement selected in Section 2.3, above, which can be electronically read daily by: (a) telephone and modem; (b) an analog or digital phone connection; or (c) an internet portal address for the Interconnection Provider’s Energy Data Services (“EDS”) or similar web interface. Seller’s meter must be a revenue grade meter capable of separately metering the Facility, and must be installed on the high side of the Facility’s step up transformer, unless otherwise approved by MCE. Seller shall be responsible for procuring and maintaining the communication link to electronically retrieve this metering data. A Seller will not be allowed to install or maintain a Solar Generation Meter behind the primary service meter unless (a) the Seller is also the accountholder for the primary service meter and (b) the Seller is and remains an active MCE customer throughout the Delivery Term.

5.4. Standard of Care. Seller shall: (a) maintain and operate the Facility and Interconnection Facilities, except facilities installed by the Interconnection Provider, in conformance with all applicable laws and regulations and in accordance with Good Utility Practice; (b) obtain any governmental authorizations and permits required for the construction and operation
thereof; and (c) generate, schedule and perform transmission services in compliance with all applicable operating policies, criteria, rules, guidelines and tariffs and Good Utility Practice. Seller shall reimburse MCE for any and all losses, damages, claims, penalties, or liability MCE incurs as a result of Seller’s failure to obtain or maintain any governmental authorizations and permits required for construction and operation of the Facility throughout the Term of this Agreement.

5.5. **Access Rights.** MCE, its authorized agents, employees and inspectors shall have the right to inspect the Facility on reasonable advance notice during normal business hours and for any purposes reasonably connected with this Agreement or the exercise of any and all rights secured to MCE by law, or its tariff schedules, PG&E Interconnection Handbook and rules on file with the CPUC, or similar rules of the Interconnection Provider. Seller shall keep MCE and the Interconnection Provider advised of current procedures for communicating with the Facility operator’s Safety and Security Departments.

5.6. **Protection of Property.** Seller shall be responsible for protecting the Facility from possible damage resulting from electrical disturbances or faults caused by the operation, faulty operation, or non-operation of the Interconnection Provider’s interconnection facilities.

5.7. **MCE Performance Excuse; Seller Curtailment.**

5.7.1 **MCE Performance Excuse.** MCE shall not be obligated to accept or pay for any Product provided from the Facility during a Dispatch Down Period, or an event of Force Majeure.

5.7.2 **Seller Curtailment.** MCE, CAISO, or the Interconnection Provider may require Seller to interrupt or reduce deliveries of energy: (a) in the case of PG&E, when necessary to construct, install, maintain, repair, replace, remove, or investigate any of its equipment or part of PG&E’s transmission system or distribution system or facilities; or (b) if MCE, CAISO, or the Interconnection Provider determines that curtailment, interruption, or reduction is necessary because of a System Emergency, as defined in the CAISO Tariff, Forced Outage, Force Majeure as defined in Appendix A, or compliance with Good Utility Practice.

5.8. **Interconnection Agreement.** Seller shall comply with the terms and conditions of the Facility’s interconnection agreement between Seller and the Interconnection Provider.

5.9. **Greenhouse Gas Emissions.** During the Term, Seller acknowledges that a Governmental Authority may require Buyer to take certain actions with respect to greenhouse gas emissions attributable to the generation of Energy, including, but not limited to, reporting, registering, tracking, allocating for or accounting for such emissions. Promptly following Buyer’s written request, Seller agrees to take all commercially reasonable actions and execute or provide any and all documents, information or instruments with respect to generation by the Facility reasonably necessary to permit Buyer to comply with such requirements, if any.

6. **INDEMNITY**

Each Party as indemnitor shall save harmless and indemnify the other Party and the directors, officers, and employees of such other Party against and from any and all loss and liability for injuries to persons including employees of either Party, and damages, including property of either
Indemnitor’s Party, resulting from or arising out of: (a) the engineering, design, construction, maintenance, or operation of; or (b) the installation of replacements, additions, or betterments to the indemnitee’s facilities. This indemnity and save harmless provision shall apply notwithstanding the active or passive negligence of the indemnitee. Neither Party shall be indemnified for liability or loss, resulting from its sole negligence or willful misconduct. The indemnitee shall, on the other Party’s request, defend any suit asserting a claim covered by this indemnity and shall pay all costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

7. LIMITATION OF DAMAGES

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF SECTION 6 (INDEMNITY), IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

8. NOTICES

Notices shall, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service, facsimile or electronic messaging (e-mail). Whenever this Agreement requires or permits delivery of a “notice” (or requires a Party to “notify”), the Party with such right or obligation shall provide a written communication in the manner specified below. A notice sent by facsimile transmission or email will be recognized and shall be deemed received on the Business Day on which such notice was transmitted if received before 5 p.m. Pacific prevailing time (and if received after 5 p.m., on the next Business Day) and a notice by overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party unless it confirms a prior oral communication, in which case any such notice shall be deemed received on the day sent. A Party may change its addresses by providing notice of same in accordance with this provision. All written notices shall be directed as follows:

TO MCE: Marin Clean Energy
Attention: Director, Power Resources
1125 Tamalpais Ave.
San Rafael, CA 94901

TO SELLER: __________________________
__________________________
__________________________

AI 08_Att. B_ Small Renewable Generator PPA
9. INSURANCE


9.1.1 Seller shall maintain during the performance hereof, General Liability Insurance of not less than $1,000,000 if the Facility’s nameplate rating is over 100 kW, $500,000 if the nameplate rating of the Facility is over 20 kW to 100 kW or $100,000 if the nameplate rating of the Facility is 20 kW or below of combined single limit or equivalent for bodily injury, personal injury, and property damage as the result of any one occurrence.

9.1.2 General Liability Insurance shall include coverage for Premises Operations, Owners and Contractors Protective, Product/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations.

9.1.3 Seller shall use reasonable efforts to provide for thirty (30) days written notice to MCE prior to cancellation, termination, alteration, or material change of such insurance.


9.2.1 Evidence of coverage described above in Section 9.1 shall state that coverage provided is primary and is not excess to or contributing with any insurance or self-insurance maintained by MCE.

9.2.2 MCE shall have the right to inspect or obtain a copy of the original policy(ies) of insurance.

9.2.3 Seller shall furnish the required certificates and endorsements to MCE prior to commencing operation.

10. TERM, EVENTS OF DEFAULT AND REMEDIES

10.1. Term. The term of this Agreement shall commence upon execution by the duly authorized representatives of each of MCE and Seller; and shall remain in effect until the conclusion of the Delivery Term or unless terminated sooner pursuant to Section 10.3 of this Agreement (the “Term”). All indemnity rights shall survive the termination of this Agreement for twelve (12) months.

10.2. Events of Default. The following shall constitute an event of default (“Event of Default”):

3 Governmental agencies which have an established record of self-insurance may provide the required coverage through self-insurance.
10.2.1 The failure of either Party to comply with the terms, provisions and conditions of this Agreement and such failure continues for more than thirty (30) days after receiving written notice of such failure;

10.2.2 The Facility has not received a final conditional use permit from the local planning authority within forty-five (45) days of the date this Agreement is executed;

10.2.3 Seller has failed to demonstrate substantial construction mobilization on the Facility site with ninety (90) days of the execution of this Agreement to Buyer’s reasonable satisfaction;

10.2.4 Seller has failed to demonstrate compliance with the Workforce Requirements in Appendix F or failed to provide documentation of Workforce Requirements requested by Buyer pursuant to Section 2.10, and Seller has not cured such failure within thirty (30) days after receiving written notice of such failure from Buyer;

10.2.5 The Facility has not achieved the Guaranteed Commercial Operation Date within twelve (12) months of the Execution Date;

10.2.6 The Facility has not achieved the Initial Energy Delivery Date within twelve (12) months of the Execution Date;

10.2.7 Seller has not sold or delivered Energy from the Facility to MCE for a period of twelve (12) consecutive months;

10.2.8 Seller fails to deliver Energy from the Facility consistent with the selected Energy Delivery Profile as calculated over the most recent rolling twenty-four (24) month period; and

10.2.9 Seller breaches its covenant to maintain its status as an ERR as set forth in Section 4.3.2 of the Agreement and has not restored such status following thirty (30) days’ written notice from MCE.

10.3. **Force Majeure.** Neither Party shall be considered in breach or default of this Agreement if and to the extent that any failure or delay in the Party’s performance of one or more of its obligations hereunder is due to Force Majeure. The occurrence and continuation of an event of Force Majeure shall not suspend or excuse the obligation of a Party to make any payments due hereunder.

10.4. **Remedies.**

10.4.1 If an Event of Default of Seller has occurred and is continuing, MCE shall have the option to: (a) suspend performance or payments pending Seller’s remediation of the circumstances constituting an Event of Default, (b) terminate this Agreement upon written notice to Seller, (c) recover from Seller the damages MCE incurred as a direct result of the Event of Default, and (d) except as may be limited under the terms of this Agreement, exercise any other right or remedy MCE may have at law or equity, including specific performance.

10.4.2 If an Event of Default of MCE has occurred and is continuing, Seller shall have the option to (x) suspend performance or payments pending MCE’s remediation
of the circumstances constituting an Event of Default, or (y) terminate this Agreement upon written notice to MCE.

10.4.3 If an event of Force Majeure has occurred that has caused either Party to be wholly or partially unable to perform its obligations hereunder, and has continued for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon written notice to the other Party.

10.5 Limitation of Remedies. Upon termination of this Agreement pursuant to Section 10.4.1, neither Party shall be under any further obligation or subject to liability hereunder, except (a) as expressly provided in Section 10.4.1 and (b) with respect to the indemnity provision in Section 6 hereof, which shall remain in effect for a period of twelve (12) months following such termination date.

11. SCHEDULING

11.1 Scheduling Obligations. If the Facility’s electric output is required to be scheduled with the CAISO, MCE shall designate a Scheduling Coordinator (as defined by CAISO Tariff) for Seller’s Facility. At MCE’s direction, MCE’s designated Scheduling Coordinator will schedule the output of the Facility using Good Utility Practices and Seller shall employ Good Utility Practices and exercise reasonable efforts to operate and maintain the Facility. All necessary generation interconnection and scheduling services shall be performed in accordance with all applicable operating policies, criteria, guidelines and tariffs of the CAISO or its successor, and any other generally accepted operational requirements. Seller, at its own expense, shall be responsible for complying with all applicable contractual, metering and interconnection requirements. Seller shall promptly notify MCE and the Scheduling Coordinator, as applicable, of significant (i.e., greater than 100 kW) changes to its energy schedules using Scheduling Coordinator’s website. Seller will exercise reasonable efforts to comply with conditions that might arise if the CAISO modifies or amends its tariffs, standards, requirements, and/or protocols in the future.

11.2 CAISO Charges.

11.2.1 CAISO Charge Obligations. If the Facility’s electric output is scheduled with the CAISO, MCE and Seller shall cooperate to minimize CAISO delivery imbalances and any resulting fees, liabilities, assessments or similar charges assessed by the CAISO (“CAISO Charges”) to the extent possible, and shall each promptly notify the other as soon as possible of any material loss of system capability, deviation or imbalance that is occurring or has occurred. Subject to Seller’s compliance with the foregoing requirements, MCE shall be responsible for imbalance charges; provided, however that if the Facility’s electric output is scheduled with the CAISO, Seller shall reimburse MCE for any CAISO Charges MCE incurs as a result of Seller's violation of the terms and conditions of this Agreement or the CAISO Tariff. Notwithstanding anything to the contrary herein, in the event Seller makes a change to its schedule on the actual date and time of delivery for any reason (other than an adjustment imposed by CAISO) which results in differences between the Facility’s actual generation and the scheduled generation (whether in part or in whole), Seller shall use reasonable efforts to notify MCE and the Scheduling Coordinator.
11.2.2 **CAISO Penalties.** To the extent that the Facility’s electric output is scheduled with the CAISO, Seller shall be responsible for any “non-Performance Penalties” assessed to MCE by the CAISO (“CAISO Penalties”), under the CAISO Tariff Enforcement Protocol, and not due to any fault of MCE, which shall include, without limitation, any deviation, imbalance or un instructed energy charges or penalties payable to the CAISO that are due to the fault of Seller. To the extent that Seller materially deviates from its energy schedules (other than an adjustment imposed by the CAISO, a deviation due to any fault of MCE, or an excused Seller failure to deliver, whether for reasons of Force Majeure or otherwise), and such departure results in CAISO Penalties being assessed to MCE, such CAISO Penalties shall be passed on to Seller. Any such CAISO Penalties passed on to Seller shall be limited to the period until the commencement of the next settlement period following Seller’s notification (as described above) for which the delivery schedule can be adjusted.

12. **CONFIDENTIALITY**

Seller authorizes MCE to release to the California Energy Commission (“CEC”) and/or the CPUC information regarding the Facility, including the Seller’s name and location, and the size, location and operational characteristics of the Facility, the Term, the ERR type, the Initial Product Delivery Date and the net power rating of the Facility, as requested from time to time pursuant to the CEC’s or CPUC’s rules and regulations.

The Parties hereto acknowledge that MCE is a local agency and subject to provisions of the California Public Records Act (Cal. Government Codes section 6250 and following). In the event that Seller contends that any information disclosed or required to be disclosed by Seller pursuant to this Agreement is confidential, Seller shall clearly identify such documents as such before transmitting the same to MCE. In the event that any claim or action is filed against MCE pursuant to the Public Records Act seeking the disclosure of any records or documents provided by Seller which were marked confidential hereunder, MCE shall notify Seller in writing of such fact and Seller shall thereupon defend, save harmless and indemnify MCE from all costs and expense in connection with said claim or litigation, including attorney's fees, and agrees to abide by the final decision of a court of competent jurisdiction in connection therewith.

13. **ASSIGNMENT**

Except as expressly provided in this Section, neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld; provided, however, either Party may, without the consent of the other Party (and without relieving itself from liability hereunder), transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof to its financing providers and the financing provider(s) shall assume the payment and performance obligations provided under this Agreement with respect to the transferring Party provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof and so long as the transferring Party delivers such tax and enforceability assurance as the non-transferring Party may reasonably request. Notwithstanding anything to the contrary set forth herein, Seller may transfer or assign its interest under this Agreement without the consent of Buyer, to an affiliate, subsidiary, or parent of Seller, or a corporation, partnership or other legal entity wholly owned by Seller (collectively, an “Affiliated Party”) (such transfer a “Permitted Transfer” and any such assignee or transferee of a Permitted Transfer, a “Permitted Transferee”); provided that Seller shall give Buyer written notice at least ten (10) days prior to the effective date of the proposed Permitted Transfer and any such
Permitted Transferee shall agree in writing to be bound by the terms and conditions hereof. As used herein, (1) “parent” shall mean a company which owns a majority of Seller’s voting equity; (2) “subsidiary” shall mean an entity wholly owned by Seller or at least fifty-one percent (51%) of whose voting equity is owned by Seller; and (3) “affiliate” shall mean an entity controlled, controlling or under common control with Seller. Seller shall be responsible for MCE’s costs associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement, including without limitation reasonable attorneys’ fees.

14. APPLICABLE LAW

This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. [STC 17, (Source: D.07-11-025, Attachment A.) D.08-04-009].

15. NO REcourse AGAINST CONSTITUENT MEMBERS OF MCE

MCE 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 the Joint Powers Agreement and is a public entity separate from its constituent members. MCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of MCE’s constituent members in connection with this Agreement.

16. SEVERABILITY

If any provision in this Agreement is determined to be invalid, void or unenforceable by the CPUC or any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

17. COUNTERPARTS

This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement. Delivery of an executed counterpart of this Agreement by facsimile or PDF transmission will be deemed as effective as delivery of an originally executed counterpart. Each Party delivering an executed counterpart of this Agreement by facsimile or PDF transmission will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

18. ENTIRE AGREEMENT; INTEGRATION; EXHIBITS

This Agreement, together with Appendices attached hereto constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements and MCE tariffs relating to the subject matter hereof, which are of no further force or effect. The Appendices attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes
only. In the event of a conflict between the provisions of this Agreement and those of the Appendices, the provisions of first the Agreement shall prevail, and such Appendix shall be corrected accordingly. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

19. **GENERAL**

No amendment to or modification of this Agreement shall be enforceable unless reduced to writing and executed by both Parties. This Agreement shall not impart any rights enforceable by any third party other than a permitted successor or assignee bound to this Agreement. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default. The term “including” when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation.

Absent the prior mutual written agreement of all parties to the contrary, the standard of review for any proposed changes to the rates, terms, and/or conditions of service of this Agreement, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the “public interest” standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956).

In addition, to the fullest extent permitted by applicable law, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under §§ 205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the Parties, it being the express intent of the Parties that, to the fullest extent permitted by applicable law, neither Party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this Agreement, notwithstanding any subsequent changes in applicable law or market conditions that may occur. In the event it were to be determined that applicable law precludes the Parties from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then the foregoing shall not apply, provided that, consistent with the foregoing, neither Party shall seek any such changes except solely under the “public interest” application of the “just and reasonable” standard of review and otherwise as set forth in the foregoing.
IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below (the “Effective Date”).

MARIN CLEAN ENERGY

By: _____________________________
Name: ___________________________
Title: ____________________________
Date: ____________________________

By: _____________________________
Name: ___________________________
Title: ____________________________
Date: ____________________________

SELLER

By: _____________________________
Name: ___________________________
Title: ____________________________
Date: ____________________________

By: _____________________________
Name: ___________________________
Title: ____________________________
Date: ____________________________
Appendix A

DEFINITIONS

“Agreement” has the meaning set forth in the preamble.

“Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday during the hours of 8:00 a.m. and 5:00 p.m. local time for the relevant Party’s principal place of business where the relevant Party in each instance shall be the Party from whom the notice, payment or delivery is being sent.

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

“CAISO Tariff” means the CAISO FERC Electric Tariff as amended from time to time.

“California Renewables Portfolio Standard” means the renewable energy program and policies established by Senate Bill 1038 and 1078, codified in California Public Utilities Code Sections 399.11 through 399.20 and California Public Resources Code Sections 25740 through 25751, as such provisions may be amended or supplemented from time to time.

“CEC” means the California Energy Resources Conservation and Development Commission, also known as the California Energy Commission, or its successor agency.

“Commercial Operation” means the period of operation of the Facility once the Commercial Operation Date has occurred.

“Commercial Operation Date” means the date on which the Facility is operating and is in compliance with applicable interconnection and system protection requirements, and able to produce and deliver energy pursuant to the terms of this Agreement.

“Contract Capacity” has the meaning set forth in Section 2.2.

“Contract Price” has the meaning set forth in Section 2.5.

“Contract Year” means a period of twelve (12) consecutive months with the first Contract Year commencing on the first day of the month immediately following the Initial Product Delivery Date and each subsequent Contract Year commencing on the anniversary of the Initial Product Delivery Date.

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

“Delivery Point” means the point of interconnection of the Facility to the Interconnection Provider’s distribution system.

“Delivery Term” has the meaning set forth in Section 2.4.

“Dispatch Down Period” means: (a) curtailments ordered by the CAISO or the Interconnection Provider as a result of a System Emergency, as defined in the CAISO Tariff; or (b) scheduled or unscheduled
maintenance on the Interconnection Provider’s transmission, distribution or interconnection facilities that prevents Buyer from receiving Delivered Energy at the Delivery Point.

“Distribution Operator” means the Interconnection Provider.

“Eligible Renewable Energy Resource” or “ERR” has the meaning set forth in Public Utilities Code Sections 399.12 and California Public Resources Code Section 25741, as either code provision may be amended or supplemented from time to time.

“Energy” means electrical energy delivered from the Facility to the Distribution System of the Interconnection Provider for the benefit of MCE with the voltage and quality required by the Interconnection Provider, and measured in megawatt-hours (“MWh”) or kilowatt-hours (“kWh”).

“Energy Delivery Profile” means the manner in which Energy is delivered from the Facility as set forth in Section 2.1.1.

“ERR Credits” means any and all credits associated with electricity procured from Eligible Renewable Energy Resources, pursuant to the California Renewables Portfolio Standard, that are directly attributable to electric production from the Facility.

“Execution Date” means the latest signature date found at the end of the Agreement.

“Expected Annual Output” means the Energy that the Facility can be expected to produce during a typical year of operation, factoring in typical weather patterns, expected fuel availability, etc. The Expected Annual Output is shown in Appendix D.

“Facility” has the meaning set forth in Section 2.1.

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

“Force Majeure” means any event or circumstance which wholly or partly prevents or delays the performance of any material obligation arising under this Agreement, but only if and to the extent (i) such event is not within the reasonable control, directly or indirectly, of the Party seeking to have its performance obligation(s) excused thereby, (ii) the Party seeking to have its performance obligation(s) excused thereby has taken all reasonable precautions and measures to prevent or avoid such event or mitigate the effect of such event on such Party’s ability to perform its obligations under this Agreement and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by the exercise of due diligence it has been unable to overcome, and (iii) such event is not the direct or indirect result of the negligence or the failure of, or caused by, the Party seeking to have its performance obligations excused thereby. Force Majeure shall not be based on: (i) MCE’s inability economically to use or resell the energy or capacity purchased hereunder; (ii) Seller’s ability to sell the energy, capacity or other benefits produced by or associated with the Facility at a price greater than the price set forth in this Agreement; (iii) Seller’s inability to obtain approvals of any type for the construction, operation, or maintenance of the Facility; (iv) Seller’s inability to obtain sufficient fuel to operate the Facility, except if Seller’s inability to obtain sufficient fuel is caused by an event of Force Majeure of the specific type described in any of subsections (i) through (iv) of this definition of Force Majeure; (v) a Forced Outage except where such Forced Outage is caused by an event of Force Majeure of the specific type described in any of subsections (i) through (iv) of this definition of Force Majeure; (vi) a strike or
labor dispute limited only to Seller, Seller’s affiliates, the Engineering, Procurement, and Construction Contractor or subcontractors thereof; or (vii) any equipment failure not caused by an event of Force Majeure of the specific type described in any of subsections (i) through (iv) of this definition of Force Majeure.

“Forced Outage” means any unplanned reduction or suspension of the electrical output from the Facility resulting in the unavailability of the Facility, in whole or in part, in response to a mechanical, electrical, or hydraulic control system trip or operator-initiated trip in response to an alarm or equipment malfunction and any other unavailability of the Facility for operation, in whole or in part, for maintenance or repair that is not a scheduled maintenance outage and not the result of Force Majeure.

“Generating Capacity” means the amount of generating capacity of the Generating Facility as set forth in Appendix D.

“Generating Facility” means the renewable energy electricity generating facility described in Appendix D.

“Good Utility Practice” means any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to any one of a number of the optimum practices, methods, or acts to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4). Seller acknowledges that the use of Good Utility Practice by Seller does not exempt Seller from any obligations set forth in this Agreement. Good Utility Practice includes, at a minimum, those professionally responsible practices, methods and acts that comply with manufacturers’ warranties, restrictions in this Agreement, the interconnection requirements of the Interconnection Provider, the requirements of Governmental Authorities, and WECC and NERC standards.

