



Agenda Page 1 of 1

Technical Committee Meeting Thursday, February 1, 2018 9:30 A.M.

**** Note different start-time due to room availability****

**One Concord Center
2300 Clayton Road, Room 650
Concord, CA 94520**

Remote locations:

MCE, Barbara George Room, 1125 Tamalpais Avenue, San Rafael, CA 94901

Marten Law, PLLC, 555 Montgomery Street, Suite 820, San Francisco, CA 94111-2560

The City of San Ramon, 7000 Bollinger Canyon Rd., Room 256, San Ramon, CA 94583

1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Chief Executive Officer (Discussion)
4. Approval of 12.7.17 Meeting Minutes (Discussion/Action)
5. Open Season 2018 for Renewable Energy and Energy Storage (Discussion)
6. IBEW Leadership and Workforce Issues (Discussion)
7. Strategic Plan Update: Program Evaluation and Selection (Discussion)
8. Power Purchase and Sale Agreement with Sand Hill C, LLC Update (Discussion)
9. Committee Member & Staff Matters (Discussion)
10. Adjourn



**MCE
TECHNICAL COMMITTEE MEETING
December 7, 2017
9:00 A.M.**

**The Barbara George Conference Room
1125 Tamalpais Avenue
San Rafael, CA 94901**

Remote locations:

City of Concord, Permit Center Conference Room, 1950 Parkside Drive, Concord, CA 94519

Marten Law, PLLC, 555 Montgomery Street, Suite 820, San Francisco, CA 94111-2560

The City of San Ramon, 7000 Bollinger Canyon Rd., Room 256, San Ramon, CA 94583

Roll Call

Present: Ford Greene, Town of San Anselmo (**San Rafael**)
Kevin Haroff, City of Larkspur (**San Rafael**)
Scott Perkins, City of San Ramon (**Concord**)
Rob Schroder, City of Martinez (**Concord**)
Kate Sears, County of Marin (**San Rafael**)
Don Tatzin, City of Lafayette (**Concord**)
Ray Withy, City of Sausalito (**San Rafael**)

Absent: Greg Lyman, City of El Cerrito

Staff: John Dalessi, Operations and Development (**San Rafael**)
Kirby Dusel, Resource Planning and Renewable Energy Programs (**San Rafael**)
Jessica Brooks, Power Resources Assistant (**San Rafael**)
Darlene Jackson, Board Clerk (**San Rafael**)
Justin Kudo, Deputy Director of Account Services (**San Rafael**)
Justine Parmelee, Internal Operations Manager (**Concord**)
David Potovsky, Power Supply Contracts Manager (**San Rafael**)
Lindsay Saxby, Power Supply Contracts Manager (**San Rafael**)
Dawn Weisz, Chief Executive Officer (**San Rafael**)

Action Taken:

Agenda Item #3 – CEO Report (Discussion)

CEO Dawn Weisz presented a brief report and addressed questions from the Committee:

- Upcoming Supplier Diversity Symposium in January 2018 at the City of Richmond

Agenda Item #4 – Approval of Minutes from 11.2.17 Meeting (Discussion/Action)

ACTION: It was M/S/C (Greene/Withy) to **approve 11.2.17 meeting minutes**. Motion carried by unanimous 6-0 vote. (Absent: Director Lyman).

Agenda Item #5 – MCE Revised Feed-in-Tariff Schedule for Distributed Renewable Generation (Discussion/Action)

Lindsay Saxby, Power Supply Contracts Manager, presented this item and addressed questions from the Committee.

ACTION: It was M/S/C (Haroff/Greene) to **approve revised MCE Feed-In Tariff Schedule for Distributed Renewable Generation**. (Absent: Director Lyman).

Agenda Item #6 – MCE Feed-in-Tariff Plus Schedule for Distributed Renewal Generation (Discussion/Action)

Lindsay Saxby, Power Supply Contracts Manager, presented this item and addressed questions from the Committee.

ACTION: It was M/S/C (Greene/Haroff) to **approve MCE Feed-In Tariff Plus Schedule for Distributed Renewable Generation**. (Absent: Director Lyman).