Good Utility Practice also includes taking reasonable steps to ensure that:

a) Equipment, materials, resources, and supplies, including spare parts inventories, are available to meet the Facility’s needs;

b) Sufficient operating personnel are available at all times and are adequately experienced and trained and licensed as necessary to operate the Facility properly and efficiently, and are capable of responding to reasonably foreseeable emergency conditions at the Facility and emergencies whether caused by events on or off the Facility site;

c) Preventive, routine, and non-routine maintenance and repairs are performed on a basis that ensures reliable, long-term and safe operation of the Facility, and are performed by knowledgeable, trained, and experienced personnel utilizing proper equipment and tools;

d) Appropriate monitoring and testing are performed to ensure equipment is functioning as designed;

e) Equipment is not operated in a reckless manner, in violation of manufacturer’s guidelines or in a manner unsafe to workers, the general public, or the connecting utility’s electric system or contrary
to environmental laws, permits or regulations or without regard to defined limitations such as, flood conditions, safety inspection requirements, operating voltage, current, volt ampere reactive (VAR) loading, frequency, rotational speed, polarity, synchronization, and control system limits; and equipment and components are designed and manufactured to meet or exceed the standard of durability that is generally used for electric energy generating facilities operating in the Western United States and will function properly over the full range of ambient temperature and weather conditions reasonably expected to occur at the Facility site and under both normal and emergency conditions.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility, and its displacement of conventional energy generation. Green Attributes include but are not limited to ERR Credits and Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO2), methane (CH4) nitrous oxide, hydrofluoro carbons, perfluoro carbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions such as Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser’s discretion, and include without limitation those Green Tag Reporting Rights accruing 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. Green Tags are accumulated on MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy. Green Attributes do not include: (i) any energy, capacity, reliability or other power attributes from the Facility; (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation; (iii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits; or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits. If Seller’s Facility is a biomass or landfill gas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from such facility.

“Guaranteed Commercial Operation Date” means the scheduled Commercial Operation Date set forth in Appendix D, as may be extended (a) for an event of Force Majeure and (b) pursuant to Section 5.1; provided, that the sum of (a) and (b) shall not exceed twelve (12) months.

“Initial Product Delivery Date” has the meaning set forth in Section 2.4.

“Installed Battery Capacity” means the maximum dependable operating capability of the Storage Facility to discharge electric energy, as measured in MW at the Delivery Point, that achieves Commercial Operation, adjusted for ambient conditions on the date of the performance test, and as evidenced by a certificate substantially in the form attached as Appendix G hereto.
“Law” means any statute, law, treaty, rule, regulation, ordinance, code, permit, enactment, enactment, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Execution Date, and which becomes effective during the Delivery Term; or any binding interpretation of the foregoing.

“Installed Generating Capacity” means the maximum demonstrated peak electrical output of the Generating Facility, as measured in MW at the Delivery Point, as adjusted for ambient conditions on the date of the performance test, and as evidenced by a certificate substantially in the form attached as Appendix G hereto.

“MCE RPS Requirements” means (i) the California Renewables Portfolio Standard-compliant energy MCE is required to procure pursuant to the California Renewables Portfolio Standard, and (ii) any additional California Renewables Portfolio Standard-compliant energy procured by MCE in excess of the mandatory California Renewables Portfolio Standard requirements.

“NERC” means the North American Electric Reliability Corporation, or any successor organization.

“Party” or “Parties” has the meaning set forth in the preamble.

“PG&E” means Pacific Gas & Electric Company, or any successor entity.

“Product” means Energy, Contract Capacity, Resource Adequacy Benefits, and Green Attributes, and if applicable, storage-related attributes and services associated with the Storage Facility.

“Project” has the same meaning as “Facility.”

“Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(g), as may be amended from time to time or as further defined or supplemented by Law.

“Resource Adequacy” means a requirement by a governmental authority or in accordance with its FERC-approved tariff, or a policy approved by a local regulatory authority, that is binding upon either Party and that requires such Party to procure a certain amount of electric generating capacity.

“Resource Adequacy Benefits” means the rights and privileges attached to the Facility, including, if applicable, the Storage Facility, that satisfy any entity’s resource adequacy obligations, as those obligations are set forth in any Resource Adequacy Rulings and shall include any local, zonal or otherwise locational attributes associated with the Facility.

“Resource Adequacy Rulings” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 0606-064, 06-07-031 and any subsequent CPUC ruling or decision, or any other resource adequacy laws, rules or regulations enacted, adopted or promulgated by any applicable governmental authority, as such decisions, rulings, laws, rules or regulations may be amended or modified from time-to-time during the Delivery Term.

“Seller” has the meaning set forth in the preamble.
“Station Use” means energy consumed within the Facility’s electric energy distribution system as losses, as well as energy used to operate the Facility’s auxiliary equipment. The auxiliary equipment may include, but is not limited to, forced and induced draft fans, cooling towers, boiler feeds pumps, lubricating oil systems, plant lighting, fuelhandling systems, control systems, and sump pumps.

“Storage Capacity” means the maximum dependable operating capability of the Storage Facility to discharge energy that can be sustained for four (4) consecutive hours, as set forth in Appendix D.

“Storage Facility” means the integrated energy storage facility described in Appendix D.

“Term” has the meaning set forth in Section 10.1.

“WREGIS” means the Western Renewable Energy Generating Information System or any successor renewable energy tracking program.
Appendix B

INITIAL PRODUCT DELIVERY DATE CONFIRMATION LETTER

In accordance with the terms of that certain Small Renewable Generator Power Purchase Agreement dated ___________ ("Agreement") by and between Marin Clean Energy ("MCE") and __________________________ ("Seller"), this letter serves to document the parties’ further agreement that MCE will begin receiving the Product, as specified in the Agreement, as of this ______ day of _____________________, ________ (the "Initial Product Delivery Date"). This letter confirms the Initial Product Delivery Date, as defined in the Agreement, as the date referenced in the preceding sentence.

Pursuant to the Agreement, Seller hereby represents and warrants that as of the date hereof that:

A. The Commercial Operation Date has occurred, if the Facility was not in operation prior to the Execution Date of this Agreement.

B. Seller has identified a certified QRE, according to criteria established by WREGIS, for the Facility and has executed the appropriate agreement(s) with such QRE to ensure that the net electric energy produced by the Facility will be timely reported to WREGIS for the purpose of creating related renewable energy certificates throughout the Delivery Term; a copy of the aforementioned QRE agreement(s) has been provided to MCE.

C. The Facility’s status as an Eligible Renewable Energy Resource, is demonstrated by Seller’s receipt of certification from the CEC and evidence of Seller’s registration with WREGIS has been satisfied.

D. Seller’s compliance with the Workforce Requirements in Appendix F has been certified to MCE in writing and Seller has received written confirmation from MCE that such Workforce Requirements have been satisfied.

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below:

<table>
<thead>
<tr>
<th>By: Seller</th>
<th>By: Marin Clean Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: _____________________</td>
<td>Name: _____________________</td>
</tr>
<tr>
<td>Title: ____________________</td>
<td>Title: ____________________</td>
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<tr>
<td>Date: ____________________</td>
<td>Date: ____________________</td>
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</tbody>
</table>
Appendix C

COUNTERPARTY NOTIFICATION AND FORECASTING REQUIREMENTS

A. NOTIFICATION REQUIREMENTS FOR START-UP AND SHUTDOWN

Prior to paralleling to or after disconnecting from the electric system, ALWAYS notify your designated Distribution Operator as follows:

1. Call your Distribution Operator for permission to parallel before any start-up.

2. Call your Distribution Operator again after start-up with parallel time.

3. Call your Distribution Operator after any separation and report separation time as well as date and time estimate for return to service.

B. FORECASTING REQUIREMENTS

Seller shall abide with all established requirements and procedures described below:

1. Generating Facilities of 1000 kW must comply with the CAISO Tariff and Protocols while generating facilities under 1000 kW must comply with all applicable interconnection, communication and metering rules; and

2. Annual Energy Forecast: No later than January 1st of each year during the Delivery Term, Generating Facilities 100 kW and greater will electronically provide MCE and the Scheduling Coordinator, if applicable, with an Energy Forecast for the next calendar year.

The Annual Energy Forecast submitted to MCE and the Scheduling Coordinator, if applicable, shall:

1. Not include any anticipated or expected electric energy losses;

2. Be provided as instructed by MCE;

3. Include Seller’s contact information and an indication of the Generating Facilities for which the forecast is being provided;

4. Identify the expected dates and times of any planned outages associated with the Generating Facilities.
Appendix D

DESCRIPTION AND LOCATION OF FACILITY

1. Seller’s Feed-In Tariff Record Number as assigned by MCE: ________________.

2. The Facility is described as
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________.

3. The Facility is located in MCE’s service territory at the following address
______________________________________________________________________________

4. The Facility’s primary fuel is __________________________.

5. The Facility has a Generating Capacity of __________ kilowatts (“kW”).

6. The Facility has a Storage Capacity of __________ kW.

7. The Facility has a Contract Capacity of __________ kW.

8. The maximum hourly energy delivery quantity is __________ kWh (Contract Capacity x 1 hour).

9. The Expected Annual Energy Output of the Facility is __________ kWh.

10. The scheduled Commercial Operation Date of the Facility is __________.

11. The Facility has a primary voltage level of __________ kilovolts (“kV”).

12. The Facility is connected to the Interconnection Provider’s electric system at __________ kV.

13. MCE shall revise this Appendix D as appropriate, give written notice to Seller regarding the revision, and issue a new Appendix D which shall then become part of the Agreement, in the event of changes to the information contained within Appendix D.
Appendix E

FACILITY DRAWINGS

[Seller to include: (i) a drawing showing the general arrangements of the Facility, and (ii) a single line diagram illustrating the interconnection of the Facility and loads with the Interconnection Provider’s electric distribution system]
Appendix F

WORKFORCE REQUIREMENTS

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 are obtained from permanent residents who live within the same county in which the Facility will be located during the period from full notice to proceed to the general contractor (NTP) through receipt of a permission to operate letter (PTO) from the interconnecting utility (such period, the “Construction Phase”). Applicant’s construction of the Facility is also subject to any local hire requirements specific to the city or town where the Facility is located.

B. **Prevailing Wage:** 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.

C. **General:** The foregoing workforce requirements are included in this Agreement voluntarily and are not Public Works requirements. As a condition precedent to establishment of the Initial Product Delivery Date, Seller must certify that it met the Local Hire Requirement and Prevailing Wage Requirement, and be able to demonstrate, upon request from MCE, compliance with these requirements via a certified payroll system and such other documentation reasonably requested by MCE, including pursuant to an audit at Seller’s sole expense.
Appendix G

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification (“Certification”) of Commercial Operation is delivered by [licensed professional engineer] (“Engineer”) to Marin Clean Energy, a California joint powers authority (“Buyer”) in accordance with the terms of that certain Small Renewable Generator Power Purchase Agreement dated __________ (“Agreement”) by and between [Seller Entity] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of [Date], Engineer hereby certifies and represents to Buyer the following:

1. The Facility is fully operational, reliable and interconnected, fully integrated and synchronized with the Interconnection Provider’s distribution and/or transmission system, as applicable.

2. Seller has installed equipment for the Generating Facility with a nameplate capacity of __MW AC.

3. Seller has commissioned all equipment in accordance with its respective manufacturer’s specifications.

4. A performance test for the Generating Facility demonstrated peak electrical output of __MW AC at the Delivery Point, as adjusted for ambient conditions on the date of the performance test (“Installed Generating Capacity”).

5. [The Installed Battery Capacity is not less than forty percent (40%) of the Installed Generating Capacity.]

6. Authorization to parallel the Facility was obtained from Interconnection Provider on [Date].

7. The CAISO has provided notification supporting Commercial Operation, in accordance with the CAISO Tariff on [Date].

[LICENSED PROFESSIONAL ENGINEER]

By: ________________________________

Its: ________________________________

Date: ________________________________

4 Applicable if the Facility includes a Storage Facility.
Appendix H

POLLINATOR SCORECARD

Pollinator-friendly solar scorecard
The entomologist-approved standard for what constitutes “beneficial to pollinators” within the managed landscape of a PV solar facility. Only for use in countries and/or states that have not yet adopted a standard.

1. PERCENT OF PROPOSED SITE VEGETATION COVER TO BE DOMINATED BY WILDFLOWERS
   - 31-45%  +5 points
   - 46-60%  +10 points
   - 61%+  +15 points

Total points __________

Note: Projects may have “array” mixes and diverse open area/border mixes; forb dominance should be averaged across the entire site. The dominance should be calculated from total numbers of forb seeds vs. grass seeds (from all seed mixes) to be planted.

2. PLANNED % OF SITE DOMINATED BY NATIVE SPECIES COVER
   - 26-50%  +5 points
   - 51-75%  +10 points
   - 76-100% +15 points

Total points __________

3. PLANNED COVER DIVERSITY (# of species in seed mixes; numbers from upland and wetland mixes can be combined)
   - 10-19 species  +5 points
   - 20-25 species  +10 points
   - 26 or more species  +15 points

Total points __________

Note: exclude invasives from species totals.

4. PLANNED SEASONS WITH AT LEAST 3 BLOOMING SPECIES PRESENT (check/add all that apply)
   - Spring (April-May)  +5 points
   - Summer (June-August)  +5 points
   - Fall (September-October)  +5 points
   - Winter (November-March)  +5 points

Total points __________

Note: Check local resources for data on bloom seasons

5. AVAILABLE HABITAT COMPONENTS WITHIN .25 MILES (check/add all that apply)
   - Native bunch grasses for nesting  +2 points
   - Native trees/shrubs for nesting  +2 points
   - Clean, perennial water sources  +2 points
   - Created nesting feature  +2 points (bee blocks, etc.)

Total points __________

6. SITE PLANNING AND MANAGEMENT
   - Detailed establishment and management plan developed with funding/contract to implement  +15 points
   - Signage legible at 40 or more feet stating “pollinator friendly solar habitat” (at least 3 every 20 acres)

Total points __________

7. SEED MIXES
   - Mixes are composed of at least 40 seeds per square foot  +5 points
   - All seed genetic origin within 175 miles of site  +5 points
   - At least 2% milkweed cover to be established from seed/plants  +10 points

Total points __________

8. INSECTICIDE RISK
   - Planned on-site insecticide use or pre-planting seed/plant treatment (excluding buildings/electrical boxes, etc.)  -40 points
   - Perpetual bare ground under the panels as a result of pre and post emergent herbicide  -40 points
   - Communication/registration with local chemical applicators about need to prevent drift from adjacent areas  +10 points

Total points __________

9. OUTREACH/EDUCATION
   - Site is part of a study with a college, university, or research lab  +5 points

Grand total __________

Provides Exceptional Habitat  >85
Meets Pollinator Standards  70-84

Project Name:
Vegetation Consultant:
Project Location:
Total acres (array and open area):
Projected Seeding Date:

Note: Percent “cover” should be based on “absolute cover” (the percent of the ground surface that is covered by a vertical projection of foliage as viewed from above). To measure cover diverse species, and/or transects in addition to meander searches. Wildflowers in question L refer to “forbs” (flowering plants that are not woods or gramineals) and can include introduced clovers and other non-native, non-invasive species beneficial to pollinators.

Appendix H-1
FIT PLUS
RENEWABLE POWER PURCHASE AGREEMENT
COVER SHEET

**Seller**: [Entity name, state of formation, type of entity]

**Buyer**: Marin Clean Energy, a California joint powers authority

**Description of Facility**: A ___ MW renewable energy generating facility project[, which includes a ___MW/___MWh battery energy storage facility,]¹ located in ___________ County, California.

**Milestones**:

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date for Completion</th>
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<tbody>
<tr>
<td>Evidence of Site Control</td>
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<tr>
<td>Documentation of Conditional Use Permit if required:</td>
<td></td>
</tr>
<tr>
<td>[ ] CEQA, [ ] Cat Ex, [ ] Neg Dec, [ ] Mitigated Neg Dec, [ ] EIR</td>
<td></td>
</tr>
<tr>
<td>Seller’s receipt of Phase I and Phase II Interconnection study results for Seller’s Interconnection Facilities</td>
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<tr>
<td>Executed Interconnection Agreement</td>
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<tr>
<td>Financial Close</td>
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<tr>
<td>Expected Construction Start Date</td>
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<tr>
<td>Full Capacity Deliverability Status Obtained</td>
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<tr>
<td>Initial Synchronization</td>
<td></td>
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<tr>
<td>Network Upgrades completed</td>
<td></td>
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<tr>
<td>Expected Commercial Operation Date</td>
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</tbody>
</table>

**Delivery Term**: The period for Product delivery will be for _______ (__) Contract Years.

¹ Note – A Facility using solar photovoltaics is required to include battery storage meeting the requirements of a Storage Facility, as defined herein.
**Expected Energy:**

<table>
<thead>
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<th>Contract Year</th>
<th>Expected Energy (MWh)</th>
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<tbody>
<tr>
<td>1</td>
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</table>

**Guaranteed Capacity:** ___ MW

**Storage Contract Capacity:** ___ MW\(^2\)

\(^2\) Applicable if the Facility includes a Storage Facility.
**Contract Price:**

The Renewable Rate shall be

<table>
<thead>
<tr>
<th>Contract Year</th>
<th>Renewable Rate</th>
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<tbody>
<tr>
<td>1 – 20</td>
<td>[$/MWh (flat) with no escalation]</td>
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The Storage Rate\(^3\) shall be:

<table>
<thead>
<tr>
<th>Contract Year</th>
<th>Storage Rate</th>
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<tbody>
<tr>
<td>1 – 10</td>
<td>$10/kW-mo. (flat with no escalation)</td>
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**Product:**

- ☑ Energy
- ☑ Green Attributes (Portfolio Content Category 1)
- ☑ Storage Capacity\(^2\)
- ☑ Capacity Attributes (select options below as applicable)
  - ☐ Energy Only Status
  - ☑ Full Capacity Deliverability Status and Expected FCDS Date:
  - ☑ Ancillary Services

**Scheduling Coordinator:** Buyer/Buyer Third Party

**Development Security and Performance Security**

Development Security: \[\$60/kW of Guaranteed Capacity for as-available/\$90/kW of Guaranteed Capacity for dispatchable/\$90/kW of Guaranteed Capacity if the Facility includes a Storage Facility]\.

Performance Security: \[\$60/kW of Guaranteed Capacity for as-available/\$90/kW of Guaranteed Capacity for dispatchable/\$90/kW of Guaranteed Capacity if the Facility includes a Storage Facility]\.

**Guarantor:** _____________ (if applicable)

\(^2\) Applicable if the Facility includes a Storage Facility.

\(^3\) Applicable if the Facility includes a Storage Facility.
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<th>DESCRIPTION</th>
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‡ Applicable if the Facility includes a Storage Facility.
FIT PLUS RENEWABLE POWER PURCHASE AGREEMENT

This FIT Plus Renewable Power Purchase Agreement (this “Agreement”) is entered into as of ______________, 2020 (the “Effective Date”), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a “Party” and jointly as the “Parties.” All capitalized terms used in this Agreement are used with the meanings ascribed to them in Article 1 to this Agreement.

RECITALS

WHEREAS, Seller intends to develop, design, permit, construct, own, control and operate the Facility; and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, the Product;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1
DEFINITIONS

1.1 Contract Definitions. The following terms, when used herein with initial capitalization, shall have the meanings set forth below:

“AC” means alternating current.

“Accepted Compliance Costs” has the meaning set forth in Section 3.10.

“Adjusted Energy Production” has the meaning set forth in Section 11.1.

“Affiliate” means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of “Permitted Transferee”, “control”, “controlled by”, and “under common control with”, as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

“Agreement” has the meaning set forth in the Preamble and includes any Exhibits, schedules and any written supplements hereto, the Cover Sheet, and any designated collateral, credit support or similar arrangement between the Parties.

“Ancillary Services” means all ancillary services, products and other attributes, if any, associated with the Facility.
“Available Capacity” means the capacity of the Facility, expressed in whole MWs, that is mechanically available to generate Energy.

“Bankrupt” means with respect to any entity, such entity that (a) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar Law, (b) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of ninety (90) days, (c) makes an assignment or any general arrangement for the benefit of creditors, (d) otherwise becomes bankrupt or insolvent (however evidenced), (e) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (f) is generally unable to pay its debts as they fall due.

“Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday in California. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. Pacific Prevailing Time for the Party sending a Notice, or payment, or performing a specified action.

“Buyer” means Marin Clean Energy, a California joint powers authority.

“Buyer Default” means an Event of Default of Buyer.

“Buyer’s WREGIS Account” has the meaning set forth in Section 4.6(a).

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

“CAISO Approved Meter” means a CAISO approved revenue quality meter, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all Facility Energy delivered to the Delivery Point.

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

“CAISO Operating Order” means the “operating order” defined in Section 37.2.1.1 of the CAISO Tariff.

“CAISO Tariff” means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and approved by FERC.

“California Renewables Portfolio Standard” or “RPS” means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, inter alia, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.
“Capacity Attribute” means any current or future defined characteristic, certificate, tag, credit, or accounting construct, including any of the same counted towards any current or future resource adequacy or reserve requirements, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce and deliver energy. Capacity Attributes shall be deemed to include all Resource Adequacy Benefits, if any, associated with the Facility. Capacity Attributes are measured in MW and shall exclude Energy, Green Attributes, and PTCs or any other Renewable Energy Incentives now or in the future associated with the construction, ownership or operation of the Facility.

“Capacity Damages” has the meaning set forth in Exhibit B.

“CEC” means the California Energy Commission, or any successor agency performing similar statutory functions.

“CEC Certification and Verification” means that the CEC has certified (or, with respect to periods before the date that is ninety (90) days following the Commercial Operation Date, that the CEC has pre-certified) that the Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Facility Energy delivered to the Delivery Point qualifies as generation from an Eligible Renewable Energy Resource.

“CEC Precertification” means that the CEC has issued a precertification for the Facility indicating that the planned operations of the Facility would comply with applicable CEC requirements for CEC Certification and Verification.

“CEQA” means the California Environmental Quality Act.

“Charging Energy” means the as-available Energy produced by the Generating Facility, less transformation and transmission losses, if any, delivered to the Storage Facility pursuant to a Charging Notice or in connection with a Storage Capacity Test. All Charging Energy shall be used solely to charge the Storage Facility, and all Charging Energy shall be generated solely by the Generating Facility.\(^6\)

“Charging Notice” means the operating instruction, and any subsequent updates, given by Buyer to Seller, directing the Storage Facility to charge at a specific MW rate to a specified Stored Energy Level, including in connection with a Storage Capacity Test. All Charging Energy shall be used solely to charge the Storage Facility, and all Charging Energy shall be generated solely by the Generating Facility.\(^7\)

“Commercial Operation” has the meaning set forth in Exhibit B.

“Commercial Operation Date” has the meaning set forth in Exhibit B.

“Commercial Operation Delay Damages” means an amount equal to (a) the Development Security amount required hereunder, divided by (b) sixty (60).

\(^6\) Applicable if the Facility includes a Storage Facility.
\(^7\) Applicable if the Facility includes a Storage Facility.
“Compliance Actions” has the meaning set forth in Section 3.10.

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

“Confidential Information” has the meaning set forth in Section 18.1.

“Construction Start” has the meaning set forth in Exhibit B.

“Construction Start Date” has the meaning set forth in Exhibit B.

“Contract Price” has the meaning set forth on the Cover Sheet. To be clear, if the Facility includes a Storage Facility, the Contract Price is each of the Renewable Rate and the Storage Rate.

“Contract Term” has the meaning set forth in Section 2.1.

“Contract Year” means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Commercial Operation Date and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.

“Costs” means, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace the Agreement; and all reasonable attorneys’ fees and expenses incurred by the Non-Defaulting Party in connection with terminating and replacing the Agreement.

“Cover Sheet” means the cover sheet to this Agreement, which is incorporated into this Agreement.

“CPUC” means the California Public Utilities Commission or any successor agency performing similar statutory functions.

“Credit Rating” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P or Moody’s. If ratings by S&P and Moody’s are not equivalent, the lower rating shall apply.

“Curtailment Order” means any of the following:

(a) CAISO orders, directs, alerts, or provides notice to a Party, including through the ADS or a CAISO Operating Order, to curtail deliveries of Facility Energy for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO’s electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by the Participating Transmission Owner or distribution operator (if interconnected to distribution or sub-transmission system) for reasons including, but not limited to, (i) any situation that affects normal function of the electric system including, but
not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Participating Transmission Owner’s electric system integrity or the integrity of other systems to which the Participating Transmission Owner is connected;

(c) a curtailment ordered by CAISO or the Participating Transmission Owner due to scheduled or unscheduled maintenance on the Participating Transmission Owner’s transmission facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Facility Energy to the Delivery Point; or

(d) a curtailment in accordance with Seller’s obligations under its Interconnection Agreement with the Participating Transmission Owner or distribution operator.

“**Daily Delay Damages**” means an amount equal to (a) the Development Security amount required hereunder, divided by (b) one hundred twenty (120).

“**Damage Payment**” means the dollar amount that equals the amount of the Development Security.

“**Day**” or “**day**” means a period of twenty-four (24) consecutive hours beginning at 00:00 hours Pacific Prevailing Time on any calendar day and ending at 00:00 hours Pacific Prevailing Time on the next calendar day.

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

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

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

“**Defaulting Party**” has the meaning set forth in Section 11.1(a).

“**Deficient Month**” has the meaning set forth in Section 4.6(e).

“**Delay Damages**” means Daily Delay Damages and Commercial Operation Delay Damages.

“**Delivery Point**” has the meaning set forth in Exhibit A.

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

“**Development Cure Period**” has the meaning set forth in Exhibit B.

“**Development Security**” means (i) cash or (ii) a Letter of Credit in the amount set forth on the Cover Sheet.
“Discharging Energy” means all Energy delivered to the Delivery Point from the Storage Facility, as measured at the Storage Facility Metering Points by the Storage Facility Meter. For the avoidance of doubt, all Discharging Energy will have originally been delivered to the Storage Facility as Charging Energy.\(^8\)

“Discharging Notice” means the operating instruction, and any subsequent updates, given by Buyer to Seller, directing the Storage Facility to discharge Discharging Energy at a specific MW rate to a specified Stored Energy Level, provided that any such operating instruction or updates shall be in accordance with the Operating Procedures. For the avoidance of doubt, any Discharging Notice shall not constitute a Curtailment Order.\(^9\)

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

“Effective Date” has the meaning set forth on the Preamble.

“Effective FCDS Date” means the date identified in Seller’s Notice to Buyer (along with a Full Capacity Deliverability Status Finding from CAISO) as the date that the Facility has attained Full Capacity Deliverability Status.

“Electrical Losses” means all transmission or transformation losses between the Facility and the Delivery Point, including losses associated with delivery of Energy to the Delivery Point.

“Eligible Renewable Energy Resource” has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

“Energy” means electrical energy (measured in MWh) generated by the Facility.

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

“Event of Default” has the meaning set forth in Section 11.1.

“Excess MWh” has the meaning set forth in Exhibit C.

“Expected Commercial Operation Date” is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Commercial Operation.

“Expected Construction Start Date” is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Construction Start.

“Expected Energy” means the quantity of Energy that Seller expects to be able to deliver to Buyer from the Facility during each Contract Year in the quantity specified on the Cover Sheet.

“Expected FCDS Date” means the date set forth in the deliverability Section of the Cover Sheet, which is the date the Facility is expected to achieve Full Capacity Deliverability Status.

\(^8\) Applicable if the Facility includes a Storage Facility.

\(^9\) Applicable if the Facility includes a Storage Facility.
“Facility” means the electricity generating facility described on the Cover Sheet and in Exhibit A, located at the Site and including mechanical equipment and associated facilities and equipment required to deliver Energy to the Delivery Point.

[“Facility” means the Generating Facility and the Storage Facility.]\(^{10}\)

“Facility Energy” means the Energy during any Settlement Interval or Settlement Period, net of Electrical Losses and Station Use, as measured by the Facility Meter, which Facility Meter will be adjusted in accordance with CAISO meter requirements and Prudent Industry Practices to account for Electrical Losses and Station Use.

[“Facility Energy” means the sum of PV Energy and Discharging Energy during any Settlement Interval or Settlement Period, net of Electrical Losses and Station Use, as measured by the Facility Meter, which Facility Meter will be adjusted in accordance with CAISO meter requirements and Prudent Industry Practices to account for Electrical Losses and Station Use.]\(^{11}\)

“Facility Meter” means the CAISO Approved Meter that will measure all Facility Energy. Without limiting Seller’s obligation to deliver Facility Energy to the Delivery Point, the Facility Meter will be located, and Facility Energy will be measured, at the low voltage side of the main step up transformer and will be subject to adjustment in accordance with CAISO meter requirements and Prudent Industry Practices to account for Electrical Losses and Station Use.

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

“Financial Close” means Seller and/or one of its Affiliates has obtained debt and/or equity financing commitments from one or more Lenders sufficient to construct the Facility, including such financing commitments from Seller’s owner(s).

“Force Majeure Event” has the meaning set forth in Section 10.1.

“Forced Facility Outage” means an unplanned reduction, interruption or suspension of all or a portion of Energy deliveries from the Facility to the Delivery Point due to events or conditions outside the control of Seller and are not the result of a Force Majeure Event or Planned Outage.

“Forward Certificate Transfers” has the meaning set forth in Section 4.6(a).

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

“Full Capacity Deliverability Status Finding” means a written confirmation from the CAISO that the Facility is eligible for Full Capacity Deliverability Status.

“Future Environmental Attributes” shall mean any and all generation attributes other than Green Attributes or Renewable Energy Incentives under the RPS regulations or under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or

\(^{10}\) Applicable if the Facility includes a Storage Facility.

\(^{11}\) Applicable if the Facility includes a Storage Facility.
other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now, or in the future, to the generation of electrical energy by the Facility. Future Environmental Attributes do not include investment tax credits or production tax credits associated with the construction or operation of the Facility, or other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation.

“Gains” means, with respect to the Non-Defaulting Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner, which economic benefit (if any) shall be deemed the gain (if any) to such Non-Defaulting Party represented by the difference between the present value of the payments required to be made during the remaining Contract Term of this Agreement and the present value of the payments that would be required to be made under any transaction(s) replacing this Agreement. Factors used in determining the economic benefit to a Party may include reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NP-15), all of which should be calculated for the remaining Contract Term, and include the value of Green Attributes and Capacity Attributes.

[“Generating Facility” means the renewable energy electricity generating facility described on the Cover Sheet and in Exhibit A, located at the Site and including mechanical equipment and associated facilities and equipment required to deliver (i) PV Energy to the Delivery Point, (ii) Charging Energy to the Storage Facility and (iii) Discharging Energy to the Delivery Point; provided, that the “Generating Facility” does not include the Storage Facility.]^{12}

“Governmental Authority” means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; provided, however, that “Governmental Authority” shall not in any event include any Party hereto.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility and its displacement of conventional energy generation. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by

^{12} Applicable if the Facility includes a Storage Facility.
trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Facility Energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating or air quality permits.

“Green Tag Reporting Rights” means the right of a purchaser of renewable energy to report ownership of accumulated “green tags” in compliance with and to the extent permitted by applicable Law and include rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

“Guaranteed Capacity” means the amount of generating capacity of the Facility, as measured in MW at the Delivery Point, set forth on the Cover Sheet.

“Guaranteed Commercial Operation Date” means the Expected Commercial Operation Date, as such date may be extended by the Development Cure Period.

“Guaranteed Construction Start Date” means the Expected Construction Start Date, as such date may be extended by the Development Cure Period.

“Guarantor” means, with respect to Seller, any Person that (a) does not already have any material credit exposure to Buyer under any other agreements, guarantees, or other arrangements at the time its Guaranty is issued, (b) is an Affiliate of Seller, or other third party reasonably acceptable to Buyer, (c) has a Credit Rating of BBB- or better from S&P or a Credit Rating of Baa3 or better from Moody’s, (d) has a tangible net worth of at least One Hundred Million Dollars ($100,000,000), (e) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction, and (f) executes and delivers a Guaranty for the benefit of Buyer.

“Guaranty” means a payment guaranty from a Guarantor provided for the benefit of Buyer substantially in the form attached as Exhibit L or in such other form as is reasonably acceptable to Buyer.

“Imbalance Energy” means the amount of energy in MWh, in any given Settlement Period or Settlement Interval, by which the amount of Facility Energy deviates from the amount of Scheduled Energy.

“Indemnified Party” has the meaning set forth in Section 16.1.

“Indemnifying Party” has the meaning set forth in Section 16.1.
“Initial Synchronization” means the initial delivery of Facility Energy to the Delivery Point.

[“Installed Battery Capacity” means the maximum dependable operating capability of the Storage Facility to discharge electric energy, as measured in MW at the Storage Facility Meter, that achieves Commercial Operation, adjusted for ambient conditions on the date of the performance test, and as evidenced by a certificate substantially in the form attached as Exhibit I-2 hereto.]

“Installed Capacity” means the actual generating capacity of the Facility, as measured in MW at the Delivery Point, that achieves Commercial Operation (whether prior to, on, or after the Guaranteed Commercial Operation Date), adjusted for ambient conditions on the date of the performance test, not to exceed the Guaranteed Capacity, as evidenced by a certificate(s) substantially in the form attached as Exhibit H hereto.

“Interconnection Agreement” means the interconnection agreements entered into by Seller pursuant to which the Facility will be interconnected with the Transmission System, and pursuant to which Seller’s Interconnection Facilities and any other Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

“Interconnection Facilities” means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the Transmission System in accordance with the Interconnection Agreement.

“Interest Rate” has the meaning set forth in Section 8.2.

“Interim Deliverability Status” has the meaning set forth in the CAISO Tariff.

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

“Investment Grade Credit Rating” means a Credit Rating of BBB- or higher by S&P or Baa3 or higher by Moody’s.

“ITC” means the investment tax credit established pursuant to Section 48 of the United States Internal Revenue Code of 1986.


“Joint Powers Agreement” means that certain Joint Powers Agreement dated December 19, 2008, as amended from time to time, under which Buyer is organized as a Joint Powers Authority in accordance with the Joint Powers Act.

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12 Applicable if the Facility includes a Storage Facility.
“Law” means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

“Lender” means, collectively, any Person (i) providing credit support, senior or subordinated construction, interim, back leverage or long-term debt, working capital, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation, operation, maintenance, repair, replacement or improvement of the Facility, whether that financing or refinancing takes the form of private debt (including back-leverage debt), equity (including tax equity), public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any equity or tax equity investor directly or indirectly providing financing or refinancing for the Facility or purchasing equity ownership interests of Seller or its Affiliates, and any trustee or agent or similar representative acting on their behalf, (ii) providing Interest Rate or commodity protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations or (iii) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

“Letter(s) of Credit” means one or more irrevocable, standby letters of credit issued by a Qualified Issuer in a form substantially similar to the letter of credit set forth in Exhibit K.

“Licensed Professional Engineer” means an independent, professional engineer selected by Seller and reasonably acceptable to Buyer, licensed in the State of California.

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

“Locational Marginal Price” or “LMP” has the meaning set forth in the CAISO Tariff.

“Losses” means, with respect to the Non-Defaulting Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner, which economic loss (if any) shall be deemed to be the loss (if any) to such Party represented by the difference between the present value of the payments required to be made during the remaining Contract Term of this Agreement and the present value of the payments that would be required to be made under transaction(s) replacing this Agreement. Factors used in determining economic loss to a Party may include reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NP-15), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes, Capacity Attributes, and Renewable Energy Incentives.

“Master File” has the meaning set forth in the CAISO Tariff.

“Milestones” means the development activities for significant permitting, interconnection, financing and construction milestones set forth on the Cover Sheet.
“Moody’s” means Moody’s Investors Service, Inc.

“MW” means megawatts in alternating current, unless expressly stated in terms of direct current.

“MWh” means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.

“Negative LMP” means, in any Settlement Period or Settlement Interval, the LMP at the Facility’s PNode is less than Zero dollars ($0).

“Net Qualifying Capacity” has the meaning set forth in the CAISO Tariff.

“Network Upgrades” has the meaning set forth in the CAISO Tariff.

“Non-Defaulting Party” has the meaning set forth in Section 11.2.

“Notice” shall, unless otherwise specified in the Agreement, mean written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, or electronic messaging (e-mail).

“NP-15” means the Existing Zone Generation Trading Hub for Existing Zone region NP15 as set forth in the CAISO Tariff.

“Pacific Prevailing Time” means the prevailing standard time or daylight savings time, as applicable, in the Pacific time zone.

“Participating Outage Owner” or “PTO” means an entity that owns, operates and maintains transmission or distribution lines and associated facilities or has entitlements to use certain transmission or distribution lines and associated facilities to, at, or from the Delivery Point. For purposes of this Agreement, the Participating Transmission Owner is set forth in Exhibit A.

“Party” or “Parties” has the meaning set forth in the Preamble.

“Performance Security” means (i) cash, or (ii) a Letter of Credit or (iii) a Guaranty, in the amount set forth on the Cover Sheet.

“Permitted Transferee” means and entity that has, or is controlled by another Person that satisfies the following requirements:

(a) A tangible net worth of not less than one hundred fifty million dollars ($150,000,000) or a Credit Rating of at least BBB- from S&P, BBB- from Fitch, or Baa3 from Moody’s; and

(b) At least two (2) years of experience in the ownership and operations of power generation facilities similar to the Facility, or has retained a third-party with such experience to operate the Facility.
“**Person**” means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

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

“**Planned Outage**” has the meaning set forth in Section 4.6(a).

“**Portfolio Content Category**” means PCC1, PCC2 or PCC3, as applicable.

“**Portfolio Content Category 1**” or “**PCC1**” means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

“**Portfolio Content Category 2**” or “**PCC2**” means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(2), as may be amended from time to time or as further defined or supplemented by Law.

“**Portfolio Content Category 3**” or “**PCC3**” means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(3), as may be amended from time to time or as further defined or supplemented by Law.

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

“**Progress Report**” means a progress report including the items set forth in Exhibit E.

“**Prudent Industry Practice**” means the applicable practices, methods and standards of care, skill and diligence engaged in or approved by a significant portion of the electric generation industry during the relevant time period with respect to grid-interconnected, utility-scale electricity generating facilities in the Western United States, that, in the exercise of reasonable judgment and in light of the facts known at the time the decision was made, would have been expected to accomplish results consistent with Law, reliability, safety, environmental protection, and standards of economy and expedition. Prudent Industry Practice is not intended to be limited to the optimum practice, method or act to the exclusion of others. Prudent Industry Practice includes compliance with applicable Laws, applicable reliability criteria, and the criteria, rules and standards promulgated in the National Electric Safety Code and the National Electrical Code, as they may be amended or superseded from time to time, including the criteria, rules and standards of any successor organizations.

“**PTC**” means the production tax credit established pursuant to Section 45 of the United States Internal Revenue Code of 1986.
“PV Energy” means that portion of Energy that is delivered directly to the Delivery Point and is not Charging Energy or Discharging Energy.\textsuperscript{14}

“Qualified Issuer” means a U.S. commercial bank or a foreign bank with a U.S. branch with such bank (a) having a Credit Rating of at least A- with an outlook designation of “stable” from S&P or A3 with an outlook designation of “stable” from Moody’s or (b) being reasonably acceptable to Buyer.

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

“RA Deficiency Amount” has the meaning set forth in Section 3.7(d).

“RA Guarantee Date” means the Commercial Operation Date, or as may be extended up to one (1) year due to delays in Full Capacity Deliverability Status caused by the Transmission Provider.

“RA Showing” means the Resource Adequacy Requirements compliance or advisory showings (or similar or successor showings) that Buyer is required to make to the CPUC (and, to the extent authorized by the CPUC, to CAISO), pursuant to the Resource Adequacy Rulings, to CAISO pursuant to the CAISO Tariff, or to any Governmental Authority having jurisdiction.

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

“Real-Time Price” means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff. If there is more than one applicable Real-Time Price for the same period of time, Real-Time Price shall mean the price associated with the smallest time interval.

“Remedial Action Plan” has the meaning in Section 2.4.

“Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(h), as may be amended from time to time or as further defined or supplemented by Law.

“Renewable Energy Incentives” means: (a) all federal, state, or local Tax credits or other Tax Benefits associated with the construction, ownership, or production of electricity from the Facility (including credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to the Facility; and (c) any other form of incentive relating in any way to the Facility that is not a Green Attribute or a Future Environmental Attribute.

“Renewable Rate” has the meaning set forth on the Cover Sheet.

“Resource Adequacy” means the procurement obligation of load serving entities, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10-042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time in the CPUC Resource Adequacy Rulemakings (R.) 04-04-003, R.05-12-013, R.10-

\textsuperscript{14} Applicable if the Facility includes a Storage Facility.
04-012 and R.11-10-023 or by any successor proceeding, and the Resource Adequacy supply obligations of generators provided in the CAISO Tariff, including Section 40 of such Tariff.

“**Resource Adequacy Benefits**” means the rights and privileges attached to the Facility that satisfy any entity’s resource adequacy obligations, as those obligations are set forth in any Resource Adequacy Rulings and includes any local, zonal or otherwise locational attributes associated with the Facility, in addition to flex attributes.

“**Resource Adequacy Rulings**” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024 and any other existing or subsequent ruling or decision, or any other resource adequacy Law, however described, as such decisions, rulings, Laws, rules or regulations may be amended or modified from time-to-time throughout the Delivery Term.

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

“**Schedule**” has the meaning set forth in the CAISO Tariff, and “**Scheduled**” has a corollary meaning.

“**Scheduled Energy**” means the Facility Energy that clears under the applicable CAISO market based on the final Day-Ahead Schedule, FMM Schedule (as defined in the CAISO Tariff), or any other financially binding Schedule, market instruction or dispatch for the Facility for a given period of time implemented in accordance with the CAISO Tariff.

“**Scheduling Coordinator**” or “**SC**” means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff for the purposes of undertaking the functions specified in “Responsibilities of a Scheduling Coordinator,” of the CAISO Tariff, as amended from time to time.

“**Security Interest**” has the meaning set forth in Section 8.9.

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

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

“**Seller’s WREGIS Account**” has the meaning set forth in Section 4.6(a).

“**Settlement Amount**” means the Non-Defaulting Party’s Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party’s Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party’s Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars ($0). The Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages.

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

“**Settlement Period**” has the meaning set forth in the CAISO Tariff.
“Site” means the necessary real property on which the Facility is or will be located, as further described in Exhibit A, and as shall be updated by Seller at the time Seller provides an executed Construction Start Date certificate in the form of Exhibit J to Buyer.

“Site Control” means that, for the Contract Term, Seller (or, prior to the Delivery Term, its Affiliate): (a) owns or has the option to purchase the Site; (b) is the lessee or has the option to lease the Site; or (c) is the holder of an easement or an option for an easement, right-of-way grant, or similar instrument with respect to the Site.

“Station Use” means:

(a) The Energy produced by the Facility that is used within the Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation of the Facility; and

(b) The Energy produced by the Facility that is consumed within the Facility’s electric energy distribution system as losses.

[“Storage Capacity” means (a) the maximum dependable operating capability of the Storage Facility to discharge electric energy that can be sustained for four (4) consecutive hours (in MW) and (b) any other products that may be developed or evolve from time to time during the Delivery Term that the Storage Facility is able to provide as the Facility is configured on the Commercial Operation Date and that relate to the maximum dependable operating capability of the Storage Facility to discharge electric energy.] 15

[ “Storage Capacity Test” or “SCT” means any test or retest of the capacity of the Storage Facility conducted in accordance with the testing procedures, requirements and protocols set forth in Section 4.8 and Exhibit O. ] 16

[ “Storage Contract Capacity” means the total capacity (in MW) of the Storage Facility initially equal to the amount set forth on the Cover Sheet, as the same may be adjusted from time to time to reflect the results of the most recently performed Storage Capacity Test. ] 17

[ “Storage Facility” means the energy storage facility described on the Cover Sheet and in Exhibit A (including the operational requirements of the energy storage facility), located at the Site and including mechanical equipment and associated facilities and equipment required to deliver Storage Product, and as such storage facility may be expanded or otherwise modified from time to time in accordance with the terms of this Agreement. ] 18

[ “Storage Facility Meter” means the bi-directional revenue quality meter or meters (with a 0.3 accuracy class), along with a compatible data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, the amount of Charging Energy delivered to the Storage Facility

15 Applicable if the Facility includes a Storage Facility.
16 Applicable if the Facility includes a Storage Facility.
17 Applicable if the Facility includes a Storage Facility.
18 Applicable if the Facility includes a Storage Facility.
Metering Points and the amount of Discharging Energy discharged from the Storage Facility at the Storage Facility Metering Points to the Delivery Point for the purpose of invoicing in accordance with Section 8.1. }^{19}

[ “Storage Facility Metering Points” means the locations of the Storage Facility Meters at the Site. ]^{20}

[ “Storage Product” means (a) Discharging Energy, (b) Capacity Attributes, if any, (c) Storage Capacity, and (d) Ancillary Services, if any, in each case arising from or relating to the Storage Facility. ]^{21}

[ “Storage Rate” has the meaning set forth on the Cover Sheet. ]^{22}

[“Stored Energy Level” means, at a particular time, the amount of electric energy in the Storage Facility available to be discharged as Discharging Energy, expressed in MWh. ]^{23}

“System Emergency” means any condition that requires, as determined and declared by CAISO or the PTO, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability.

“Tax” or “Taxes” means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term, including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

“Tax Credits” means the PTC, ITC and any other state, local or federal production tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production of renewable energy or investments in renewable energy facilities.

“Technology Bonus” has the meaning set forth in Exhibit C.

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

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

“Test Energy” means Facility Energy delivered (a) commencing on the later of (i) the first date that the CAISO informs Seller in writing that Seller may deliver Facility Energy to the CAISO and (ii) the first date that the PTO informs Seller in writing that Seller has conditional or temporary permission to parallel and (b) ending upon the occurrence of the Commercial Operation Date.

\[^{19}\text{Applicable if the Facility includes a Storage Facility.}\]
\[^{20}\text{Applicable if the Facility includes a Storage Facility.}\]
\[^{21}\text{Applicable if the Facility includes a Storage Facility.}\]
\[^{22}\text{Applicable if the Facility includes a Storage Facility.}\]
\[^{23}\text{Applicable if the Facility includes a Storage Facility.}\]
“Test Energy Rate” has the meaning set forth in Section 3.6.

“Transmission Provider” means any entity or entities transmitting or transporting the Facility Energy on behalf of Seller or Buyer to or from the Delivery Point.

“Transmission System” means the transmission or distribution lines and associated facilities owned by the Participating Transmission Owner.

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

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

“Workforce Requirements” refers to the Seller requirements set forth in Exhibit M.

“WREGIS” means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

“WREGIS Certificate Deficit” has the meaning set forth in Section 4.6(e).

“WREGIS Certificates” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for complying with the California Renewables Portfolio Standard.

“WREGIS Operating Rules” means those operating rules and requirements adopted by WREGIS as of May 1, 2018, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.2 Rules of Interpretation. In this Agreement, except as expressly stated otherwise or unless the context otherwise requires:

(a) headings and the rendering of text in bold and italics are for convenience and reference purposes only and do not affect the meaning or interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders;

(c) the words “hereof”, “herein”, and “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a reference to an Article, Section, paragraph, clause, Party, or Exhibit is a reference to that Section, paragraph, clause of, or that Party or Exhibit to, this Agreement unless otherwise specified;

(e) a reference to a document or agreement, including this Agreement means such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation or modification of this Agreement, but disregarding any amendment, supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;
(f) a reference to a Person includes that Person’s successors and permitted assigns;

(g) the terms “include” and “including” or similar words shall be deemed to be followed by the words “without limitation” and any list of examples following such terms shall in no way restrict or limit the generality of the work or provision in respect of which such examples are provided;

(h) references to any statute, code or statutory provision are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or reenacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom unless the context otherwise requires;

(i) in the event of a conflict, a mathematical formula or other precise description of a concept or a term shall prevail over words providing a more general description of a concept or a term;

(j) references to any amount of money shall mean a reference to the amount in United States Dollars;

(k) words, phrases or expressions not otherwise defined herein that (i) have a generally accepted meaning in Prudent Industry Practice shall have such meaning in this Agreement or (ii) do not have well known and generally accepted meaning in Prudent Industry Practice but that have well known and generally accepted technical or trade meanings, shall have such recognized meanings;

(l) “or” is not necessarily exclusive; and

(m) each Party acknowledges that it was represented by counsel in connection with this Agreement and that it or its counsel reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

ARTICLE 2
TERM; CONDITIONS PRECEDENT

2.1 Contract Term.

(a) The term of this Agreement shall commence on the Effective Date and shall remain in full force and effect until the conclusion of the Delivery Term, subject to any early termination provisions and any contract term extension provisions set forth herein (the “Contract Term”); provided, however, that subject to Buyer’s obligations in Section 3.6, Buyer’s obligations to pay for or accept any Product (other than Test Energy) are subject to Seller’s completion of the conditions precedent pursuant to Section 2.2.