Agenda Item #7 – Resolution T2017-01 Approving Power Purchase Agreement with Sand Hill C, LLC (Discussion/Action)

David Potovsky, Power Supply Contracts Manager, presented this item and addressed questions from the Committee.

ACTION: It was M/S/C (Haroff/Greene) to **authorize, via Resolution T2017-01, execution of the Power Purchase and Sale Agreement between MCE and Sand Hill C, LLC for renewable energy supply**. (Absent: Director Lyman).

Agenda Item #8 MCE Revised Net Energy Metering Tariff (Discussion/Action)

Justin Kudo, Deputy Director of Account Services, presented this item and addressed questions from the Committee.

ACTION: It was M/S/C (Haroff/Greene) to **approve the staff proposal and direct staff to create an exception for customers who would be eligible for PG&E's Bill Credit Transfer program**. (Absent: Director Lyman).

DRAFT

AI#04: 12.7.17 Meeting Minutes

The meeting was adjourned to the next scheduled meeting on February 1, 2018.

Kate Sears, Committee Chair

ATTEST:

Dawn Weisz, Chief Executive Officer



2018 Open Season Request for Offers Procedural Overview & Instructions

1. Introduction

As part of its ongoing effort to deliver environmentally responsible, competitively priced retail electricity service options, MCE has established an annual Open Season Procurement Process (“Open Season”). The Open Season provides a competitive, objectively administered opportunity for qualified suppliers of various energy products to fulfill certain portions of MCE’s future resource requirements.

MCE’s 2018 Open Season includes requests for three unique energy products, as defined below. General instructions for participating in MCE’s 2018 Open Season are described in the text of this document, below, while product-specific requirements and timelines for Products A, B, and C are outlined in Appendices A, B, and C, respectively.

<u>Product</u>	<u>Offers Due</u>
A. PCC1 Renewable Energy	Thursday, March 1, 2018
B. Local Renewable Energy	Monday, April 2, 2018
C. Energy Storage	Tuesday, May 1, 2018

By participating in MCE’s Open Season process, respondents acknowledge that they have read, understand, and agree to the terms and conditions set forth in this Procedural Overview & Instructions. MCE reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, MCE may, in its sole discretion and without notice, modify, suspend, or terminate the Open Season without liability to any organization or individual. The Open Season does not constitute an offer to buy or create an obligation for MCE to enter into an agreement with any party, and MCE shall not be bound by the terms of any offer until MCE has entered into a fully executed agreement.

2. Schedule

Each product-specific solicitation of the 2018 Open Season will be administered based on the following schedule:

- a. Offer submission: Offers must be received by MCE no later than 5:00 P.M. Pacific Prevailing Time on the corresponding product-specific response deadline. Please see Appendices A, B, and C for additional detail regarding product-specific timelines.
- b. Supplier interviews/Q&A: As necessary, MCE may submit clarifying questions to certain respondents or conduct interviews, based on information provided in the Offer Form. MCE shall retain the right, in its sole discretion, to request information without notifying other respondents. MCE shall establish due dates for any request(s) for additional information, which shall be communicated to the affected respondent(s).
- c. Response evaluation and supplier notification: Following its review of proposed responses and clarifying materials, as well as any interview(s) that may be conducted during this process, MCE will notify all selected suppliers of its intent to pursue contract negotiations. Those suppliers not selected during this process will be notified accordingly.
- d. Contract approval and execution: Contracting for each product will proceed via specific timelines outlined in Appendices A, B, and C, but all Open Season contracting is expected to be complete by July 31, 2018.