(b) Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. The confidentiality
obligations of the Parties under Article 18 and all indemnity and audit rights shall remain in full force and effect for three (3) years following the termination of this Agreement.

2.2 **Conditions Precedent.** The Delivery Term shall not commence until Seller completes each of the following conditions:

(a) Seller has delivered to Buyer a completion certificate from a Licensed Professional Engineer substantially in the form of Exhibit H;

(b) A Participating Generator Agreement and a Meter Service Agreement between Seller and CAISO shall have been executed and delivered and be in full force and effect, and a copy of each such agreement has been delivered to Buyer;

(c) An Interconnection Agreement between Seller and the PTO shall have been executed and delivered and be in full force and effect and a copy of the Interconnection Agreement has been delivered to Buyer;

(d) All required regulatory authorizations, approvals and permits for the operation of the Facility have been obtained (or if not obtained, applied for and reasonably expected to be received within 90 days) and all conditions thereof that are capable of being satisfied on the Commercial Operation Date have been satisfied and shall be in full force and effect;

(e) Seller has received CEC Precertification of the Facility (and reasonably expects to receive final CEC Certification and Verification for the Facility in no more than ninety (90) days from the Commercial Operation Date);

(f) Seller (with the reasonable cooperation and assistance of Buyer) shall have completed all applicable WREGIS registration requirements, including the completion and submittal of all applicable registration forms and supporting documentation, which may include applicable interconnection agreements, informational surveys related to the Facility, QRE service agreements, and other appropriate documentation required to effect Facility registration with WREGIS and to enable Renewable Energy Credit transfers related to the Facility within the WREGIS system;

(g) Seller has demonstrated compliance with the Workforce Requirements in Exhibit M by certifying such compliance to MCE in writing and providing reasonably requested documentation demonstrating such compliance as set forth in Exhibit M;

(h) Seller has delivered the Performance Security to Buyer in accordance with Section 8.8; and

(i) Seller has paid Buyer for all amounts owing under this Agreement, if any, including Daily Delay Damages and Commercial Operation Delay Damages.

2.3 **Development; Construction; Progress Reports.** Within fifteen (15) days after the close of (i) each calendar quarter from the first calendar quarter following the Effective Date until the Construction Start Date, and (ii) each calendar month from the first calendar month following the Construction Start Date until the Commercial Operation Date, Seller shall provide
to Buyer a Progress Report and agree to regularly scheduled meetings (no more than monthly) between representatives of Buyer and Seller to review such monthly reports and discuss Seller’s construction progress. The form of the Progress Report is set forth in Exhibit E. Seller shall also provide Buyer with any reasonable requested documentation (subject to confidentiality restrictions) directly related to the achievement of Milestones within ten (10) Business Days of receipt of such request by Seller. For the avoidance of doubt, Seller is solely responsible for the design and construction of the Facility, including the location of the Site, obtaining all permits and approvals to build the Facility, the Facility layout, and the selection and procurement of the equipment comprising the Facility.

2.4 Remedial Action Plan. If Seller misses three (3) or more Milestones, or misses any one (1) by more than ninety (90) days, except as the result of Force Majeure Event or Buyer Default, Seller shall submit to Buyer, within ten (10) Business Days of such missed Milestone completion date, a remedial action plan (“Remedial Action Plan”), which will describe in detail any delays (actual or anticipated) beyond the scheduled Milestone dates, including the cause of the delay (e.g., governmental approvals, financing, property acquisition, design activities, equipment procurement, project construction, interconnection, or any other factor), Seller’s detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the Guaranteed Commercial Operation Date; provided that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement.

2.5 Workforce Requirements. Seller agrees to comply with Workforce Requirements and to provide Buyer copies of documentation establishing ongoing compliance with the Workforce Requirements as may be reasonably requested by Buyer from time to time.

ARTICLE 3
PURCHASE AND SALE

3.1 Sale of Product. Subject to the terms and conditions of this Agreement, during the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller at the applicable prices set forth in Exhibit C, all of the Product produced by or associated with the Facility. At its sole discretion, Buyer may during the Delivery Term re-sell or use for another purpose all or a portion of the Product. During the Delivery Term, Buyer’s obligation to make payment for Facility Energy and all of the remaining Product from Seller under this Agreement shall be excused during the pendency of, and to the extent required by (A) a Force Majeure Event, (B) a Curtailment Period; provided such Curtailment Period is not attributable to Buyer’s breach of its obligations under this Agreement or any other agreement, or (C) a period of Buyer suspension due to a Seller Default pursuant to Section 11.1. Buyer has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point as a result of any circumstance, including, an outage of the Facility, a Force Majeure Event, or a Curtailment Order.

3.2 Sale of Green Attributes. During the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all Green Attributes attributable to the Facility Energy generated by the Facility.
3.3 **Imbalance Energy.** Buyer and Seller recognize that in any given Settlement Period the amount of Facility Energy may deviate from the amount of Scheduled Energy. Buyer and Seller shall cooperate to minimize charges and imbalances associated with Imbalance Energy to the extent possible. Subject to Seller’s responsibility for CAISO penalties pursuant to Section 4.3(c), to the extent there are such deviations between Facility Energy and Scheduled Energy, any CAISO costs, charges or revenues assessed as a result of such Imbalance Energy shall be solely for the account of Buyer.

3.4 **Ownership of Renewable Energy Incentives.** Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller’s sole expense, in Seller’s efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.5 **Future Environmental Attributes**

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes sold under this Agreement are restricted to Green Attributes; however, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. Subject to the final sentence of this Section 3.5(a), in such event, Buyer shall bear all costs associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller’s receipt of Notice from Buyer of Buyer’s intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation to alter the Facility unless the Parties have agreed on all necessary terms and conditions relating to such alteration and Buyer has agreed to reimburse Seller for all costs associated with such alteration.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.5, the Parties agree to negotiate in good faith with respect to the development of further agreements and documentation necessary to effectuate the transfer of such Future Environmental Attributes, including with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) appropriate allocation of any additional costs to Buyer, as set forth above; provided, that the Parties acknowledge and agree that such terms are not intended to alter the other material terms of this Agreement.

3.6 **Test Energy.** Buyer shall have the exclusive option to purchase all, but not less than all, of the Test Energy that is available from the Facility prior to the Delivery Term. No less than fourteen (14) days prior to the first day on which Test Energy will be available from the Facility, Seller shall notify Buyer of the availability of the Test Energy. Buyer shall have fourteen (14) days to determine whether it will exercise the option to purchase Test Energy. Buyer’s option to purchase Test Energy shall terminate if either: (i) Buyer fails to exercise or respond to the option to purchase Test Energy within the above fourteen (14) day period. If Buyer exercises its option to purchase Test Energy, Seller shall deliver, and Buyer shall purchase, all Test Energy available
from the Facility. The Parties acknowledge and agree that following termination of Buyer’s option, Seller has no obligation to sell or deliver Test Energy to Buyer prior to the commencement of the Delivery Term, and Seller may market, sell and deliver all or portions of the Test Energy from the Facility to one or more third parties. As compensation for such Test Energy, Buyer shall pay Seller an amount equal to fifty percent (50%) of the Renewable Rate (“Test Energy Rate”). For the avoidance of doubt, the conditions precedent in Section 2.2 are not applicable to the Parties’ obligations under this Section 3.6.

3.7 **Capacity Attributes.** Seller has obtained Full Capacity Deliverability Status as part of its CAISO generator interconnection process. Seller shall be responsible for the cost and installation of any Network Upgrades associated with obtaining such Full Capacity Deliverability Status.

(a) Throughout the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all the Capacity Attributes from the Facility.

(b) Buyer shall be entitled to all Capacity Attributes, if any, associated with the Facility during the Delivery Term. The consideration for all such Capacity Attributes is included within the Contract Price. Seller transfers to Buyer, and Buyer accepts from Seller, any right, title, and interest that Seller may have in and to Capacity Attributes, if any, existing during the Delivery Term.

(c) Throughout the Delivery Term, Seller shall maintain eligibility for Full Capacity Deliverability Status or Interim Deliverability Status for the Facility from the CAISO and shall perform all actions reasonably necessary to ensure that the Facility qualifies to provide Resource Adequacy Benefits to Seller. Throughout the Delivery Term, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits to Buyer.

(d) Commencing on the RA Guarantee Date, during any month the Facility has not achieved or has failed to maintain Full Capacity Deliverability Status, Seller shall pay to Buyer an amount equal to the product of (i) the difference, expressed in kW, of (A) the Qualifying Capacity of the Facility for such month, minus (B) the Net Qualifying Capacity of the Facility for such month, multiplied by (ii) the CPM Soft Offer Cap (the “RA Deficiency Amount”). RA Deficiency Amounts will be netted against amounts owing to Seller pursuant to Section 8.6.

(e) During the Delivery Term, Seller shall not sell or attempt to sell to any other Person the Capacity Attributes, if any, and Seller shall not report to any person or entity that the Capacity Attributes, if any, belong to anyone other than Buyer. Buyer may, at its own risk and expense, report to any person or entity that Capacity Attributes belong exclusively to Buyer.

(f) At Buyer’s request Seller shall: (i) execute such documents and instruments as may be reasonably required to effect recognition and transfer of the Capacity Attributes, if any, to Buyer and (ii) cooperate reasonably with Buyer in order that Buyer may satisfy the Resource Adequacy requirements, if any, including (A) assisting Buyer in registering the Facility with the CAISO so that the Capacity Rights are able to be recognized and counted for Resource Adequacy purposes, (B) assist Buyer in making such annual submissions to CAISO associated with establishing the correct quantity of Capacity Rights, (C) coordinating with Buyer on the
submission to the CAISO submissions (or corrections), as required by the CAISO Tariff, and (D) providing CAISO all necessary information for annual and other outage planning. Seller shall deliver such documents, instruments, submissions and information as may be requested by Buyer in connection with the Capacity Attributes and Resource Adequacy; provided that in responding to any such requests, Seller shall have no obligation to provide any consent, certification, representation, information or other document, or enter into any agreement, that adversely affects, or could reasonably be expected to have or result in an adverse effect on, any of Seller’s rights, benefits, risks and/or obligations under this Agreement.

(g) Subject to Section 3.11 and at all times during the Delivery Term, Seller shall install such meters and power electronics as are necessary so that Ancillary Services and Capacity Attributes may be provided from the Facility by Buyer.

3.8 CEC Certification and Verification. Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Facility throughout the Delivery Term, including compliance with all applicable requirements for certified facilities set forth in the current version of the RPS Eligibility Guidebook (or its successor). Seller shall obtain CEC Precertification by the Commercial Operation Date. Within thirty (30) days after the Commercial Operation Date, Seller shall apply with the CEC for final CEC Certification and Verification. Within ninety (90) days after the Commercial Operation Date, Seller shall obtain and maintain throughout the remainder of the Delivery Term the final CEC Certification and Verification. Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller’s application for CEC Certification and Verification for the Facility.

3.9 California Renewables Portfolio Standard.

(a) Eligibility. Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Facility qualifies and is certified by the CEC as an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Facility’s electrical energy output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. The term “commercially reasonable efforts” as used in this Section 3.9 means efforts consistent with and subject to Section 3.10. [STC 6].

(b) Transfer of Renewable Energy Credits. Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC REC-1].
(c) **Tracking of RECs in WREGIS.** Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in WREGIS will be taken prior to the first delivery under this Agreement. [STC REC-2].

(d) **Applicable Law.** This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. [STC 17].

### 3.10 Change in Law

(a) The Parties acknowledge that an essential purpose of this Agreement is to provide renewable generation that meets the requirements of the California Renewables Portfolio Standard and that Governmental Authorities, including the CEC, CPUC, CAISO and WREGIS, may undertake actions to implement changes in Law. Seller agree to use commercially reasonable efforts to cooperate with respect to any future changes to this Agreement needed to satisfy requirements of Governmental Authorities associated with changes in law to maximize benefits to Buyer, including: (i) modification of the description of Green Attributes, Capacity Attributes as may be required, including updating the Agreement to reflect any mandatory contractual language required by Governmental Authorities; (ii) submission of any reports, data, or other information required by Governmental Authorities; or (iii) all other actions that may be required to assure that this Agreement or the Facility is eligible, as an ERR and other benefits under the California Renewables Portfolio Standard; provided that Seller shall have no obligation to modify this Agreement, or take other actions not required under this Agreement, if such modifications or actions would materially adversely affect, or could reasonably be expected to have or result in a material adverse effect on, any of Seller's rights, benefits, risks and/or obligations under this Agreement.

(b) **Compliance Expenditure Cap.** If Seller establishes to Buyer's reasonable satisfaction that a change in Laws occurring after the Effective Date has increased Seller’s cost above the cost that could reasonably have been contemplated as of the Effective Date to take all actions to comply with Seller’s obligations under the Agreement with respect to obtaining, maintaining, conveying or effectuating Buyer’s use of (as applicable), the items listed in Sections 3.10 (a), (b) and (c), then the Parties agree that the maximum amount of costs and expenses Seller shall be required to bear during the Delivery Term shall be capped at twenty thousand dollars ($20,000.00) per MW of Guaranteed Capacity ("Compliance Expenditure Cap"): 

1. CEC Certification and Verification;
2. Green Attributes; and
3. Capacity Attributes.

Any actions required for Seller to comply with its obligations set forth in the first paragraph above, the cost of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the “Compliance Actions.”
(c) If Seller reasonably anticipates the need to incur out-of-pocket expenses in excess of the Compliance Expenditure Cap in order to take any Compliance Action Seller shall provide Notice to Buyer of such anticipated out-of-pocket expenses.

(d) Buyer will have sixty (60) Days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the costs that exceed the Compliance Expenditure Cap (such Buyer-agreed upon costs, the “Accepted Compliance Costs”), or (2) waive Seller’s obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller.

(e) If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by the Parties and Buyer shall reimburse Seller for Seller’s actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller.

ARTICLE 4
OBLIGATIONS AND DELIVERIES

4.1 Delivery.

(a) Energy. Subject to the provisions of this Agreement, commencing on the Commercial Operation Date through the end of the Contract Term, Seller shall supply and deliver the Product to Buyer at the Delivery Point, and Buyer shall take delivery of the Product at the Delivery Point in accordance with the terms of this Agreement. Seller will be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Facility Energy to the Delivery Point, including Station Use, Electrical Losses, and any operation and maintenance charges imposed by the Transmission Provider directly relating to the Facility’s operations. Buyer shall be responsible for all costs, charges and penalties, if any, imposed in connection with the delivery of Facility Energy at and after the Delivery Point, including transmission costs and transmission line losses and imbalance charges. The Facility Energy will be scheduled to the CAISO by Buyer (or Buyer’s designated Scheduling Coordinator) in accordance with Exhibit D.

(b) Green Attributes. All Green Attributes associated with the Facility during the Delivery Term are exclusively dedicated to and vested in Buyer. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

4.2 Title and Risk of Loss.

(a) Energy. Title to and risk of loss related to the Facility Energy, shall pass and transfer from Seller to Buyer at the Delivery Point. Seller warrants that all Product delivered to Buyer is free and clear of all liens, security interests, claims and encumbrances of any kind.
(b) **Green Attributes.** Title to and risk of loss related to the Green Attributes shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS. Seller shall cooperate reasonably with Buyer, at Buyer’s expense, in order for Buyer to register, hold, and manage such Green Attributes in Buyer’s own name and to Buyer’s accounts.

4.3 **Forecasting.** Seller shall provide the Available Capacity forecasts described below. Seller’s Available Capacity forecasts shall include availability for the Facility. Seller shall use commercially reasonable efforts to forecast the Available Capacity of the Facility accurately and to transmit such information at its sole expense and in a format reasonably acceptable to Buyer (or Buyer’s designee).

(a) **Annual Forecast of Expected Energy.** No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) at the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of each month’s average-day Expected Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit F-1 (“**Average Expected Energy**”), or as reasonably requested by Buyer.

(b) **Monthly Forecast of Available Capacity.** No less than thirty (30) days before the beginning of Commercial Operation, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of the Available Capacity for each day of the following month in a form substantially similar to the table found in Exhibit F-2 (“**Monthly Delivery Forecast**”), or as reasonably requested by Buyer.

(c) **Day-Ahead Forecast.** By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, or as otherwise specified by Buyer consistent with Prudent Industry Practice, Seller shall provide Buyer with a non-binding forecast of (i) Available Capacity and (ii) hourly expected Facility Energy and (iii), if applicable, Storage Capacity, in each case, for each hour of the immediately succeeding day (“**Day-Ahead Forecast**”). A Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include non-binding forecasts for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller’s best estimate of (i) the Available Capacity and (ii) the hourly expected Energy. These Day-Ahead Forecasts shall be sent to Buyer’s on-duty Scheduling Coordinator. If Seller fails to provide Buyer with a Day-Ahead Forecast as required herein for any period, then for such unscheduled delivery period only Buyer shall rely on any Real-Time Forecast provided in accordance with Section 4.3(d) of the Monthly Delivery Forecast or Buyer’s estimate based on information reasonably available to Buyer and Seller shall be liable for Scheduling and delivery based on such Monthly Delivery Forecast or Buyer’s best estimate.

(d) **Hourly and Sub-Hourly Forecasts.** Notwithstanding anything to the contrary herein, in the event Seller makes a change to its Schedule on the actual date of delivery for any reason including Forced Facility Outages (other than a scheduling change imposed by Buyer or CAISO) which results in a change to its deliveries (whether in part or in whole), Seller shall notify Buyer immediately by calling Buyer’s on-duty Scheduling Coordinator.
notify Buyer and the CAISO of Forced Facility Outages and Seller shall keep Buyer informed of any developments that will affect either the duration of the outage or the availability of the Facility during or after the end of the outage.

(e) **Forecasting Penalties.** Subject to a Force Majeure Event, in the event Seller does not in a given hour provide the forecast required in Section 4.3(d) and Buyer incurs a loss or penalty resulting from its scheduling activities with respect to Facility Energy during such hour, Seller shall be responsible for a Forecasting Penalty for each such hour. Settlement of Forecasting Penalties shall occur as set forth in Article 8 of this Agreement.

(f) **CAISO Tariff Requirements.** Subject to the limitations expressly set forth in Section 3.14, to the extent such obligations are applicable to the Facility, Seller will comply with all applicable obligations for Variable Energy Resources under the CAISO Tariff and the Eligible Intermittent Resource Protocol, including providing appropriate operational data and meteorological data, and will fully cooperate with Buyer, Buyer’s SC, and CAISO, in providing all data, information, and authorizations required thereunder.

4.4 **Reduction in Delivery Obligation.** For the avoidance of doubt, and in no way limiting Section 3.1:

(a) **Facility Maintenance.** Seller shall be permitted to reduce deliveries of Product during any period of scheduled maintenance on the Facility previously agreed to between Buyer and Seller, provided that, between June 1st and September 30th, Seller shall not schedule non-emergency maintenance that reduces the Energy generation of the Facility by more than ten percent (10%), unless (i) such outage is required to avoid damage to the Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled outside the period of June 1st to September 30th, (iii) such outage for inspection, preventative maintenance, corrective maintenance, or in accordance with Prudent Industry Practices, or (iv) the Parties agree otherwise in writing (each of the foregoing, a “**Planned Outage**”).

(b) **Forced Facility Outage.** Seller shall be permitted to reduce deliveries of Product during any Forced Facility Outage. Seller shall provide Buyer with Notice and expected duration (if known) of any Forced Facility Outage.

(c) **System Emergencies and other Interconnection Events.** Seller shall be permitted to reduce deliveries of Product during any period of System Emergency, Buyer Curtailment Period or upon Notice of a Curtailment Order pursuant to the terms of this Agreement, the Interconnection Agreement or applicable tariff.

(d) **Force Majeure Event.** Seller shall be permitted to reduce deliveries of Product during any Force Majeure Event.

(e) **Health and Safety.** Seller shall be permitted to reduce deliveries of Product as necessary to maintain health and safety pursuant to Section 6.2.

4.5 **Scheduling Coordinator Responsibilities.** Buyer shall be the Scheduling Coordinator for the Facility and shall perform such responsibilities in accordance with requirements set forth in **Exhibit D.**
4.6 **WREGIS.** Seller shall at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Facility Energy are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer’s sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. Seller shall be deemed to have satisfied the warranty in Section 4.6(g), provided that Seller fulfills its obligations under Sections 4.6(a) through (g) below. In addition:

(a) Prior to the Commercial Operation Date, Seller shall register the Facility with WREGIS and establish an account with WREGIS (“**Seller’s WREGIS Account**”), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using “**Forward Certificate Transfers**” (as described in the WREGIS Operating Rules) from Seller’s WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of a designee that Buyer identifies by Notice to Seller (“**Buyer’s WREGIS Account**”). Seller shall be responsible for all expenses associated with registering the Facility with WREGIS, establishing and maintaining Seller’s WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller’s WREGIS Account to Buyer’s WREGIS Account.

(b) Seller shall cause Forward Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Facility Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate.

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

(d) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.6. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A “**WREGIS Certificate Deficit**” means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Facility Energy for the same calendar month (“**Deficient Month**”) caused by an error or omission of Seller. If any WREGIS Certificate Deficit is caused, or the result of any action or inaction by Seller, then the amount of Facility Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for purposes of calculating Buyer’s payment to Seller under Article 8 for the applicable Contract Year; provided, however, that such adjustment shall not apply to the extent that Seller resolves the WREGIS Certificate Deficit within ninety (90) days after the Deficient
Month. Without limiting Seller’s obligations under this Section 4.6, if a WREGIS Certificate Deficit is caused solely by an error or omission of WREGIS, the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(f) If WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.6 after the Effective Date, the Parties promptly shall modify this Section 4.6 as reasonably required to cause and enable Seller to transfer to Buyer’s WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Facility Energy in the same calendar month.

(g) Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in WREGIS will be taken prior to the first delivery under this Agreement.

4.7 Financial Statements. In the event a Guaranty is provided as Performance Security in lieu of cash or a Letter of Credit, Seller shall provide to Buyer, or cause the Guarantor to provide to Buyer, unaudited quarterly and annual audited financial statements of the Guarantor (including a balance sheet and statements of income and cash flows), all prepared in accordance with generally accepted accounting principles in the United States, consistently applied.

4.8 Charging Energy Management.

(a) Upon receipt of a valid Charging Notice, Seller shall take any and all action necessary to deliver the Charging Energy from the Generating Facility to the Storage Facility in order to deliver the Storage Product in accordance with the terms of this Agreement, including maintenance, repair or replacement of equipment in Seller’s possession or control used to deliver the Charging Energy from the Generating Facility to the Storage Facility.

(b) Buyer will have the right to charge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by providing Charging Notices to Seller electronically, provided, that Buyer’s right to issue Charging Notices is subject to Prudent Operating Practice. Each Charging Notice issued in accordance with this Agreement will be effective unless and until Buyer modifies such Charging Notice by providing Seller with an updated Charging Notice.

(c) Seller shall not charge the Storage Facility during the Term other than pursuant to a valid Charging Notice, or in connection with a Storage Capacity Test, or pursuant to a notice from CAISO, the PTO, Transmission Provider, or any other Governmental Authority. If, during the Contract Term, Seller (a) charges the Storage Facility to a Stored Energy Level greater than the Stored Energy Level provided for in the Charging Notice or (b) charges the Storage Facility in violation of the first sentence of this Section 4.8(c), then (x) Seller shall be responsible for all energy costs associated with such charging of the Storage Facility, (y) Buyer shall not be required to pay for the charging of such energy (i.e., Charging Energy), and (z) Buyer shall be entitled to discharge such energy and entitled to all of the benefits (including Storage Product) associated with such discharge.

(d) Buyer will have the right to discharge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by providing Discharging
Notices to Seller electronically, and subject to the requirements and limitations set forth in this Agreement, including the Operating Procedures. Each Discharging Notice issued in accordance with this Agreement will be effective unless and until Buyer modifies such Discharging Notice by providing Seller with an updated Discharging Notice.

(e) Notwithstanding anything in this Agreement to the contrary, during any Settlement Interval, Curtailment Orders, applicable to such Settlement Interval shall have priority over any Charging Notices and Discharging Notices applicable to such Settlement Interval, and Seller shall have no liability for violation of this Section 4.8 or any Charging Notice or Discharging Notice if and to the extent such violation is caused by Seller’s compliance with any Curtailment Order or other instruction or direction from a Governmental Authority or the PTO or the Transmission Provider.

4.9 Storage Capacity Tests

(a) Prior to the Commercial Operation Date, Seller shall schedule and complete a Storage Capacity Test in accordance with Exhibit O. Thereafter, Seller and Buyer shall have the right to run retests of the Storage Capacity Test in accordance with Exhibit O.

(b) Buyer shall have the right to send one or more representative(s) to witness all Storage Capacity Tests. Such representative(s) shall not interfere with the Storage Capacity Tests. Buyer shall be responsible for all costs, expenses and fees payable or reimbursable to its representative(s) witnessing any Storage Capacity Test. Other than as may be agreed pursuant to Section 3.13, all other costs of any Storage Capacity Test shall be borne by Seller.

(c) Following each Storage Capacity Test, Seller shall submit a testing report in accordance with Exhibit O. If the actual capacity determined pursuant to a Storage Capacity Test is less than the then current Storage Contract Capacity, then the actual capacity determined pursuant to a Storage Capacity Test shall become the new Storage Contract Capacity at the beginning of the day following the completion of the test for all purposes under this Agreement, including compensation under Exhibit C, until the next such Storage Capacity Test.

ARTICLE 5
TAXES

5.1 Allocation of Taxes and Charges. Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and making available of Product to Buyer, that are imposed on Product prior to its delivery to Buyer at the Delivery Point. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of Product that are imposed on Product at and after its delivery to Buyer at the Delivery Point (other than withholding or other Taxes imposed on Seller’s income, revenue, receipts or employees). If a Party is required to remit or pay Taxes that are the other Party’s responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. In the event any sale of Product hereunder is exempt from or not subject to any particular Tax, Buyer shall provide Seller with all necessary documentation within thirty (30) days after the Effective Date to evidence such exemption or exclusion. If Buyer does

24 Applicable if the Facility includes a Storage Facility.
not provide such documentation, then Buyer shall indemnify, defend, and hold Seller harmless from any liability with respect to Taxes from which Buyer claims it is exempt.

5.2 **Cooperation.** The Parties shall cooperate to minimize tax exposure; provided, however, that neither Party shall be obligated to incur any financial burden for which the other Party is responsible hereunder. All Energy delivered by Seller to Buyer hereunder shall be sales for resale, with Buyer reselling such Energy.

**ARTICLE 6**
**MAINTENANCE OF THE FACILITY**

6.1 **Maintenance of the Facility.** Seller shall comply with Law and Prudent Industry Practice relating to the operation and maintenance of the Facility and the generation and sale of Product.

6.2 **Maintenance of Health and Safety.** Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person’s property, Seller shall take prompt action to prevent such damage or injury and shall give Notice to Buyer’s emergency contact identified on Exhibit N of such condition. Such action may include, to the extent reasonably necessary, disconnecting and removing all or a portion of the Facility, or suspending the supply of Energy to Buyer.

**ARTICLE 7**
**METERING**

7.1 **Metering.** Seller shall measure the amount of Facility Energy using the Facility Meter, which will be subject to adjustment in accordance with applicable CAISO meter requirements and Prudent Industry Practices, including to account for Electrical Losses and Station Use. [Seller shall measure the Charging Energy and the Discharging Energy using the Storage Facility Meters.] All meters will be operated pursuant to applicable CAISO-approved calculation methodologies and maintained as Seller’s cost. Subject to meeting any applicable CAISO requirements, the meters shall be programmed to adjust for all losses from such meter to the Delivery Point in a manner subject to Buyer’s prior written approval. Metering will be consistent with the Metering Diagram set forth as Exhibit P. Each meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the CAISO meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Seller and Buyer, or Buyer’s Scheduling Coordinator, shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Operational Meter Analysis and Reporting (OMAR) web or directly from the CAISO meter(s) at the Facility.

7.2 **Meter Verification.** If Seller has reason to believe there may be a meter malfunction, or upon Buyer’s reasonable request, Seller shall test the meter. The tests shall be

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25 Applicable if the Facility includes a Storage Facility.
conducted by independent third parties qualified to conduct such tests. Buyer shall be notified seven (7) days in advance of such tests and have a right to be present during such tests. If a meter is inaccurate it shall be promptly repaired or replaced. Seller may elect to install and maintain, at its own expense, backup metering devices.

**ARTICLE 8**

**INVOICING AND PAYMENT; CREDIT**

8.1 **Invoicing.** Buyer, as Scheduling Coordinator, shall use commercially reasonable efforts to provide Seller with all necessary CAISO settlement data and the CAISO Charges Invoice no later than five (5) Business Days following receipt of the T+12 settlement statements from CAISO in a form mutually agreed upon by Buyer and Seller. Each Seller invoice shall include (a) records of metered data, including CAISO metering and transaction data sufficient to validate all invoiced amounts for each Settlement Period during the preceding month, including the amount of Product in MWh delivered during the prior billing period as set forth in CAISO T+12 settlement statements, the amount of Product in MWh produced by the facility as read by the CAISO Approved Meter, the Contract Price applicable to such Product, deviations between the Scheduled Energy and the Facility Energy, and the LMP prices at the Facility PNode and Delivery Point for each Settlement Period; and (b) be in a format reasonably specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement.

8.2 **Payment.** Buyer shall make payment to Seller for Product by wire transfer or ACH payment to the bank account provided on each monthly invoice. Buyer shall pay undisputed invoice amounts within thirty (30) Days after receipt of the invoice, or the end of the prior monthly delivery period, whichever is later. If such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one Party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on the 3-Month prime rate (or any equivalent successor rate accepted by a majority of major financial institutions) published on the date of the invoice in The Wall Street Journal (or, if The Wall Street Journal is not published on that day, the next succeeding date of publication), plus two percent (2%) (the “**Interest Rate**”). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 **Books and Records.** To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least five (5) years or as otherwise required by Law. Upon five (5) Business Days’ Notice to Seller, Buyer shall be granted reasonable access to the accounting books and records pertaining to all invoices generated pursuant to this Agreement.

8.4 **Payment Adjustments; Billing Errors.** Payment adjustments shall be made if Buyer or Seller discovers there have been good faith inaccuracies in invoicing that are not otherwise disputed under Section 8.5, or there is determined to have been a meter inaccuracy sufficient to require a payment adjustment. If the required adjustment is in favor of Buyer, Buyer’s
monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer’s next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until settled in full, in accordance with Section 8.2, accruing from the date on which the non-erring Party received Notice thereof. Unless otherwise agreed by the Parties, no adjustment of invoices shall be permitted after twenty-four (24) months from the date of the invoice.

8.5 Billing Disputes. A Party may, in good faith, dispute the correctness of any invoice, payment or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice, payment or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice or payment dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within five (5) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 Netting of Payments. The Parties hereby agree that they shall discharge undisputed mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts owed by each Party to the other Party for the purchase and sale of Product during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Section 3.7(d) or Exhibit B, interest, and payments or credits, shall be netted so that only the excess amount remaining due after netting any such undisputed amount shall be paid by the Party who owes it.

8.7 Seller’s Development Security. To secure its obligations under this Agreement, Seller shall deliver Development Security to Buyer within thirty (30) days of the Effective Date. Seller shall maintain the Development Security in full force and effect and Seller shall replenish the Development Security by an amount equal to the amount of any unpaid Daily Delay Damages within five (5) Business Days in the event Buyer collects or draws down any portion of the Development Security for any reason permitted under this Agreement other than to satisfy a Damage Payment or a Termination Payment. Upon the earlier of (i) Seller’s delivery of the Performance Security or (ii) sixty (60) days after termination of this Agreement, Buyer shall return the Development Security to Seller, less the amounts drawn in accordance with this Agreement. If the Development Security is a Letter of Credit and the issuer of such Letter of Credit (A) fails to maintain its status as a Qualified Issuer, (B) indicates its intent not to renew such Letter of Credit
and such Letter of Credit expires prior to the Commercial Operation Date, or (C) fails to honor Buyer’s properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit that meets the requirements set forth in the definition of Development Security.

8.8 **Seller’s Performance Security.** To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date. If the Performance Security is not in the form of cash or Letter of Credit, it shall be substantially in the form set forth in Exhibit L. Seller shall maintain the Performance Security in full force and effect, subject to any draws made by Buyer in accordance with this Agreement, until the following have occurred: (A) the Delivery Term has expired or terminated early; and (B) all payment obligations of Seller then due and payable under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). Following the occurrence of both events, Buyer shall promptly return to Seller the unused portion of the Performance Security. If the Performance Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain its status as a Qualified Issuer, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the Commercial Operation Date, or (iii) fails to honor Buyer’s properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit or Guaranty that meets the requirements set forth in the definition of Performance Security.

8.9 **First Priority Security Interest in Cash or Cash Equivalent Collateral.** To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first priority security interest ("Security Interest") in, and lien on (and right to net against), and assignment of the Development Security, Performance Security, and other cash collateral and cash equivalent collateral posted pursuant to Sections 8.7 and 8.8 and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer’s Security Interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to the final sentence of this Section 8.9):

(a) Exercise any of its rights and remedies with respect to the Development Security and Performance Security, including any such rights and remedies under Law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security; and
(c) Liquidate all Development Security or Performance Security (as applicable) then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller’s obligations under this Agreement (Seller remains liable for any amounts owing the Buyer after such application), subject to Buyer’s obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

ARTICLE 9
NOTICES

9.1 Addresses for the Delivery of Notices. Any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the address set forth on Exhibit N or to such other people or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 Acceptable Means of Delivering Notice. Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including electronic mail or other electronic means) and if concurrently with the transmittal of such electronic communication the sending Party provides a copy of such electronic Notice by hand delivery or express courier, at the time indicated by the time stamp upon delivery; or (d) if delivered in person, upon receipt by the receiving Party. Notwithstanding the foregoing, Notices of outages or other scheduling or dispatch information or requests, may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission.

ARTICLE 10
FORCE MAJEURE

10.1 Definition.

(a) “Force Majeure Event” means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from complying with all or a portion of the conditions under this Agreement if such act or event, despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure
Event may include: an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic; landslide; mudslide; sabotage; terrorism; earthquake or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.

(c) Notwithstanding the foregoing, the term “Force Majeure Event” does not include (i) economic conditions that render a Party’s performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including an increase in component costs for any reason, including foreign or domestic tariffs, Buyer’s ability to buy electric energy at a lower price, or Seller’s ability to sell the Product, or any component thereof, at a higher price, than under this Agreement); (ii) Seller’s inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above; (iv) a Curtailment Order; (v) Seller’s inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller’s Affiliates, Seller’s contractors, their subcontractors thereof or any other third party employed by Seller to work on the Facility; (vii) any equipment failure except if such equipment failure is caused by a Force Majeure Event; or (viii) Seller’s inability to achieve Construction Start of the Facility following the Guaranteed Construction Start Date or achieve Commercial Operation following the Guaranteed Commercial Operation Date; it being understood and agreed, for the avoidance of doubt, that the occurrence of a Force Majeure Event may give rise to a Development Cure Period.

10.2 No Liability If a Force Majeure Event Occurs. Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to remove such inability with due speed and shall promptly resume performance of its obligations hereunder upon removal or termination of the Force Majeure Event. Neither Party shall be considered in breach or default of this Agreement, nor shall it be liable to the other Party, if and to the extent that any failure or delay in such Party’s performance of one or more of its obligations hereunder is caused by a Force Majeure Event. Notwithstanding the foregoing, the occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of a Party to make any payments due hereunder, (b) suspend or excuse the obligation of Seller to achieve the Guaranteed Construction Start Date or the Guaranteed Commercial Operation Date beyond the extensions provided in Exhibit B, or (c) limit Buyer’s right to declare an Event of Default pursuant to Section 11.1(b)(ii) or (iv) and receive a Damage Payment upon exercise of Buyer’s default right pursuant to Section 11.2.

10.3 Notice for Force Majeure. In the event of any delay or nonperformance resulting from a Force Majeure Event, the Party suffering the Force Majeure Event shall (a) promptly notify the other Party in writing of the nature, cause, estimated date of commencement thereof, and the anticipated extent of any delay or interruption in performance, and (b) promptly notify the other Party in writing of the cessation or termination of such Force Majeure Event, all as known or
estimated in good faith by the affected Party; provided, however, that a Party’s failure to give timely Notice shall not affect such Party’s ability to assert that a Force Majeure Event has occurred unless the delay in giving Notice materially prejudices the other Party.

10.4 Termination Following Force Majeure Event. If a Force Majeure Event has occurred after the Commercial Operation Date that has caused either Party to be wholly or partially unable to perform its obligations hereunder, and the impacted Party has claimed and received relief from performance of its obligations for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon written Notice to the other Party with respect to the Facility experiencing the Force Majeure Event. Upon any such termination, the non-claiming Party shall have no liability to the Force Majeure Event claiming Party, save and except for costs incurred and balances owed prior to the effective date of such termination and those obligations specified in Section 2.1(b), and Buyer shall promptly return to Seller any Performance Security then held by Buyer, less any amounts drawn in accordance with this Agreement.

ARTICLE 11
DEFAULTS; REMEDIES; TERMINATION

11.1 Events of Default. An “Event of Default” shall mean,

(a) with respect to a Party (the “Defaulting Party”) that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within ten (10) Business Days after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof;

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) and such failure is not remedied within thirty (30) days after Notice thereof;

(iv) such Party becomes Bankrupt;

(v) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Section 14.2 or 14.3, as appropriate; or

(vi) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:
(i) if at any time, Seller delivers or attempts to deliver electric energy to the Delivery Point for sale under this Agreement that was not generated by the Facility;

(ii) the failure by Seller to achieve Commercial Operation within sixty (60) days following the Guaranteed Commercial Operation Date;

(iii) Seller has failed to demonstrate compliance with the Workforce Requirements or failed to provide documentation of Workforce Requirements requested by Buyer pursuant to Section 2.5, and Seller has not cured such failure within thirty (30) days after receiving Notice thereof from Buyer;

(iv) if, in any consecutive six (6) month period, the Adjusted Energy Production amount is not at least ten percent (10%) of the Expected Energy amount for the current Contract Year, and Seller fails to either (x) demonstrate to Buyer’s reasonable satisfaction, within ten (10) Business Days after Notice from Buyer, a legitimate reason for the failure to meet the ten percent (10%) minimum; or (y) deliver to Buyer within ten (10) Business Days after Notice from Buyer a plan or report developed by Seller that describes the cause of the failure to meet the ten percent (10%) and the actions that Seller has taken, is taking, or proposes to take in an effort to cure such condition along with the written confirmation of a Licensed Professional Engineer that such plan or report is in accordance with Prudent Industry Practices and capable of cure within a reasonable period of time, not to exceed one hundred eighty (180) days;

(v) failure by Seller to satisfy the collateral requirements pursuant to Sections 8.7 or 8.8 after Notice and expiration of the cure periods set forth therein, including the failure to replenish the Development Security or Performance Security amount in accordance with this Agreement in the event Buyer draws against either for any reason other than to satisfy a Damage Payment or a Termination Payment;

(vi) with respect to any Guaranty provided for the benefit of Buyer, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a replacement Guaranty from a different Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a replacement Letter of Credit from an issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within ten (10) Business Days after Seller receives Notice of the occurrence of any of the following events:

   (A) if any representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof;

   (B) the failure of the Guarantor to make any payment required under any Guaranty;

   (C) the Guarantor becomes Bankrupt;

   (D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in the definition of Guarantor;
(E) the failure of the Guaranty to be in full force and effect (other than in accordance with its terms) prior to the indefeasible satisfaction of all obligations of Seller hereunder; or

(F) the Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty; or

(vii) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash, or (2) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within ten (10) Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) the issuer of the outstanding Letter of Credit shall fail to meet the definition of Qualifying Issuer;

(B) the issuer of such Letter of Credit becomes Bankrupt;

(C) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;

(D) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;

(E) such Letter of Credit fails or ceases to be in full force and effect at any time; or

(F) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than sixty (60) days prior to the expiration of the outstanding Letter of Credit.

11.2 Remedies; Declaration of Early Termination Date. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party (“Non-Defaulting Party”) shall have the following rights:

(a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement (“Early Termination Date”) that terminates this Agreement (the “Terminated Transaction”) and ends the Delivery Term effective as of the Early Termination Date;

(b) to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment (in the case of an Event of Default by Seller occurring before the Commercial Operation Date, including an Event of Default under Section 11.1(b)(ii))
or (ii) the Termination Payment calculated in accordance with Section 11.3 below (in the case of any other Event of Default by either Party);

(c) to withhold any payments due to the Defaulting Party under this Agreement;

(d) to suspend performance; or

(e) to exercise any other right or remedy available at law or in equity, including specific performance or injunctive relief, except to the extent such remedies are expressly limited under this Agreement;

provided, that payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party’s sole and exclusive remedy for any Terminated Transaction and the Event of Default related thereto.

11.3 Termination Payment. The Termination Payment (“Termination Payment”) for a Terminated Transaction shall be the aggregate of all Settlement Amounts plus any or all other amounts due to or from the Non-Defaulting Party (as of the Early Termination Date) netted into a single amount. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages; provided, however, that any lost Capacity Attributes and Green Attributes shall be deemed direct damages covered by this Agreement. Without prejudice to the Non-Defaulting Party’s duty to mitigate, the Non-Defaulting Party shall not be required to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with a Terminated Transaction would be difficult or impossible to predict with certainty, (b) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is a reasonable and appropriate approximation of such damages, and (c) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is the exclusive remedy of the Non-Defaulting Party in connection with a Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party’s rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 Notice of Payment of Termination Payment. As soon as practicable after a Terminated Transaction, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Damage Payment or Termination Payment and whether the Termination Payment is due to or from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to or from the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 Disputes With Respect to Termination Payment. If the Defaulting Party disputes the Non-Defaulting Party’s calculation of the Termination Payment, in whole or in part,
the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party’s
calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written
explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be
determined in accordance with Article 15.

11.6 **Rights And Remedies Are Cumulative.** Except where an express and exclusive
remedy or measure of damages is provided, the rights and remedies of a Party pursuant to this
Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this
Agreement.

**ARTICLE 12**

**LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES.**

12.1 **No Consequential Damages.** Except to the extent included in a
liquidated damages calculation, or arising from fraud or
intentional misrepresentation, neither Party shall be liable to the
other or its indemnified persons for any special, punitive, exemplary,
indirect, or consequential damages, or losses or damages for lost
revenue or lost profits, whether foreseeable or not, arising out of,
or in connection with this Agreement.

12.2 **Waiver and Exclusion of Other Damages.** There is no warranty of
merchantability or fitness for a particular purpose, and any and all
implied warranties are disclaimed. The Parties confirm that the
express remedies and measures of damages provided in this
Agreement satisfy the essential purposes hereof. All limitations of
liability contained in this Agreement, including those pertaining to
Seller’s limitation of liability and the Parties’ waiver of
consequential damages, shall apply even if the remedies for breach
of warranty provided in this Agreement are deemed to “fail of their
essential purpose” or are otherwise held to be invalid or
unenforceable.

For breach of any provision for which an express and exclusive
remedy or measure of damages is provided, such express remedy or
measure of damages shall be the sole and exclusive remedy, the
obligor’s liability shall be limited as set forth in such provision, and
all other remedies or damages at law or in equity are waived.

To the extent any damages required to be paid hereunder are
liquidated, including under sections 3.7, 4.6, 4.7, 11.2 and 11.3, and as
provided in exhibit B the parties acknowledge that the damages are
difficult or impossible to determine, that otherwise obtaining an
adequate remedy is inconvenient, and that the liquidated damages
constitute a reasonable approximation of the anticipated harm or
loss.
ARTICLE 13
REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 Seller’s Representations and Warranties. As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and is qualified to conduct business in the state of California and each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary limited liability company action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller (subject to any permits that have not yet been obtained by Seller), the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors’ rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) The Facility will be located in the State of [California].

(f) Seller will be responsible for obtaining all permits necessary to construct and operate the Facility and Seller will be the applicant on any CEQA documents.

13.2 Buyer’s Representations and Warranties. As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a joint powers authority and a validly existing community choice aggregator, duly organized, validly existing and in good standing under the laws of the State of California and the rules, regulations and orders of the California Public Utilities Commission, and is qualified to conduct business in each jurisdiction of the Joint Powers Agreement members. All Persons making up the governing body of Buyer are the elected or appointed incumbents in their positions and hold their positions in good standing in accordance with the Joint Powers Agreement and other Law.
Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer’s performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer.

(b) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, including but not limited to community choice aggregation, the Joint Powers Act, competitive bidding, public notice, open meetings, election, referendum, or prior appropriation requirements, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(c) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors’ rights or by the exercise of judicial discretion in accordance with general principles of equity.

(d) Buyer warrants and covenants that, throughout the Contract Term, with respect to its contractual obligations under this Agreement, it will not claim immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (1) suit, (2) jurisdiction of court (provided that such court is located within a venue permitted in law and under the Agreement), (3) relief by way of injunction, order for specific performance or recovery of property, (4) attachment of assets, or (5) execution or enforcement of any judgment; provided, however that nothing in this Agreement shall waive the obligations or rights set forth in the California Tort Claims Act (Government Code Section 810 et seq.).

(e) Buyer is a “local public entity” as defined in Section 900.4 of the Government Code of the State of California.

13.3 General Covenants. Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and to be qualified to conduct business in California and each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and
(b) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and in material compliance with any Law.

13.4 **Seller Covenants.** Seller covenants that commencing on the Effective Date and continuing throughout the Delivery Term:

(a) **Reserved.**

(b) **Ground-Mounted Solar Requirements for Pollinator-Friendly Habitats.** If arable land is used for the Site, Seller shall provide a written narrative that describes the vegetation design and management plan for the Site, including landscape drawings and seed/plant listing. Seller shall use reasonable efforts to provide such narrative to Buyer no later than the Construction Start Date.

   (i) In addition, within thirty (30) days of the Commercial Operation Date Seller shall submit to Buyer an updated Pollinator-friendly solar scorecard (“Pollinator Scorecard”) in the form attached as Exhibit P. Seller shall provide Buyer with an updated Pollinator Scorecard within sixty (60) days after each three (3) Contract Year period during the Delivery Term. Seller shall use commercially reasonable efforts to achieve a score of 70 or above on the Pollinator Scorecard.

   (ii) Seller is strongly encouraged to consider, but is not required to implement, the following solar array design elements to encourage and support pollinator-friendly habitats and reduce maintenance costs:

      (A) 36-inch minimum height above ground of the lowest edge of the solar panels;
      
      (B) Burying conduits and wiring with homeruns tight to bottom of panels;
      
      (C) Designing inter-row access/spacing to enable vegetation management; and
      
      (D) Utilizing BeeWhere registration if bee hives are placed onsite.