3. Offer Form

MCE will only consider complete offers that conform to the product-specific requirements outlined in Appendices A, B, and C. To be deemed a complete, conforming offer, each response shall:

- a. be submitted electronically to rfo@mcecleanenergy.org by 5pm PPT on the appropriate product-specific response deadline;
- b. include the following subject line: "Response to MCE 2018 Open Season – Product [A/B/C]";
- c. include a completed 2018 Open Season Offer Form, which is available on MCE's website via the following link: <http://mcecleanenergy.org/energy-procurement/>. The Offer Form has been prepared for certain requested products, and respondents should carefully review the Offer Form and associated instructions to ensure submittal of conforming responses; and
- d. indicate acceptance of MCE's standard contract terms in the Instructions & Acknowledgments section of the Offer Form or include a markup, in redline form, reflecting all requested changes to the applicable standard form contract as Attachment I to the offer submittal. When considering changes to MCE's form agreements, respondents should be aware of the following:
 - Ease of transaction, including adherence to MCE's standard contract terms, is an important factor in MCE's evaluative process; offers that accept MCE's standard contract terms will be given preference during such evaluation;
 - MCE will not accept or discuss substantive changes to its credit requirements, as reflected in MCE's standard contract terms, nor will MCE consider credit requirements that impose any obligations on its member municipalities;
 - Changes to MCE's standard contract terms submitted after the response deadline may result in disqualification and, if applicable, forfeiture of the shortlist deposit.

- Please see Appendices A, B, and C for the specific contracts that will be used for each Product as well as a list of Attachments to be included.
- e. Include all necessary Attachments
- Please see Appendices A, B, and C for a list of all product-specific Attachments.

MCE encourages Open Season respondents to emphasize quality as opposed to quantity when considering the submittal of multiple responses. No more than three projects will be considered, per respondent; multiple pricing offers (e.g. different COD-dependent prices for the same project) will not be considered independent projects for the sake of this limitation.

4. Evaluation of Responses

MCE will evaluate responses in consideration of a common set of criteria, a partial list of which is included below. This list may be revised at MCE's sole discretion and includes:

- a. Overall quality of response, inclusive of completeness, timeliness, and conformity;
- b. Price and relative value within MCE's supply portfolio;
- c. Project location and local benefits, including local hiring and prevailing wage considerations;
- d. Project development status, including but not limited to progress toward interconnection, deliverability, siting, zoning, permitting, and financing requirements;
- e. Qualifications, experience, financial stability, and structure of the prospective project team (including its ownership);
- f. Environmental impacts and related mitigation requirements;
- g. Acceptance of MCE's standard contract terms; and
- h. Development milestone schedule, if applicable.

5. Supplier Diversity and Labor Practices

Consistent with the California Public Utilities Commission policy objectives, MCE wishes to collect information regarding supplier diversity and labor practices from project developers and their subcontractors regarding past, current and/or planned efforts and policies. Respondents are asked to complete the Supplier Diversity and Labor Practices questionnaire in the Offer Form. Any contract successfully negotiated as a result of MCE's Open Season will have similar regular reporting requirements.

MCE does not give preferential treatment based on race, sex, color, ethnicity, or national origin; responses to the aforementioned Supplier Diversity and Labor Practices questionnaire will not affect proposal evaluation or scoring. Furthermore, providing such information to MCE will not impact the selection process or good standing of executed PPAs.

Product B, Local Renewable Energy, includes Local Hire and Prevailing Wage requirements in the PPA, and MCE encourages respondents to review these prior to submitting an Offer.

6. MCE Legal Obligations

MCE is required to comply with the Public Records Act as it relates to the treatment of any information marked "confidential."

MCE is not obligated to respond to any offer submitted as part of the Open Season.

7. Shortlist Deposit

Following supplier notification (i.e., shortlist selection), the selected respondent(s) will be required to submit a Shortlist Deposit of \$3.00 per kilowatt for all short-listed project capacity within 10 business days of such notification. The Shortlist Deposit is generally intended to secure the obligations of any shortlisted respondent(s) during the negotiating period and to ensure that each offer has been carefully considered. The Shortlist Deposit must be in the form of either a cash deposit or a Letter of Credit. "Letter of Credit" means an irrevocable standby letter of credit, in a form reasonably acceptable to MCE, issued either by (i) a U.S. commercial bank, or (ii) a U.S. branch of a foreign commercial bank that meets the following conditions: (A) it has sufficient assets in the U.S. as determined by MCE, and (B) it is acceptable to MCE in its sole discretion. The issuing bank must have a Credit Rating of at least A- from S&P or A3 from Moody's, with a stable outlook designation. In the event the issuer is rated by both rating agencies and the ratings are not equivalent then the lower rating will apply. All costs of the Letter of Credit shall be borne by respondent. The Letter of Credit should be sent by overnight delivery to:

MCE
1125 Tamalpais Avenue
San Rafael, CA 94901

The Shortlist Deposit will be returned to respondent under one or more of the following conditions: 1) following execution of a PPA and posting of required collateral; 2) MCE's rejection of the respondent's offer following shortlist selection; 3) failure of MCE and the shortlisted respondent to agree on terms of the offer or PPA; or 4) MCE's termination of the Open Season process. Respondent will forfeit its deposit if: 1) material misrepresentations of information related to respondent's offer are identified during the negotiating process; 2) respondent fails to comply with the terms and conditions of this Open Season process; or 3) respondent unilaterally withdraws the offer or attempts to materially modify the terms of its offer during the ninety-day (90-day) period immediately following supplier's acceptance of shortlist status. In addition, MCE shall be able to retain any Letter of Credit provided as a Shortlist Deposit as security under any executed PPA resulting from the Open Season process in the event that respondent fails to provide required security in accordance with the terms of such PPA.

Appendix A

Product A Specifications: PPC1 Renewable Energy

Schedule

Announcement of MCE’s 2018 Open Season Solicitation: Thursday, January 18, 2018.

Release of Renewable Energy Plus Storage PPA: For renewable energy projects that will incorporate energy storage, MCE will provide via its website its, a standard Renewable Energy Plus Storage Power Purchase Agreement (“RE+S PPA”) by 5:00 P.M. Pacific Prevailing Time on Thursday, February 1, 2018.

Product A Webinar: Friday, February 16, 2018.

Frequently Asked Questions (FAQs): Posted to MCE’s website no later than Thursday, February 1, 2018 and updated as necessary as additional questions are received.

Product A Offer Submission: Offers must be received by MCE no later than 5:00 P.M. Pacific Prevailing Time on **Thursday, March 1, 2018**.

- All responses should be submitted to rfo@mcecleanenergy.org and must include the following subject line: “Response to MCE 2018 Open Season – Product A”.
- A complete Offer Package must include the following:
 - Completed Offer Form
 - Attachment A – Financing Plan
 - Attachment B – Financial Statements
 - Attachment C – Organizational Chart
 - Attachment D – Interconnection Study or IA
 - Attachment E – Project Development Timeline
 - Attachment F – Permitting, Use and Zoning
 - Attachment G – Site Plan
 - Attachment H – Single Line Diagram
 - (If applicable) Attachment I – Requested changes via redline, to MCE’s standard contract terms

Contract approval and execution: MCE expects to notify participants of their selection to a shortlist by March 16, 2018 and to enter exclusive negotiations with selected participants at that time. Product A contracting is expected to be complete by April 30, 2018.

Product-specific requirements for Product A (PCC1 Renewable Energy):

I. Applicable Contract

- New facilities: MCE’s Renewable Power Purchase Agreement
- Existing facilities:

Appendix A

Product A Specifications: PPC1 Renewable Energy

- i. MCE’s Purchase and Sale Agreement for Renewable Power; or
 - ii. MCE’s EEI Confirmation for Renewable Power (if already enabled under an Edison Electric Institute (EEI) Master Agreement)
- II. **Resource Location:** Facility must be physically interconnected to, or capable of delivering PCC1-eligible renewable energy to a California balancing authority; MCE’s preference is for resources physically located within the state of California.
- III. **Product:** PCC1-eligible Renewable Energy, Green Attributes/Renewable Energy Credits and Capacity Attributes (if available).
- IV. **Resource Eligibility:** All deliveries shall meet minimum specifications for the PCC1 as described in the Public Utilities Code and applicable regulations.
- V. **Generating Capacity:** The proposed generating resource must be more than twenty (20) megawatts (“MW”), alternating current (“AC”).
- VI. **Term of Agreement:** Not less than one (1) year and not more than twenty (20) years, commencing on the Initial Date of Delivery.
- VII. **Initial Date of Delivery:** Respondents are encouraged to offer multiple pricing bids per facility, based on Initial Dates of Delivery that range from 2019 through 2024; please see the “Price” section of the “3) Project Information” tab of the Open Season Offer Form. MCE prefers Initial Dates of Delivery in September of any given year.
- VIII. **Proposed Pricing:** Respondents should provide a single, flat price for each MWh of electric energy delivered from the proposed generating resource. This energy price shall remain constant throughout the entire delivery term and shall not be adjusted by periodic escalators or time of delivery adjustments. This energy price shall include procurement of the energy commodity, all Green Attributes/Renewable Energy Credits related thereto, Capacity Attributes (if available), transmission charges to the delivery point, including but not limited to CAISO imbalance costs, fees and penalties as well as scheduling fees associated with delivered energy volumes.

Alternative pricing options may be proposed so long as the aforementioned single flat pricing requirement has been satisfied.
- IX. **Point of Delivery:** Respondents may propose product delivery under one of the following options. MCE has a preference for option “a”:
 - a. Respondent shall be financially and operationally responsible for delivery of all electric energy to the NP15 trading hub, as defined by the CAISO [TH_NP15_GEN-APND]. Respondent shall serve as its own scheduling coordinator or make arrangements for a third-party scheduling coordinator at no cost to MCE.

Appendix A

Product A Specifications: PPC1 Renewable Energy

- b. Respondent shall be financially and operationally responsible for delivery of all electric energy to the generator's applicable production node. MCE shall serve as its own scheduling coordinator, or make arrangements for a third-party scheduling coordinator at MCE's sole expense, scheduling all electric energy from the generator's applicable production node.

- X. **Minimum Development Progress:** To the extent that a proposed generating resource is not yet commercially operational, documentation substantiating achievement of the following development milestones must be provided by the respondent for each eligible generator at the time of offer submittal:
 - a. documentation demonstrating full site control via ownership, lease or an option to lease upon PPA execution. Any site lease shall reflect a term length no less than the delivery term of the PPA.
 - b. documentation substantiating that the proposed generating resource has (a) passed all Fast Track screens, (b) passed Supplemental Review, (c) completed a System Impact Study in the Independent Study process, or (d) completed a Phase 1 Study in the Cluster Study Process with the interconnecting utility.

- XI. **Local Hire:** If a proposed Project is to be located within MCE's Service area, requirements may apply regarding local hire, prevailing wage, and union labor. Please see the corresponding sections of Appendix B.

- XII. **Prevailing Wage:** If a proposed Project is to be located within MCE's Service area, requirements may apply regarding local hire, prevailing wage, and union labor. Please see the corresponding sections of Appendix B.

- XIII. **Union Labor:** If a proposed Project is to be located within MCE's Service area, requirements may apply regarding local hire, prevailing wage, and union labor. Please see the corresponding sections of Appendix B.

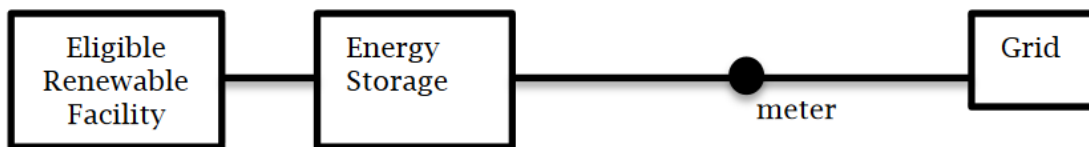
- XIV. **Description of Generating Resource:** At the time of offer submittal, the applicant must provide:
 - a. a to-scale Site Map of the generating resource showing the arrangement of all major components of the facility with the name of the facility, nameplate capacity, longitude and latitude of the centroid of the generating resource clearly labeled, in addition to labeling major cross streets and clearly marking the outer boundary of the facility, all Assessor Parcel Numbers included in and adjacent to the facility, and any environmentally sensitive areas;
 - b. a Single Line Diagram which includes to the generating resource's point of interconnection on the electric distribution system; and
 - c. a 12 x 24 profile of expected generation output from the proposed Facility.