**ARTICLE 14**

**ASSIGNMENT**

14.1 **General Prohibition on Assignments.** Except as provided below, neither Party may voluntarily assign this Agreement or its rights or obligations under this Agreement, without

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26 Applicable if the Facility includes a Storage Facility.
the prior written consent of the other Party, which consent shall not be unreasonably withheld. Any
direct or indirect change of control of a Party (whether voluntary or by operation of law) will be
deemed an assignment and will require the prior written consent of the other Party. Any assignment
made without required written consent, or in violation of the conditions to assignment set out
below, shall be null and void. Seller shall be responsible for Buyer’s costs associated with the
preparation, review, execution and delivery of documents in connection with any assignment of
this Agreement, including reasonable attorneys’ fees.

14.2 **Collateral Assignment.** Subject to the provisions of this Section 14.2, Seller has
the right to assign this Agreement as collateral for any financing or refinancing of the Facility.

In connection with any financing or refinancing of the Facility by Seller, Buyer shall in good faith
work with Seller and Lender to agree upon a consent to collateral assignment of this Agreement
(“Collateral Assignment Agreement”). The Collateral Assignment Agreement must be in form
and substance agreed to by Buyer, Seller and Lender, and must include, among others, the
following provisions; provided that Buyer shall not be required to consent to any additional terms
or conditions beyond those set forth below:

(a) Buyer shall give Notice of an Event of Default by Seller to the Person(s) to
be specified by Lender in the Collateral Assignment Agreement, before exercising its right to
terminate this Agreement as a result of such Event of Default;

(b) Following an Event of Default by Seller under this Agreement, Buyer may
require Seller or Lender to provide to Buyer a report concerning:

   (i) The status of efforts by Seller or Lender to develop a plan to cure
   the Event of Default;

   (ii) Impediments to the cure plan or its development;

   (iii) If a cure plan has been adopted, the status of the cure plan’s
   implementation (including any modifications to the plan as well as the expected timeframe within
   which any cure is expected to be implemented); and

   (iv) Any other information which Buyer may reasonably require related
   to the development, implementation and timetable of the cure plan.

   Seller or Lender must provide the report to Buyer within ten (10) Business Days
   after Notice from Buyer requesting the report. Buyer will have no further right to
   require the report with respect to a particular Event of Default after that Event of
   Default has been cured;

(c) Lender will have the right to cure an Event of Default on behalf of Seller,
only if Lender sends a written notice to Buyer before the later of (i) the expiration of any cure
period, and (ii) ten (10) Business Days after Lender’s receipt of notice of such Event of Default
from Buyer, indicating Lender’s intention to cure. Lender must remedy or cure the Event of
Default within the cure period under this Agreement and any additional cure periods agreed in the
Collateral Assignment Agreement, not to exceed, except as agreed in the collateral assignment
agreement, a maximum of ninety (90) days (or one hundred eighty (180) days in the event of a bankruptcy of Seller, any foreclosure of similar proceeding if required by Lender to cure any Event of Default);

(d) Lender will have the right to consent before any termination of this Agreement which does not arise out of an Event of Default;

(e) Lender will receive prior Notice of and the right to approve material amendments to this Agreement, which approval will not be unreasonably withheld, delayed or conditioned;

(f) If Lender, directly or indirectly, takes possession of, or title to the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), Lender must assume all of Seller’s obligations arising under this Agreement and all related agreements (subject to such limits on liability as are mutually agreed to by Seller, Buyer and Lender as set forth in the Collateral Assignment Agreement); provided, before such assumption, if Buyer advises Lender that Buyer will require that Lender cure (or cause to be cured) any Event of Default existing as of the possession date in order to avoid the exercise by Buyer (in its sole discretion) of Buyer’s right to terminate this Agreement with respect to such Event of Default, then Lender at its option, and in its sole discretion, may elect to either:

(i) Cause such Event of Default to be cured, or

(ii) Not assume this Agreement;

(g) If Lender elects to sell or transfer the Facility (after Lender directly or indirectly, takes possession of, or title to the Facility), or sale of the Facility occurs through the actions of Lender (for example, a foreclosure sale where a third party is the buyer, or otherwise), then Lender shall cause the transferee or buyer to assume all of Seller’s obligations arising under this Agreement and all related agreements as a condition of the sale or transfer. Such sale or transfer may be made only to an entity that (i) meets the definition of Permitted Transferee and (ii) is an entity that Buyer is permitted to contract with under applicable Law; and

(h) Subject to Lender’s cure of any Events of Defaults under the Agreement in accordance with Section 14.2(f), if (i) this Agreement is rejected in Seller’s Bankruptcy or otherwise terminated in connection therewith Lender shall have the right to elect within forty-five (45) days after such rejection or termination, to enter into a replacement agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, or (ii) if Lender or its designee, directly or indirectly, takes possession of, or title to, the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure) after any such rejection or termination of this Agreement, promptly after Buyer’s written request, Lender must itself or must cause its designee to promptly enter into a new agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, provided that in the event a designee of Lender, directly or indirectly, takes possession of, or title to, the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), such designee shall be approved by Buyer, not to be unreasonably withheld.

14.3 **Permitted Assignment by Seller**. Except as may be precluded by, or would cause
Buyer to be in violation of the Political Reform Act, (Cal. Gov. Code section 81000 et seq.) or the regulations thereto, Cal. Government Code section 1090, Buyer’s Conflict of Interest Code/Policy or any other conflict of interest Law, Seller may, without the prior written consent of Buyer, transfer or assign this Agreement to an Affiliate of Seller. In addition, Buyer’s written consent will not be unreasonably withheld for the transfer or assignment of this Agreement to any Person succeeding to all or substantially all of the assets of Seller (whether voluntary or by operation of law and whether by assignment or change of control), if, and only if:

(i) the assignee is a Permitted Transferee;

(ii) Seller has given Buyer Notice at least forty-five (45) days before the date of such proposed assignment or change of control; and

(iii) Seller has provided Buyer a written agreement signed by the Person to which Seller wishes to assign its interests that (x) provides that such Person will assume all of Seller’s obligations and liabilities under this Agreement upon such transfer or assignment and (y) certifies that such Person meets the definition of a Permitted Transferee.

Except as provided in the first sentence of this Section 14.3, any assignment by Seller, its successors or assigns under this Section 14.3 shall be of no force and effect unless and until such Notice and agreement by the assignee have been received and accepted by Buyer.

ARTICLE 15
DISPUTE RESOLUTION

15.1 Applicable Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. [STC 17]. The Parties agree that any suit, action or other legal proceeding by or against any Party (or its affiliates or designees) with respect to or arising out of this Agreement shall be brought in the federal courts of the United States or the courts of the State of California sitting in San Francisco County, California.

15.2 Dispute Resolution. In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a written Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, the Parties shall submit the dispute to non-binding mediation prior to seeking any and all remedies available to it at Law in or equity. The Parties will cooperate in selecting a qualified neutral mediator selected from a panel of neutrals and in scheduling the time and place of the mediation as soon as reasonably possible, but in no event later than thirty (30) days after the request for mediation is made. The Parties agree to participate in the mediation in good faith and to share the costs of the mediation, including the mediator’s fee, equally, but such shared costs shall not include each Party’s own attorneys’ fees and costs, which shall be borne solely by such Party. If the mediation is unsuccessful, then either Party may seek any and all
remedies available to it at law or in equity, subject to the limitations set forth in this Agreement.

15.3 **Attorneys’ Fees.** In any proceeding brought to enforce this Agreement or because of the breach by any Party of any covenant or condition herein contained, the prevailing Party shall be entitled to reasonable attorneys’ fees (including reasonably allocated fees of in-house counsel) in addition to court costs and any and all other costs recoverable in said action.

**ARTICLE 16**
**INDEMNIFICATION**

16.1 **Indemnification.**

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

(b) Nothing in this Section 16.1 shall enlarge or relieve Seller or Buyer of any liability to the other for any breach of this Agreement. Neither Party shall be indemnified for its damages resulting from its sole negligence, intentional acts or willful misconduct. These indemnity provisions shall not be construed to relieve any insurer of its obligation to pay claims consistent with the provisions of a valid insurance policy.

16.2 **Claims.** Promptly after receipt by a Party of any claim or Notice of the commencement of any action, administrative, or legal proceeding, or investigation as to which the indemnity provided for in this Article 16 may apply, the Indemnified Party shall notify the Indemnifying Party in writing of such fact. The Indemnifying Party shall assume the defense thereof with counsel designated by such Party and satisfactory to the Indemnified Party, **provided, however,** that if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party’s expense, unless a liability insurer is willing to pay such costs.

If the Indemnifying Party fails to assume the defense of a claim meriting indemnification, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim, **provided** that settlement or full payment of any such claim may be made only following consent of the Indemnifying Party or, absent such consent, written opinion of the Indemnified Party’s counsel that such claim is meritorious or warrants settlement otherwise provided for in this Article 16, in the event that a Party is obligated to indemnify and hold the other Party and its successors and assigns harmless under this **Article 16**, the amount owing to the Indemnified Party will be the amount of the Indemnified Party’s damages net of any insurance proceeds received by the Indemnified Party following a reasonable effort by the Indemnified Party to obtain such
insurance proceeds.

ARTICLE 17
INSURANCE

17.1 Insurance

(a) General Liability. Seller shall maintain, or cause to be maintained at its sole expense, (i) commercial general liability insurance, including products and completed operations and personal injury insurance, in a minimum amount of Two Million Dollars ($2,000,000) per occurrence, and an annual aggregate of not less than Two Million Dollars ($2,000,000), endorsed to provide contractual liability in said amount, specifically covering Seller’s obligations under this Agreement and including Buyer as an additional insured; and (ii) an umbrella insurance policy in a minimum limit of liability of Five Million Dollars ($5,000,000). Defense costs shall be provided as an additional benefit and not included within the limits of liability. Such insurance shall contain standard cross-liability and severability of interest provisions.

(b) Employer’s Liability Insurance. Employers’ Liability insurance shall not be less than One Million Dollars ($1,000,000.00) for injury or death occurring as a result of each accident. With regard to bodily injury by disease, the One Million Dollar ($1,000,000) policy limit will apply to each employee.

(c) Workers Compensation Insurance. Seller, if it has employees, shall also maintain at all times during the Contract Term workers’ compensation and employers’ liability insurance coverage in accordance with applicable requirements of California Law.

(d) Business Auto Insurance. Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of One Million Dollars ($1,000,000) per occurrence. Such insurance shall cover liability arising out of Seller’s use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement.

(e) Construction All-Risk Insurance. Seller shall maintain during the construction of the Facility prior to the Commercial Operation Date, construction all-risk form property insurance covering the Facility during such construction periods, and naming Seller (and Lender if any) as the loss payee.

(f) Contractor’s Pollution Liability. Seller shall maintain or cause to be maintained during the construction of the Facility prior to the Commercial Operation Date, Pollution Legal Liability Insurance in the amount of Two Million Dollars ($2,000,000) per occurrence and in the aggregate, naming Seller (and Lender if any) as additional named insured.

(g) Subcontractor Insurance. Seller shall require all of its subcontractors to carry (i) comprehensive general liability insurance with a combined single limit of coverage not less than One Million Dollars ($1,000,000); (ii) workers’ compensation insurance and employers’ liability coverage in accordance with applicable requirements of Law; and (iii) business auto insurance for bodily injury and property damage with limits of one million dollars ($1,000,000) per occurrence. All subcontractors shall name Seller as an additional insured to insured to
insurance carried pursuant to clauses (g)(i) and (g)(iii). All subcontractors shall provide a primary endorsement and a waiver of subrogation to Seller for the required coverage pursuant to this Section 17.1(g).

(h) **Evidence of Insurance.** Within sixty (60) days after execution of the Agreement and upon annual renewal thereafter, Seller shall deliver to Buyer certificates of insurance evidencing such coverage. These certificates shall specify that Buyer shall be given at least thirty (30) days prior Notice by Seller in the event of cancellation or termination of coverage. Such insurance shall be primary coverage without right of contribution from any insurance of Buyer. Any other insurance maintained by Seller is for the exclusive benefit of Seller and shall not in any manner inure to the benefit of Buyer. Seller shall also comply with all insurance requirements by any renewable energy or other incentive program administrator or any other applicable authority.

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

### ARTICLE 18
**CONFIDENTIAL INFORMATION**

18.1 **Definition of Confidential Information.** The following constitutes “Confidential Information,” whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller including (a) pricing and other commercially-sensitive or proprietary information provided to Buyer in connection with the terms and conditions of, and proposals and negotiations related to, this Agreement, and (b) information that either Seller or Buyer stamps or otherwise identifies as “confidential” or “proprietary” before disclosing it to the other. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; and (iv) information that the recipient independently developed without a violation of this Agreement.

18.2 **Duty to Maintain Confidentiality.** Confidential Information will retain its character as Confidential Information but may be disclosed by the recipient (the “Receiving
Party”) if and to the extent such disclosure is required (a) to be made by any requirements of Law, (b) pursuant to an order of a court or (c) in order to enforce this Agreement. If the Receiving Party becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable law, order, regulation, ruling, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator request or rule) to disclose any Confidential Information of the disclosing Party (the “Disclosing Party”), Receiving Party shall provide Disclosing Party with prompt notice so that Disclosing Party, at its sole expense, may seek an appropriate protective order or other appropriate remedy. If the Disclosing Party takes no such action after receiving the foregoing notice from the Receiving Party, the Receiving Party is not required to defend against such request and shall be permitted to disclose such Confidential Information of the Disclosing Party, with no liability for any damages that arise from such disclosure. Each Party hereto acknowledges and agrees that information and documentation provided in connection with this Agreement may be subject to the California Public Records Act (Government Code Section 6250 et seq.). The provisions of this Article 18 shall survive and shall continue to be binding upon the Parties for period of one (1) year following the date of termination of this Agreement.

18.3 Irreparable Injury; Remedies. Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, Receiving Party acknowledges that any such breach or threatened breach will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

18.4 Disclosure to Lenders, Etc. Notwithstanding anything to the contrary in this Article 18, Confidential Information may be disclosed by Seller to any actual or potential Lender or investor or any of its Affiliates, and Seller’s actual or potential agents, consultants, contractors, or trustees, so long as the Person to whom Confidential Information is disclosed agrees in writing to be bound by the confidentiality provisions of this Article 18 to the same extent as if it were a Party.

18.5 Press Releases. Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

ARTICLE 19
MISCELLANEOUS

19.1 Entire Agreement; Integration; Exhibits. This Agreement, together with the Cover Sheet and Exhibits attached hereto constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by
reference. The headings used herein are for convenience and reference purposes only. In the event of a conflict between the provisions of this Agreement and those of the Cover Sheet or any Exhibit, the provisions of first the Cover Sheet, and then this Agreement shall prevail, and such Exhibit shall be corrected accordingly. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

19.2 **Amendments.** This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

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

19.4 **No Agency, Partnership, Joint Venture or Lease.** Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement) or, to the extent set forth herein, any Lender or Indemnified Party.

19.5 **Severability.** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

19.6 **Mobile-Sierra.** Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the “public interest” standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under applicable law.

19.7 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.
19.8 **Electronic Delivery.** This Agreement may be duly executed and delivered by a Party by execution and electronic format (including portable document format (.pdf)) delivery of the signature page of a counterpart to the other Party, and, if delivery is made by electronic format, the executing Party shall promptly deliver, via overnight delivery, a complete original counterpart that it has executed to the other Party, but this Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original counterpart.

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

19.10 **No Recourse.** Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer’s constituent members, or the employees, directors, officers, consultants or advisors of Buyer or its constituent members, in connection with this Agreement.

19.11 **Change in Electric Market Design.** If a change in the CAISO Tariff renders this Agreement or any provisions hereof incapable of being performed or administered, then any Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith. If Buyer and Seller are unable, within sixty (60) days after delivery of such request, to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then any Party may submit issues pertaining to changes to this Agreement to the dispute resolution process set forth in Article 16. Notwithstanding the foregoing, (i) a change in cost shall not in and of itself be deemed to render this Agreement or any of the provisions hereof incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure Event, and (ii) all of unaffected provisions of this Agreement shall remain in full force and effect during any period of such negotiation or dispute resolution.

19.12 **Forward Contract.** The Parties intend that this Agreement constitute a “forward contract” within the meaning of the U.S. Bankruptcy Code, and that Buyer and Seller are deemed “forward contract merchants” within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

19.13 **Further Assurances.** Each of the Parties hereto 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, to give full effect to this Agreement and to carry out the intent of this Agreement.

[Signatures on following page]
IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

[SELLER]  
By: __________________________  
Name: ________________________  
Title: _________________________

MARIN CLEAN ENERGY, a California joint powers authority  
By: __________________________  
Name: ________________________  
Title: _________________________
EXHIBIT A
FACILITY DESCRIPTION

Site Name:

Site includes all or some of the following APNs:

County:

Type of Generating Facility: _________________

Type of Storage Facility: _________________

Guaranteed Capacity: ___ MW (AC)

Maximum Output: ___ MW (Generating Facility and Storage Facility combined)

Maximum Charging Capacity: ___ MW.

Maximum Discharging Capacity: ___ MW.

Maximum Stored Energy Level: ___ MWh.

Delivery Point:

P-node:

Participating Transmission Owner:
EXHIBIT B

FACILITY CONSTRUCTION AND COMMERCIAL OPERATION

   a. “Construction Start” will occur upon satisfaction of the following: (i) Seller has acquired the applicable regulatory authorizations, approvals and permits required for the commencement of construction of the Facility, (ii) Seller has engaged all contractors and ordered all essential equipment and supplies as, in each case, can reasonably be considered necessary so that physical construction of the Facility may begin and proceed to completion without foreseeable interruption of material duration, and (iii) Seller has executed an engineering, procurement, and construction contract and issued thereunder a notice to proceed that authorizes the contractor to mobilize to Site and begin physical construction of the Facility (such authorization to include, at a minimum, excavation for foundations or the installation or erection of improvements) at the Site. The date of Construction Start will be evidenced by and subject to Seller’s delivery to Buyer of a certificate substantially in the form attached as Exhibit J hereto, and the date certified therein shall be the “Construction Start Date.” Seller shall cause Construction Start to occur no later than the Guaranteed Construction Start Date.
   b. If Construction Start is not achieved by the Guaranteed Construction Start Date, Seller shall pay Daily Delay Damages to Buyer on account of such delay. Daily Delay Damages shall be payable for each day for which Construction Start has not begun by the Guaranteed Construction Start Date. Daily Delay Damages shall be payable to Buyer by Seller until Seller reaches Construction Start of the Facility. On or before the tenth (10th) day of each month, Buyer shall invoice Seller for Daily Delay Damages, if any, accrued during the prior month and, within ten (10) Business Days following Seller’s receipt of such invoice, Seller shall pay Buyer the amount of the Daily Delay Damages set forth in such invoice. Daily Delay Damages shall be refundable to Seller pursuant to Section 2(b) of this Exhibit B. The Parties agree that Buyer’s receipt of Daily Delay Damages shall (x) not be construed as Buyer’s declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer’s right to receive a Damage Payment, upon exercise of Buyer’s default right pursuant to Section 11.2.

2. Commercial Operation of the Facility. “Commercial Operation” means the condition existing when Seller has fulfilled all of the conditions precedent in Section 2.2 of the Agreement and provided Notice to Buyer substantially in the form of Exhibit H (the “COD Certificate”) (ii) Seller has notified Buyer in writing that it has provided the required documentation to Buyer and met the conditions for achieving Commercial Operation, and (iii) Buyer has acknowledged to Seller in writing that Buyer agrees that Commercial Operation has been achieved. The “Commercial Operation Date” shall be the later of (x) the Expected Commercial Operation Date, or (y) the date on which Commercial Operation is achieved.
a. Seller shall use commercially reasonable efforts to cause Commercial Operation for the Facility to occur by the Guaranteed Commercial Operation Date. Seller shall notify Buyer that it intends to achieve Commercial Operation at least sixty (60) days before the anticipated Commercial Operation Date.

b. If Seller achieves Commercial Operation for the Facility by the Guaranteed Commercial Operation Date, all Daily Delay Damages paid by Seller shall be refunded to Seller. Seller shall include the request for refund of the Daily Delay Damages with the first invoice to Buyer after Commercial Operation.

c. If Seller does not achieve Commercial Operation by the Guaranteed Commercial Operation Date, Seller shall pay Commercial Operation Delay Damages to Buyer for each day the Facility has not been completed and is not ready to produce and deliver Energy generated by the Facility to Buyer as of the Guaranteed Commercial Operation Date. Commercial Operation Delay Damages shall be payable to Buyer by Seller until the Commercial Operation Date. On or before the tenth (10th) day of each month, Buyer shall invoice Seller for Commercial Operation Delay Damages, if any, accrued during the prior month and within ten (10) days following Seller’s receipt of such invoice, Seller shall pay Buyer the amount of the Commercial Operation Delay Damages set forth in such invoice. The Parties agree that Buyer’s receipt of Commercial Operation Delay Damages shall (x) not be construed as Buyer’s declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer’s right to receive a Damage Payment upon exercise of Buyer’s remedies pursuant to Section 11.2.

3. **Termination for Failure to Achieve Commercial Operation.** If the Facility has not achieved Commercial Operation within sixty (60) days after the Guaranteed Commercial Operation Date, as it may be extended as provided herein, Buyer may elect to terminate this Agreement in accordance with Sections 11.1(b)(ii) and 11.2.

4. **Extension of the Guaranteed Dates.** The Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date shall, subject to notice and documentation requirements set forth below, be automatically extended on a day-for-day basis (the "**Development Cure Period**") for the duration of any and all delays arising out of the following circumstances:

   a. Seller has not acquired all material permits, consents, licenses, approvals, or authorizations from any Governmental Authority required for Seller to own, construct, interconnect, operate or maintain the Facility and to permit Seller and Facility to make available and sell Product by the Expected Construction Start Date, despite the exercise of due diligence by Seller; or

   b. a Force Majeure Event occurs; or

   c. the Interconnection Facilities or Network Upgrades are not complete and ready for the Facility to connect and sell Product at the Delivery Point by the Guaranteed Commercial Operation Date, despite the exercise of due diligence by Seller.
Notwithstanding anything in this Agreement to the contrary, the cumulative extensions granted under the Development Cure Period above shall not exceed one hundred twenty (120) days, for any reason, including a Force Majeure Event, and no extension shall be given if the delay was the result of Seller’s failure to exercise due diligence to meet its requirements and deadlines. Upon request from Buyer, Seller shall provide documentation demonstrating to Buyer’s reasonable satisfaction that the delays described above did not result from Seller’s failure to exercise due diligence.

5. **Failure to Reach Guaranteed Capacity.** If, at Commercial Operation, the Installed Capacity is less than one hundred percent (100%) of the Guaranteed Capacity, Seller shall have one hundred and eighty (180) days after the Commercial Operation Date to install additional capacity or Network Upgrades such that the Installed Capacity is equal to (but not greater than) the Guaranteed Capacity, and Seller shall provide to Buyer a new certificate substantially in the form attached as Exhibit I hereto specifying the new Installed Capacity. If Seller fails to construct the Guaranteed Capacity by such date, Seller shall pay “Capacity Damages” to Buyer, in an amount equal to One Hundred Thousand Dollars ($100,000) for each MW that the Guaranteed Capacity exceeds the Installed Capacity, and the Guaranteed Capacity and other applicable portions of the Agreement shall be adjusted accordingly.

6. **Failure to Reach Guaranteed Capacity or Storage Contract Capacity.**

   a. **Guaranteed Capacity.** If, at Commercial Operation, the Installed PV Capacity is less than one hundred percent (100%) of the Guaranteed Capacity, Seller shall have one hundred twenty (120) days after the Commercial Operation Date to install additional capacity or Network Upgrades such that the Installed PV Capacity is equal to (but not greater than) the Guaranteed Capacity, and Seller shall provide to Buyer a new certificate substantially in the form attached as Exhibit I-1 hereto specifying the new Installed PV Capacity. If Seller fails to construct the Guaranteed Capacity by such date, Seller shall pay “Capacity Damages” to Buyer, in an amount equal to One Hundred Thousand Dollars ($100,000) for each MW that the Guaranteed Capacity exceeds the Installed PV Capacity, and the Guaranteed Capacity and other applicable portions of the Agreement shall be adjusted accordingly.

   b. **Storage Contract Capacity.** If, at Commercial Operation, the Installed Battery Capacity is less than one hundred percent (100%) of the Storage Contract Capacity, Seller shall have one hundred twenty (120) days after the Commercial Operation Date to install additional capacity or Network Upgrades such that the Installed Battery Capacity is equal to (but not greater than) one hundred percent (100%) of the Storage Contract Capacity, and Seller shall provide to Buyer a new certificate substantially in the form attached as Exhibit I-2 hereto specifying the new Installed Battery Capacity. If Seller fails to construct the Storage Contract Capacity by such date, Seller shall pay Capacity Damages to Buyer, in an amount equal to One Hundred Thousand Dollars ($100,000) for each MW that the Storage Contract

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27 Applicable if the Facility includes a Storage Facility.
Capacity exceeds the Installed Battery Capacity, and the Storage Contract Capacity and other applicable portions of the Agreement shall be adjusted accordingly.

7. **Buyer’s Right to Draw on Development Security.** If Seller fails to timely pay any Daily Delay Damages or Commercial Operation Delay Damages, Buyer may draw upon the Development Security to satisfy Seller’s payment obligation thereof and Buyer shall replenish the Development Security to its full amount within three (3) Business Days after such draw.
EXHIBIT C

COMPENSATION

Buyer shall compensate Seller for the Product in accordance with this Exhibit C.

(a) **Facility Energy.** Buyer shall pay Seller the Renewable Rate for each MWh of Product, as measured by the amount of Facility Energy, up to one hundred fifteen percent (115%) of the Expected Energy for each Contract Year.

(b) **Annual Excess Energy.** Notwithstanding the foregoing, if, at any point in any Contract Year, the amount of Facility Energy exceeds one hundred fifteen percent (115%) of the Expected Energy for such Contract Year, the price to be paid for such additional Facility Energy amounts shall be $0.00/MWh.

(c) **Excess Settlement Interval Deliveries.** If during any Settlement Interval, Seller delivers Product amounts, as measured by the amount of Facility Energy, in excess of the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours ("Excess MWh"), then the price applicable to all such excess MWh in such Settlement Interval shall be zero dollars ($0), and if there is a Negative LMP during such Settlement Interval, Seller shall pay to Buyer an amount equal to the absolute value of the Negative LMP times such excess MWh ("Negative LMP Costs").

(d) **Storage Rate.** All Storage Product shall be paid on a monthly basis at the Storage Rate multiplied by current Storage Contract Capacity, as adjusted by the Storage Capacity Test, as determined under Exhibit O. The Storage Rate is paid for the first ten (10) Contract Years of the Delivery Term only and such payment constitutes the entirety of the amount due to Seller from Buyer for the Storage Product.

(e) **Technology Bonus.** If the Facility uses a non-solar, non-baseload fuel source otherwise meeting the eligibility criteria expressed in the CEC’s most current edition of the RPS Eligibility guidebook to generate electricity, such Facility shall be eligible for a $7.00/MWh price bonus in addition to the Contract Price (the "Technology Bonus") for each MWh of Product, as measured by the amount of Facility Energy, up to one hundred fifteen percent (115%) of the Expected Energy for each Contract Year. The Technology Bonus will be applicable for the entire Delivery Term.

(f) **Test Energy.** Test Energy is compensated in accordance with Section 3.6.

(g) **Tax Credits.** The Parties agree that the neither the Contract Price nor the Test Energy Rate are subject to adjustment or amendment if Seller fails to receive any Tax Credits, or if any Tax Credits expire, are repealed or otherwise cease to apply to Seller or the Facility in whole or in part, or Seller or its investors are unable to benefit from any Tax Credits. Except as otherwise provided herein, Seller shall bear all risks, financial and otherwise, throughout the Contract Term, associated with Seller’s or the Facility’s eligibility to receive Tax Credits or to qualify for accelerated depreciation for Seller’s accounting, reporting or Tax purposes. The

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28 Applicable if the Facility includes a Storage Facility.
obligations of the Parties hereunder, including those obligations set forth herein regarding the purchase and price for and Seller’s obligation to deliver Facility Energy and Product, shall be effective regardless of whether the sale of Facility Energy is eligible for, or receives Tax Credits during the Contract Term.
EXHIBIT D

SCHEDULING COORDINATOR RESPONSIBILITIES

(a) Buyer as Scheduling Coordinator for the Facility. Upon Initial Synchronization of the Facility to the CAISO Grid, Buyer shall be the Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO for the Facility for both the delivery and the receipt of the Facility Energy, and if applicable, the Test Energy, at the Delivery Point. At least thirty (30) days prior to the Initial Synchronization of the Facility to the CAISO Grid, (i) Seller shall take all actions and execute and deliver to Buyer and the CAISO all documents necessary to authorize or designate Buyer (or Buyer’s designee) as the Scheduling Coordinator for the Facility effective as of the Initial Synchronization of the Facility to the CAISO Grid, and (ii) Buyer shall, and shall cause its designee to, take all actions and execute and deliver to Seller and the CAISO all documents necessary to authorize or designate Buyer or its designee as the Scheduling Coordinator for the Facility effective as of the Initial Synchronization of the Facility to the CAISO Grid. On and after Initial Synchronization of the Facility to the CAISO Grid, Seller shall not authorize or designate any other party to act as the Facility’s Scheduling Coordinator, nor shall Seller perform for its own benefit the duties of Scheduling Coordinator, and Seller shall not revoke Buyer’s authorization to act as the Facility’s Scheduling Coordinator unless agreed to by Buyer. Buyer (as the Facility’s SC) shall submit Schedules to the CAISO in accordance with this Agreement and the applicable CAISO Tariff, protocols and Scheduling practices for Product on a day-ahead, hour-ahead, fifteen-minute market or real time basis, as determined by Buyer.

(b) Notices. Buyer (as the Facility’s SC) shall provide Seller with access to a web-based system through which Seller shall submit to Buyer and the CAISO all notices and updates required under the CAISO Tariff regarding the Facility’s status, including, but not limited to, all outage requests, forced outages, forced outage reports, clearance requests, or must offer waiver forms. Seller will cooperate with Buyer to provide such notices and updates. If the web-based system is not available, Seller shall promptly submit such information to Buyer and the CAISO (in order of preference) telephonically, by electronic mail, transmission to the personnel designated to receive such information.

(c) CAISO Costs and Revenues. Except as otherwise set forth below, Buyer (as Scheduling Coordinator for the Facility) shall be responsible for CAISO costs (including penalties, Imbalance Energy costs, and other charges) and shall be entitled to all CAISO revenues (including credits, Imbalance Energy revenues, and other payments), including revenues associated with CAISO dispatches, bid cost recovery, Inter-SC Trade credits, or other credits in respect of the Product Scheduled or delivered from the Facility. Seller shall be responsible for all CAISO penalties resulting from any failure by Seller to abide by the CAISO Tariff or the outage notification requirements set forth in this Agreement (except to the extent such non-compliance is caused by Buyer’s failure to perform its duties as Scheduling Coordinator for the Facility). The Parties agree that any Availability Incentive Payments (as defined in the CAISO Tariff) are for the benefit of Seller and for Seller’s account and that any Non-Availability Charges (as defined in the CAISO Tariff) are the responsibility of Seller and for Seller’s account. In addition, if during the Delivery Term, the CAISO implements or has implemented any sanction or penalty related to scheduling, outage reporting, or generator operation, and any such sanctions or penalties are
imposed upon the Facility or to Buyer as Scheduling Coordinator due to failure by Seller to abide by the CAISO Tariff or the outage notification requirements set forth in this Agreement, the cost of the sanctions or penalties shall be Seller’s responsibility.

(d) **CAISO Settlements.** Buyer (as the Facility’s SC) shall be responsible for all settlement functions with the CAISO related to the Facility. Buyer shall render a separate invoice to Seller for any CAISO payments, charges or penalties (“**CAISO Charges Invoice**”) for which Seller is responsible under this Agreement. CAISO Charges Invoices shall be rendered after settlement information becomes available from the CAISO that identifies any CAISO charges. Notwithstanding the foregoing, Seller acknowledges that the CAISO will issue additional invoices reflecting CAISO adjustments to such CAISO charges. Buyer will review, validate, and if requested by Seller under paragraph (e) below, dispute any charges that are the responsibility of Seller in a timely manner and consistent with Buyer’s existing settlement processes for charges that are Buyer’s responsibilities. Subject to Seller’s right to dispute and to have Buyer pursue the dispute of any such invoices, Seller shall pay the amount of CAISO Charges Invoices within ten (10) Business Days of Seller’s receipt of the CAISO Charges Invoice. If Seller fails to pay any undisputed CAISO Charges Invoice within that period, Buyer may net or offset any amounts owing to it for these CAISO Charges Invoices against any future amounts it may owe to Seller under this Agreement. The obligations under this Section with respect to payment of CAISO Charges Invoices shall survive the expiration or termination of this Agreement.

(e) **Dispute Costs.** Buyer (as the Facility’s SC) may be required by Seller to dispute CAISO settlements in respect of the Facility. Seller agrees to pay Buyer’s third party costs and expenses (including reasonable attorneys’ fees) associated with its involvement with such CAISO disputes to the extent they relate to CAISO charges payable by Seller with respect to the Facility that Seller has directed Buyer to dispute.

(f) **Terminating Buyer’s Designation as Scheduling Coordinator.** At least thirty (30) days prior to expiration of this Agreement or as soon as reasonably practicable upon an earlier termination of this Agreement, the Parties will take all actions necessary to terminate the designation of Buyer as Scheduling Coordinator for the Facility as of 11:59 p.m. on such expiration date.

(g) **Master Data File and Resource Data Template.** Seller shall provide the data to the CAISO (and to Buyer) that is required for the CAISO’s Master Data File and Resource Data Template (or successor data systems) for the Facility consistent with this Agreement. Neither Party shall change such data without the other Party’s prior written consent.
EXHIBIT E

PROGRESS REPORTING FORM

Each Progress Report must include the following items:

1. Executive Summary.
2. Facility description.
3. Site plan of the Facility.
4. Description of any material planned changes to the Facility or the site.
5. Gantt chart schedule showing progress on achieving each of the Milestones.
6. Summary of activities during the previous calendar quarter or month, as applicable, including any OSHA labor hour reports.
7. Forecast of activities scheduled for the current calendar quarter.
8. Written description about the progress relative to Seller’s Milestones, including whether Seller has met or is on target to meet the Milestones.
9. List of issues that are likely to potentially affect Seller’s Milestones.
10. A status report of start-up activities including a forecast of activities ongoing and after start-up, a report on Facility performance including performance projections for the next twelve (12) months.
11. Prevailing wage reports as required by Law.
12. Progress and schedule of all major agreements, contracts, permits, approvals, technical studies, financing agreements and major equipment purchase orders showing the start dates, completion dates, and completion percentages.
13. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Facility, the interconnection into the Transmission System and all other interconnection utility services.
14. Supplier Diversity Reporting. Format to be provided by Buyer.
15. Any other documentation reasonably requested by Buyer. [MCE form to be attached.]
EXHIBIT F-1

FORM OF AVERAGE EXPECTED ENERGY REPORT

Average Expected Energy (in MWh)

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<th>APR</th>
<th>MAY</th>
<th>JUN</th>
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The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.
EXHIBIT F-2

FORM OF MONTHLY AVAILABLE CAPACITY REPORT

[Available Capacity, MW per hour] – [Insert Month]

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<th>Day 3</th>
<th>Day 4</th>
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[insert additional rows for each day in the month]

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The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.
EXHIBIT G
RESERVED
EXHIBIT H

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification (“Certification”) of Commercial Operation is delivered by [licensed professional engineer] ("Engineer") to Marin Clean Energy, a California joint powers authority ("Buyer") in accordance with the terms of that certain Renewable Power Purchase Agreement dated ___________ ("Agreement") by and between [Seller Entity] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of [Date], Engineer hereby certifies and represents to Buyer the following:

1. The Facility is fully operational, reliable and interconnected, fully integrated and synchronized with the Transmission Provider and CAISO.

2. Seller has installed equipment for the Facility with a nameplate capacity of no less than ninety-five percent (95%) of the Guaranteed Capacity.

3. Seller has commissioned all equipment in accordance with its respective manufacturer’s specifications.

4. A performance test for the Facility demonstrated peak electrical output of __ MW AC at the Delivery Point, as adjusted for ambient conditions on the date of the performance test ("Installed Capacity").

5. The Installed Capacity is not less than ninety-five (95%) of the Guaranteed Capacity.

6. [The Installed Battery Capacity is not less than forty percent (40%) of the Installed PV Capacity.]29

7. Authorization to parallel the Facility was obtained by the Participating Transmission Provider, [Name of Participating Transmission Owner as appropriate] on [Date].

8. The Transmission Provider has provided documentation supporting full unrestricted release for Commercial Operation by [Name of Participating Transmission Owner as appropriate] on [Date].

9. The CAISO has provided notification supporting Commercial Operation, in accordance with the CAISO Tariff on [Date].

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this ________ day of ______________, 20__.

29 Applicable if the Facility includes a Storage Facility.
[LICENSED PROFESSIONAL ENGINEER]

By: ________________________________

Its: ________________________________

Date: ________________________________
EXHIBIT I-1

FORM OF INSTALLED PV CAPACITY CERTIFICATE

This certification ("Certification") of Installed PV Capacity is delivered by [licensed professional engineer] ("Engineer") to Marin Clean Energy, a California joint powers authority ("Buyer") in accordance with the terms of that certain Renewable Power Purchase Agreement dated ____________ ("Agreement") by and between [Seller Entity] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

I hereby certify the performance test for the Generating Facility demonstrated peak electrical output of __ MW AC at the Delivery Point, as adjusted for ambient conditions on the date of the performance test ("Installed PV Capacity").

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this ________ day of ______________, 20__.

[LICENSED PROFESSIONAL ENGINEER]

By: ________________________________

Its: ________________________________

Date: ________________________________

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30 Applicable if the Facility includes a Storage Facility.
EXHIBIT I-2

FORM OF INSTALLED BATTERY CAPACITY CERTIFICATE

This certification (“Certification”) of Installed Battery Capacity is delivered by [licensed professional engineer] (“Engineer”) to Marin Clean Energy, a California joint powers authority (“Buyer”) in accordance with the terms of that certain Renewable Power Purchase Agreement dated ___________ (“Agreement”) by and between [Seller Entity] and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

I hereby certify the Storage Capacity Test demonstrated a maximum dependable operating capability that can be sustained for four (4) consecutive hours to discharge electric energy of ___ MW AC to the Delivery Point, in accordance with the testing procedures, requirements and protocols set forth in Section 4.9 and Exhibit O (the “Installed Battery Capacity”).

EXECUTED by [LICENSED PROFESSIONAL ENGINEER]

this _______ day of ____________, 20__.  

[LICENSED PROFESSIONAL ENGINEER]

By: ________________________________

Its: ________________________________

Date: ________________________________

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31 Applicable if the Facility includes a Storage Facility.
EXHIBIT J

FORM OF CONSTRUCTION START DATE CERTIFICATE

This certification of Construction Start Date ("Certification") is delivered by [Seller Entity] ("Seller") to Marin Clean Energy, a California joint powers authority ("Buyer") in accordance with the terms of that certain Renewable Power Purchase Agreement dated __________ ("Agreement") by and between Seller and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Seller hereby certifies and represents to Buyer the following:

1. Construction Start (as defined in Exhibit B of the Agreement) has occurred, and a copy of the notice to proceed that Seller issued to its contractor as part of Construction Start is attached hereto.

2. the Construction Start Date occurred on ____________ (the “Construction Start Date”); and

3. the precise Site on which the Facility is located is, which must be within the boundaries of the previously identified Site: ________________________________________.

IN WITNESS WHEREOF, the undersigned has executed this Certification on behalf of Seller as of the ___ day of ________.

[SELLER ENTITY]

By: __________________________

Its: __________________________

Date: __________________________
EXHIBIT K

FORM OF LETTER OF CREDIT

[Issuing Bank Letterhead and Address]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [XXXXXXXX]

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

Beneficiary:

Marin Clean Energy
1125 Tamalpais Avenue
San Rafael, CA 94901

Ladies and Gentlemen:

By the order of __________ (“Applicant”), we, [insert bank name and address] (“Issuer”) hereby issue our Irrevocable Standby Letter of Credit No. [XXXXXXXX] (the “Letter of Credit”) in favor of Marin Clean Energy, a California joint powers authority (“Beneficiary”), for an amount not to exceed the aggregate sum of U.S. $[XXXXXX] (United States Dollars [XXXXXX] and 00/100), pursuant to that certain Renewable Power Purchase Agreement dated as of ______ and as amended (the “Agreement”) between Applicant and Beneficiary. This Letter of Credit shall become effective immediately and shall expire on Insert Date [ ] which is one year after the issue date of this Letter of Credit, or any expiration date extended in accordance with the terms hereof (the “Expiration Date”).

Funds under this Letter of Credit are available to Beneficiary by valid presentation on or before the Expiration Date of a dated statement purportedly signed by your duly authorized representative, in the form attached hereto as Exhibit A, containing one of the two alternative paragraphs set forth in paragraph 2 therein, referencing our Letter of Credit No. [XXXXXXXX] (“Drawing Certificate”).

The Drawing Certificate may be presented by physical delivery, facsimile or e-mail. Transmittal by facsimile or email shall be deemed delivered when received.

The Drawing Certificate may be presented by (a) physical delivery, (b) e-mail to [bank email address] or (c) facsimile to [bank fax number [XXX-XXX-XXXX]] [optional if bank needs fax confirmation, confirmed by [e-mail to [bank email address]] [telephone confirmation to the Issuer at [XXX-XXX-XXXX]].
The original of this Letter of Credit (and all amendments, if any) is not required to be presented in connection with any presentment of a Drawing Certificate by Beneficiary hereunder in order to receive payment.

We hereby agree with the Beneficiary that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation to the Issuer before the Expiration Date. All payments made under this Letter of Credit shall be made with Issuer’s own immediately available funds by means of wire transfer in immediately available United States dollars to Beneficiary’s account as indicated by Beneficiary in its Drawing Certificate or in a communication accompanying its Drawing Certificate.

Partial draws are permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without an amendment for a one year period beginning on the present Expiration Date hereof and upon each anniversary for such date, unless at least one hundred twenty (120) days prior to any such expiry date we have sent to you written notice by overnight courier service that we elect not to extend this Letter of Credit, in which case it will expire on its the date specified in such notice. No presentation made under this Letter of Credit after such expiry date will be honored.

Notwithstanding any reference in this Letter of Credit to any other documents, instruments or agreements, this Letter of Credit contains the entire agreement between Beneficiary and Issuer relating to the obligations of Issuer hereunder.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Publication No. 600 (the “UCP”), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. In the event of an act of God, riot, civil commotion, insurrection, war or any other cause beyond Issuer’s control (as defined in Article 36 of the UCP) that interrupts Issuer’s business and causes the place for presentation of the Letter of Credit to be closed for business on the last day for presentation, the expiry date of the Letter of Credit will be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

Please address all correspondence regarding this Letter of Credit to the attention of the Letter of Credit Department at [insert bank address information], referring specifically to Issuer’s Letter of Credit No. [XXXXXXX]. For telephone assistance, please contact Issuer’s Standby Letter of Credit Department at [XXX-XXX-XXXX] and have this Letter of Credit available.

All notices to Beneficiary shall be in writing and are required to be sent by certified letter, overnight courier, or delivered in person to: Marin Clean Energy, 1125 Tamalpais Avenue San Rafael, CA 94901. Only notices to Beneficiary meeting the requirements of this paragraph shall be considered valid. Any notice to Beneficiary which is not in accordance with this paragraph shall be void and of no force or effect.
[Bank Name]

___________________________

[Insert officer name]
[Insert officer title]
(DRAW REQUEST SHOULD BE ON BENEFICIARY’S LETTERHEAD)

Drawing Certificate

[Insert Bank Name and Address]

Ladies and Gentlemen:

The undersigned, a duly authorized representative of Marin Clean Energy, a California joint powers authority, as beneficiary (the “Beneficiary”) of the Irrevocable Letter of Credit No. [XXXXXXX] (the “Letter of Credit”) issued by [insert bank name] (the “Bank”) by order of _________ (the “Applicant”), hereby certifies to the Bank as follows:

1. Applicant and Beneficiary are party to that certain Renewable Power Purchase Agreement dated as of ___________, 20__ (the “Agreement”).

2. Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. $___________ because a Seller Event of Default (as such term is defined in the Agreement) has occurred or other occasion provided for in the Agreement where Beneficiary is authorized to draw on the letter of credit has occurred.

OR

3. Beneficiary is making a drawing under this Letter of Credit in the amount of U.S. $___________, which equals the full available amount under the Letter of Credit, because Applicant is required to maintain the Letter of Credit in force and effect beyond the expiration date of the Letter of Credit but has failed to provide Beneficiary with a replacement Letter of Credit or other acceptable instrument within thirty (30) days prior to such expiration date.

3. The undersigned is a duly authorized representative of Marin Clean Energy, a California joint powers authority and is authorized to execute and deliver this Drawing Certificate on behalf of Beneficiary.

You are hereby directed to make payment of the requested amount to Marin Clean Energy by wire transfer in immediately available funds to the following account:

[Specify account information]

Marin Clean Energy

_______________________________
Name and Title of Authorized Representative

Date___________________________
EXHIBIT L

FORM OF GUARANTY

This Guaranty (this “Guaranty”) is entered into as of [_____] (the “Effective Date”) by and between [______], a [______] ("Guarantor"), and Marin Clean Energy, a California joint powers authority (together with its successors and permitted assigns, “Buyer”).

Recitals

A. Buyer and [SELLER ENTITY], a _____________________ (“Seller”), entered into that certain Renewable Power Purchase Agreement (as amended, restated or otherwise modified from time to time, the “PPA”) dated as of [____], 20___.

B. Guarantor is entering into this Guaranty as Performance Security to secure Seller’s obligations under the PPA, as required by Section 8.8 of the PPA.

C. It is in the best interest of Guarantor to execute this Guaranty inasmuch as Guarantor will derive substantial direct and indirect benefits from the execution and delivery of the PPA.

D. Initially capitalized terms used but not defined herein have the meaning set forth in the PPA.

Agreement

1. Guaranty. For value received, Guarantor does hereby unconditionally, absolutely and irrevocably guarantee, as primary obligor and not as a surety, to Buyer the full, complete and prompt payment by Seller of any and all amounts and payment obligations now or hereafter owing from Seller to Buyer under the PPA, including compensation for penalties, the Termination Payment, indemnification payments or other damages, as and when required pursuant to the terms of the PPA (the “Guaranteed Amount”), provided, that Guarantor’s aggregate liability under or arising out of this Guaranty shall not exceed ________ Dollars ($__________). The Parties understand and agree that any payment by Guarantor or Seller of any portion of the Guaranteed Amount shall thereafter reduce Guarantor’s maximum aggregate liability hereunder on a dollar-for-dollar basis. This Guaranty is an irrevocable, absolute, unconditional and continuing guarantee of the full and punctual payment and performance, and not of collection, of the Guaranteed Amount and, except as otherwise expressly addressed herein, is in no way conditioned upon any requirement that Buyer first attempt to collect the payment of the Guaranteed Amount from Seller, any other guarantor of the Guaranteed Amount or any other Person or entity or resort to any other means of obtaining payment of the Guaranteed Amount. In the event Seller shall fail to duly, completely or punctually pay any Guaranteed Amount as required pursuant to the PPA, Guarantor shall promptly pay such amount as required herein.

2. Demand Notice. For avoidance of doubt, a payment shall be due for purposes of this Guaranty only when and if a payment is due and payable by Seller to Buyer under the terms and conditions of the Agreement. If Seller fails to pay any Guaranteed Amount as required pursuant to the PPA for five (5) Business Days following Seller’s receipt of Buyer’s written notice of such...
failure (the “Demand Notice”), then Buyer may elect to exercise its rights under this Guaranty and may make a demand upon Guarantor (a “Payment Demand”) for such unpaid Guaranteed Amount. A Payment Demand shall be in writing and shall reasonably specify in what manner and what amount Seller has failed to pay and an explanation of why such payment is due and owing, with a specific statement that Buyer is requesting that Guarantor pay under this Guaranty. Guarantor shall, within five (5) Business Days following its receipt of the Payment Demand, pay the Guaranteed Amount to Buyer.

3. **Scope and Duration of Guaranty.** This Guaranty applies only to the Guaranteed Amount. This Guaranty shall continue in full force and effect from the Effective Date until the earliest of the following: (x) all Guaranteed Amounts have been paid in full (whether directly or indirectly through set-off or netting of amounts owed by Buyer to Seller), or (y) replacement Performance Security is provided in an amount and form required by the terms of the PPA. Further, this Guaranty (a) shall remain in full force and effect without regard to, and shall not be affected or impaired by any invalidity, irregularity or unenforceability in whole or in part of this Guaranty, and (b) subject to the preceding sentence, shall be discharged only by complete performance of the undertakings herein. Without limiting the generality of the foregoing, the obligations of the Guarantor hereunder shall not be released, discharged, or otherwise affected and this Guaranty shall not be invalidated or impaired or otherwise affected for the following reasons:

(i) the extension of time for the payment of any Guaranteed Amount, or

(ii) any amendment, modification or other alteration of the PPA, or

(iii) any indemnity agreement Seller may have from any party, or

(iv) any insurance that may be available to cover any loss, except to the extent insurance proceeds are used to satisfy the Guaranteed Amount, or

(v) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, Seller or any of its assets, including but not limited to any rejection or other discharge of Seller’s obligations under the PPA imposed by any court, trustee or custodian or any similar official or imposed by any law, statute or regulation, in each such event in any such proceeding, or

(vi) the release, modification, waiver or failure to pursue or seek relief with respect to any other guaranty, pledge or security device whatsoever, or

(vii) any payment to Buyer by Seller that Buyer subsequently returns to Seller pursuant to court order in any bankruptcy or other debtor-relief proceeding, or

(viii) those defenses based upon (A) the legal incapacity or lack of power or authority of any Person, including Seller and any representative of Seller to enter into the PPA or perform its obligations thereunder, (B) lack of due execution, delivery, validity or enforceability, including of the PPA, or (C) Seller’s inability to pay any Guaranteed Amount or perform its obligations under the PPA, or
(ix) any other event or circumstance that may now or hereafter constitute a defense to payment of the Guaranteed Amount, including statute of frauds and accord and satisfaction;

provided that Guarantor reserves the right to assert for itself any defenses, setoffs or counterclaims that Seller is or may be entitled to assert against Buyer (except for such defenses, setoffs or counterclaims that may be asserted by Seller with respect to the PPA, but that are expressly waived under any provision of this Guaranty).

4. **Waivers by Guarantor.** Guarantor hereby unconditionally waives as a condition precedent to the performance of its obligations hereunder, with the exception of the requirements in Paragraph 2, (a) notice of acceptance, presentment or protest with respect to the Guaranteed Amounts and this Guaranty, (b) notice of any action taken or omitted to be taken by Buyer in reliance hereon, (c) any requirement that Buyer exhaust any right, power or remedy or proceed against Seller under the PPA, and (d) any event, occurrence or other circumstance which might otherwise constitute a legal or equitable discharge of a surety. Without limiting the generality of the foregoing waiver of surety defenses, it is agreed that the occurrence of any one or more of the following shall not affect the liability of Guarantor hereunder:

(i) at any time or from time to time, without notice to Guarantor, the time for payment of any Guaranteed Amount shall be extended, or such performance or compliance shall be waived;

(ii) the obligation to pay any Guaranteed Amount shall be modified, supplemented or amended in any respect in accordance with the terms of the PPA;

(iii) subject to Section 10, any (a) sale, transfer or consolidation of Seller into or with any other entity, (b) sale of substantial assets by, or restructuring of the corporate existence of, Seller or (c) change in ownership of any membership interests of, or other ownership interests in, Seller; or

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

5. **Subrogation.** Notwithstanding any payments that may be made hereunder by the Guarantor, Guarantor hereby agrees that until the earlier of payment in full of all Guaranteed Amounts or expiration of the Guaranty in accordance with Section 3, it shall not be entitled to, nor shall it seek to, exercise any right or remedy arising by reason of its payment of any Guaranteed Amount under this Guaranty, whether by subrogation or otherwise, against Seller or seek contribution or reimbursement of such payments from Seller.

6. **Representations and Warranties.** Guarantor hereby represents and warrants that (a) it has all necessary and appropriate [limited liability company][corporate] powers and authority and the legal right to execute and deliver, and perform its obligations under, this Guaranty, (b) this Guaranty constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting enforcement of creditors’ rights or general principles of equity, (c) the execution, delivery and performance of this Guaranty does not and will not contravene Guarantor’s
organizational documents, any applicable Law or any contractual provisions binding on or affecting Guarantor, (d) there are no actions, suits or proceedings pending before any court, governmental agency or arbitrator, or, to the knowledge of the Guarantor, threatened, against or affecting Guarantor or any of its properties or revenues which may, in any one case or in the aggregate, adversely affect the ability of Guarantor to enter into or perform its obligations under this Guaranty, and (e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or Governmental Authority, and no consent of any other Person (including, any stockholder or creditor of the Guarantor), that has not heretofore been obtained is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty by Guarantor.

7. Notices. Notices under this Guaranty shall be deemed received if sent to the address specified below: (i) on the day received if served by overnight express delivery, and (ii) four Business Days after mailing if sent by certified, first class mail, return receipt requested. If transmitted by facsimile, such notice shall be deemed received when the confirmation of transmission thereof is received by the party giving the notice. Any party may change its address or facsimile to which notice is given hereunder by providing notice of the same in accordance with this Paragraph 8.

If delivered to Buyer, to it at

Attn: [___]
Fax: [___]

If delivered to Guarantor, to it at

Attn: [___]
Fax: [___]

8. Governing Law and Forum Selection. This Guaranty shall be governed by, and interpreted and construed in accordance with, the laws of the United States and the State of California, excluding choice of law rules. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Guaranty shall be brought in the federal courts of the United States or the courts of the State of California sitting in the City and County of San Francisco, California.

9. Miscellaneous. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Buyer and its successors and permitted assigns pursuant to the PPA. No provision of this Guaranty may be amended or waived except by a written instrument executed by Guarantor and Buyer. This Guaranty is not assignable by Guarantor without the prior written consent of Buyer. No provision of this Guaranty confers, nor is any provision intended to confer, upon any third party (other than Buyer’s successors and permitted assigns) any benefit or right enforceable at the option of that third party. This Guaranty embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings of the parties hereto, verbal or written, relating to the subject matter hereof. If any provision of this Guaranty is determined to be illegal or unenforceable (i) such provision shall be deemed restated in accordance with applicable Laws to

Exhibit L - 4
reflect, as nearly as possible, the original intention of the parties hereto and (ii) such determination shall not affect any other provision of this Guaranty and all other provisions shall remain in full force and effect. This Guaranty may be executed in any number of separate counterparts, each of which when so executed shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Guaranty may be executed and delivered by electronic means with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

[Signature on next page]
IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be duly executed and delivered by its duly authorized representative on the date first above written.

GUARANTOR:

[_______]

By: ______________________________
Printed Name: ______________________
Title: _____________________________

BUYER:

[_______]

By: ______________________________
Printed Name: ______________________
Title: _____________________________

By: ______________________________
Printed Name: ______________________
Title: _____________________________

Exhibit L - 6
EXHIBIT M

WORKFORCE REQUIREMENTS

(a) **Local Hire:** Seller 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 Facility will be located (the “Local Hire Requirement”). Seller’s construction of the Facility is also subject to any local hire requirements specific to the city or town where the resource is located. As a condition precedent to commencement of the Delivery Term, Seller must certify that it met the Local Hire Requirement and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit.

(b) **Prevailing Wage:** To the extent not inconsistent with the requirements of subsection (c) below, Seller will ensure that all employees hired by Seller, 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 less 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 Seller, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code. As a condition precedent to commencement of the Delivery Term, Seller must certify that it met the Prevailing Wage Requirement, and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit.

(c) **Union Labor:** If Seller’s Facility is located in Contra Costa County Seller must agree to comply with the terms of that certain Letter Agreement between MCE and IBEW Local 302, dated June 20, 2017, and attached project labor agreement (collectively, the “PLA”). The PLA applies to “Covered Work” (as defined therein) for solar photovoltaic and associated energy storage projects for which MCE is the power supply off-taker. If Seller’s Facility is located outside Contra Costa County are required to enter into project labor agreements of similar scope and requirements with participating unions for workforce hired. As a condition precedent to commencement of the Delivery Term, Seller must certify that it complied with the foregoing union labor requirements, and be able to demonstrate, upon request, compliance with this requirement via copies of executed PLAs or similar agreements, a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit.
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<td>Marin Clean Energy</td>
</tr>
<tr>
<td>City:</td>
<td>1125 Tamalpais Avenue</td>
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<tr>
<td>Attn:</td>
<td>San Rafael, CA 94901</td>
</tr>
<tr>
<td>Phone:</td>
<td>Attn: Contract Administration</td>
</tr>
<tr>
<td>Email:</td>
<td>Phone: (415) 464-6010</td>
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</tr>
<tr>
<td>Phone:</td>
<td>Phone: (415) 464-6683</td>
</tr>
<tr>
<td>E-mail:</td>
<td>E-mail: <a href="mailto:Settlements@mcecleanenergy.org">Settlements@mcecleanenergy.org</a></td>
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<tr>
<td>Facsimile:</td>
<td>Email: <a href="mailto:Procurement@mcecleanenergy.org">Procurement@mcecleanenergy.org</a></td>
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<tr>
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<td>Hall Energy Law PC</td>
</tr>
<tr>
<td>Phone:</td>
<td>Attn: Stephen Hall</td>
</tr>
<tr>
<td>Facsimile:</td>
<td>Phone: (503) 313-0755</td>
</tr>
<tr>
<td>E-mail:</td>
<td>Email: <a href="mailto:steve@hallenergylaw.com">steve@hallenergylaw.com</a></td>
</tr>
<tr>
<td>(“Seller”)</td>
<td>MARIN CLEAN ENERGY, a California joint powers authority (“Buyer”)</td>
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<td>Emergency Contact:</td>
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EXHIBIT O

STORAGE CAPACITY TESTS

Storage Capacity Test Notice and Frequency

A. Commercial Operation Date Storage Capacity Test. Upon no less than ten (10) Business Days prior Notice to Buyer, Seller shall schedule and complete a Storage Capacity Test prior to the Commercial Operation Date. Such initial Storage Capacity Test shall be performed in accordance with this Exhibit O and shall establish the initial Storage Contract Capacity hereunder based on the actual capacity of the Storage Facility determined by such Storage Capacity Test.

B. Subsequent Storage Capacity Tests. Following the Commercial Operation Date, but not more than twice per Contract Year, upon no less than ten (10) Business Days prior Notice to Seller, Buyer shall have the right to require Seller to schedule and complete a Storage Capacity Test. In addition, Buyer shall have the right to require a retest of the Storage Capacity Test at any time upon no less than five (5) Business Days prior written Notice to Seller if Buyer provides data with such Notice reasonably indicating that the Storage Capacity has varied materially from the results of the most recent Storage Capacity Test. Seller shall have the right to run a retest of any Storage Capacity Test upon five (5) Business Days’ prior written Notice to Buyer (or any shorter period reasonably acceptable to Buyer consistent with Prudent Industry Practice).

C. Test Results and Re-Setting of Storage Capacity. In accordance with Section 4.9(c) of the Agreement and Part II I. below, the actual capacity determined pursuant to a Storage Capacity Test (up to, but not in excess of, the original Storage Contract Capacity set forth on the Cover Sheet, as such original Storage Contract Capacity on the Cover Sheet may have been adjusted (if at all) pursuant to Exhibit B) shall become the new Storage Contract Capacity at the beginning of the day following the completion of the test for calculating the monthly payment for the Storage Product and all other purposes under this Agreement.

Storage Capacity Test Procedures

PART I. GENERAL.

Each Storage Capacity Test (including the initial Storage Capacity Test and all re-performances thereof) shall be conducted in accordance with Prudent Industry Practices and the provisions of this Exhibit O. For ease of reference, a Storage Capacity Test is sometimes referred to in this Exhibit O as a “SCT”. Buyer or its representative may be present for the SCT and may, for informational purposes only, use its own metering equipment (at Buyer’s sole cost).

32 Applicable if the Facility includes a Storage Facility.
PART II. REQUIREMENTS APPLICABLE TO ALL STORAGE CAPACITY TESTS.

A. Test Elements. Each SCT shall include the following test elements:

- Electrical output at Maximum Discharging Capacity (as defined in Exhibit A) at the Storage Facility Meter and concurrently at the Facility Meter (MW);
- Electrical input at Maximum Charging Capacity (as defined in Exhibit A) at the Storage Facility Meter (MW);
- Amount of time between the Storage Facility’s electrical output going from 0 to Maximum Discharging Capacity;
- Amount of time between the Storage Facility’s electrical input going from 0 to Maximum Charging Capacity; and
- Amount of energy required to go from 0% Stored Energy Level to 100% Stored Energy Level charging at a rate equal to the Maximum Charging Capacity.

B. Parameters. During each SCT, the following parameters shall be measured and recorded simultaneously for the Storage Facility, at ten (10) minute intervals:

1. Time;
2. Net electrical energy output to the Storage Facility Meters (kWh) (i.e., to each measurement device making up the Storage Facility Meter);
3. Net electrical energy input from the Storage Facility Meters (kWh) (i.e., from each measurement device making up the Storage Facility Meter); and
4. Stored Energy Level (MWh).

C. Site Conditions. During each SCT, the following conditions at the Site shall be measured and recorded simultaneously at thirty (30) minute intervals:

1. Relative humidity (%);
2. Barometric pressure (inches Hg) near the horizontal centerline of the Storage Facility; and
3. Ambient air Temperature (°F).

D. Test Showing. Each SCT must demonstrate that the Storage Facility:

1. successfully started;
(2) operated for at least two (2) consecutive hours at Maximum Discharging Capacity (as defined in Exhibit A);

(3) operated for at least two (2) consecutive hours at Maximum Charging Capacity (as defined in Exhibit A);

(4) has a Storage Capacity of an amount that is, at least, equal to the Maximum Stored Energy Level (as defined in Exhibit A); and

(5) is able to deliver Discharging Energy as measured by the Storage Facility Meter for two (2) consecutive hours at a rate equal to the Maximum Discharging Capacity.

E. Test Conditions.

(i) General. At all times during a SCT, the Storage Facility shall be operated in compliance with Prudent Industry Practices and all operating protocols recommended, required or established by the manufacturer for operation at Maximum Discharging Capacity and Maximum Charging Capacity (as each is defined in Exhibit A).

(ii) Abnormal Conditions. If abnormal operating conditions that prevent the recording of any required parameter occur during a SCT (including a level of irradiance that does not permit the Generating Facility to produce sufficient Charging Energy), Seller may postpone or reschedule all or part of such SCT in accordance with Part II.F below.

(iii) Instrumentation and Metering. Seller shall provide all instrumentation, metering and data collection equipment required to perform the SCT. The instrumentation, metering and data collection equipment electrical meters shall be calibrated in accordance with Prudent Industry Practice.

F. Incomplete Test. If any SCT is not completed in accordance herewith, Buyer may in its sole discretion: (i) accept the results up to the time the SCT stopped; (ii) require that the portion of the SCT not completed, be completed within a reasonable specified time period; or (iii) require that the SCT be entirely repeated. Notwithstanding the above, if Seller is unable to complete a SCT due to a Force Majeure Event or the actions or inactions of Buyer or the CAISO or the PTO or the Transmission Provider, Seller shall be permitted to reconduct such SCT on dates and at times reasonably acceptable to the Parties.

G. Final Report. Within fifteen (15) Business Days after the completion of any SCT, Seller shall prepare and submit to Buyer a written report of the results of the SCT, which report shall include:

(1) a record of the personnel present during the SCT that served in an operating, testing, monitoring or other such participatory role;
(2) the measured data for each parameter set forth in Part II.A through C, including copies of the raw data taken during the test;

(3) the level of Storage Contract Capacity, charging capacity, discharging capacity and Stored Energy Level determined by the SCT, including supporting calculations; and

(4) Seller’s statement of either Seller’s acceptance of the SCT or Seller’s rejection of the SCT results and reason(s) therefor.

Within ten (10) Business Days after receipt of such report, Buyer shall notify Seller in writing of either Buyer’s acceptance of the SCT results or Buyer’s rejection of the SCT and reason(s) therefor.

If either Party rejects the results of any SCT, such SCT shall be repeated in accordance with Part II.F.

H. Supplementary Storage Capacity Test Protocol. No later than sixty (60) days prior to commencing Facility construction, Seller shall deliver to Buyer for its review and approval (such approval not to be unreasonably delayed or withheld) a supplement to this Exhibit O with additional and supplementary details, procedures and requirements applicable to Storage Capacity Tests based on the then current design of the Facility, including degradation of the Storage Facility ("Supplementary Storage Capacity Test Protocol"). Thereafter, from time to time, Seller may deliver to Buyer for its review and approval (such approval not to be unreasonably delayed or withheld) any Seller recommended updates to the then current Supplementary Storage Capacity Test Protocol. The initial Supplementary Storage Capacity Test Protocol (and each update thereto), once approved by Buyer, shall be deemed an amendment to this Exhibit O.

I. Adjustment to Storage Contract Capacity. The total amount of discharged energy delivered to the Storage Facility Meter (expressed in MWh AC) during each of the first two (2) hours of discharge (up to, but not in excess of, the product of (i) the original Storage Contract Capacity set forth on the Cover Sheet, as such original Storage Contract Capacity on the Cover Sheet may have been adjusted (if at all) under this Agreement, multiplied by (ii) 2 hours) shall be divided by two (2) hours to determine the Storage Contract Capacity, which shall be expressed in MW AC, and shall be the new Storage Contract Capacity in accordance with Section 4.9(c) of the Agreement.
EXHIBIT P

POLINATOR SCORECARD

Pollinator-friendly solar scorecard

The entomologist-approved standard for what constitutes “beneficial to pollinators” within the managed landscape of a PV solar facility. Only for use in countries and/or states that have not yet adopted a standard.

1. PERCENT OF PROPOSED SITE VEGETATION COVER TO BE DOMINATED BY WILDFLOWERS
   - 31.45 %  +5 points
   - 46-60 %  +10 points
   - 61+ %    +15 points
   Total points

Note: Projects may have “array” mixes and diverse open area/border mixes; forb dominance should be averaged across the entire site. The dominance should be calculated from total numbers of forb seeds vs. grass seeds (from all seed mixes) to be planted.

2. PLANNED % OF SITE DOMINATED BY NATIVE SPECIES COVER
   - 26-50%  +5 points
   - 51-75%  +10 points
   - 76-100% +15 points
   Total points

3. PLANNED COVER DIVERSITY (# of species in seed mixes; numbers from upland and wetland mixes can be combined)
   - 10-19 species  +5 points
   - 20-25 species  +10 points
   - 26 or more species  +15 points
   Total points

Note: exclude invasives from species totals.

4. PLANNED SEASONS WITH AT LEAST 3 BLOOMING SPECIES PRESENT (check/add all that apply)
   - Spring (April-May)  +5 points
   - Summer (June-August)  +5 points
   - Fall (September-October)  +5 points
   - Winter (November-March)  +5 points
   Total points

Note: Check local resources for data on bloom seasons.

5. AVAILABLE HABITAT COMPONENTS WITHIN 0.25 MILES (check/add all that apply)
   - Native bunch grasses for nesting  +2 points
   - Native trees/shrubs for nesting  +2 points
   - Clean, perennial water sources  +2 points
   - Created nesting feature(s)  +2 points
   (bee blocks, etc.)
   Total points

6. SITE PLANNING AND MANAGEMENT
   - Detailed establishment and management plan developed with funding/contract to implement  +15 points
   - Signage legible at 40 or more feet stating “pollinator friendly solar habitat” (at least 1 every 20ac.)  +5 points
   Total points

7. SEED MIXES
   - Mixes are composed of at least 40 seeds per square foot  +5 points
   - All seed genetic origin within 175 miles of site  +5 points
   - At least 2% milkweed cover to be established from seed/plants  +10 points
   Total points

8. INSECTICIDE RISK
   - Planned on-site insecticide use or pre-planting seed/plant treatment (excluding buildings/electrical boxes, etc.)  +40 points
   - Perpetual bare ground under the panels as a result of pre and post emergent herbicide.  +40 points
   - Communication/registration with local chemical applicators about need to prevent drift from adjacent areas.  +10 points
   Total points

9. OUTREACH/EDUCATION
   - Site is part of a study with a college, university, or research lab.  +5 points
   Grand total

Provides Exceptional Habitat  >85
Meets Pollinator Standards  70-84

Project Name:
Vegetation Consultant:
Project Location:
Total acres (array and open area):
Projected Seeding Date:

Note: Percent “cover” should be based on “absolute cover” (the percent of the ground surface that is covered by a vertical projection of foliage as viewed from above). To measure cover diversity, use plots, and/or transects in addition to measurements. Wildflowers in question 1 refer to “forbs” (flowering plants that are not woody or graminoid) and can include introduced covers and other non-native, non-invasive species beneficial to pollinators.

FreshEnergy

Exhibit P - 1
Open Season Solicitation 2020
February 6, 2020
Products

Renewable Product Content Category 1 (PCC1)
- New build
- Long term contracts
- Preference for in-state projects

Energy Storage
- Stand alone
- Front of the Meter
- Paired with renewables
Resource Targets

Renewable PCC1

- Open to all eligible renewable resources, except stand-alone PV
- Renewable generation + storage will be considered
- Volume: 350 +/- GWHs/year
- Online Date: No later than June, 2023
- Number of Projects: 1 or 2
- Generation Shape: Complimentary to existing portfolio
- Term: 10 to 20 years
Resource Targets

Storage

- Type: Stand-Alone/Front of the Meter
- Size: Up to 50 MWs
- Duration: 4 Hours +/-
- Number of Projects: 1
- Online Date: No later than June, 2023
- Value Stream: Energy Arbitrage / Resource Adequacy/ Ancillary Services
- Term: 5 to 20 years
Evaluation

- Location
- Price
- Term
- Capacity Value
- Generation Profile/Shape
- Counterparty
- Project Viability
- Deliverability Status
- Impact to Product Content Label (trace greenhouse elements)
- Creative Financing Structures (pre-pay, buy out, etc.)
- Workforce Development
- Community Benefits
Outreach

- MCE Website
- Distribution List
- Announcement/Press Release
  - Trade Organizations
  - Social Media
    - Linked-In
    - Facebook
    - Twitter
Schedule

- January 31: Solicitation Launch
- March 2: Bids Due
- April: Organize, Analyze, Evaluate, Rank, Short List
- May: Ad Hoc Presentation
- June: Announce Short List
- June – August: Interviews, Negotiations, Internal Review
- August – November: Tech Comm Presentation(s)