Appendix A

Product A Specifications: PPC1 Renewable Energy

XV. **Energy Storage:** A proposed generating resource may include storage in compliance with the current version of the CEC RPS Eligibility guidebook where the storage device is integrated into the generating resource such that the energy storage device is capable of storing only energy produced by the generating resource, either as an intermediary form of energy during the generation cycle or after electricity has been generated.

- Regarding co-located renewable energy and storage, MCE has the following preferences:
 - i. a minimum daily dispatch capacity of four (4) hours.
 - ii. Buyer to serve as the Scheduling Coordinator and to maintain all dispatch rights.
 - iii. Bids to include a “\$/MWh” energy price for renewable energy delivered and a “\$/kW-mo” capacity price for the storage capacity provided.



XVI. **Scheduling:** Unless a renewable energy facility includes energy storage, MCE has a strong preference for the Seller to serve as the Scheduling Coordinator and for the Product to be scheduled in the day-ahead market. In the case that energy storage is included, MCE prefers to maintain Scheduling Coordinator responsibility and dispatch rights.

Appendix B

Product B Specifications: Local Renewable Energy

Schedule

Announcement of MCE’s 2018 Open Season Solicitation: Thursday, January 18, 2018.

Release of Renewable Energy Plus Storage PPA: For renewable energy projects that will incorporate energy storage, MCE will provide via its website its standard Renewable Energy Plus Storage Power Purchase Agreement (“RE+S PPA”) no later than 5:00 P.M. Pacific Prevailing Time on Thursday, February 1, 2018

Product B Webinar: Tuesday, March 20, 2018

Frequently Asked Questions (FAQs): Posted to MCE’s website no later than Thursday, February 1, 2018 and updated as necessary as additional questions are received.

Product B Offer Submission: Offers must be received by MCE no later than 5:00 P.M. Pacific Prevailing Time on **Monday, April 2, 2018.**

- All responses should be submitted to rfo@mcecleanenergy.org and must include the following subject line: “Response to MCE 2018 Open Season – Product B”.
- A complete Offer Package must include the following:
 - Completed Offer Form
 - Attachment A – Financing Plan
 - Attachment B – Financial Statements
 - Attachment C – Organizational Chart
 - Attachment D – Interconnection Study or IA
 - Attachment E – Project Development Timeline
 - Attachment F – Permitting, Use and Zoning
 - Attachment G – Site Plan
 - Attachment H – Single Line Diagram
 - (If applicable) Attachment I - Requested changes via redline, to MCE’s standard contract terms

Contract approval and execution: MCE expects to notify participants of their selection to a shortlist by April 18, 2018 and to enter exclusive negotiations with selected participants at that time. Product B contracting is expected to be complete by May 31, 2018.

Product-specific requirements for Product B (Local Renewable Energy):

- I. **Applicable Contract:** MCE’s Renewable Power Purchase Agreement
- II. **Resource Location:** Facility must be physically located and interconnected within any member jurisdiction of MCE’s service territory (the “Eligible Territory”).

Appendix B

Product B Specifications: Local Renewable Energy

- III. **Product:** Should include Renewable Energy, Green Attributes/Renewable Energy Credits and Capacity Attributes (if available).
- IV. **Resource Eligibility:** All deliveries shall meet minimum specifications for the PCC1 as described in the Public Utilities Code and applicable regulations.
- V. **Generating Capacity:** The proposed generating resource must be more than five (5) megawatts (“MW”), AC.
- VI. **Term of Agreement:** Not less than one (1) years and not more than twenty (20) years, commencing on the Initial Date of Delivery.
- VII. **Initial Date of Delivery:** Respondents are encouraged to offer multiple pricing bids per facility, based on Initial Dates of Delivery that range from 2019 through 2024; please see the “Price” section of the “3) Project Information” tab of the Open Season Offer Form. MCE prefers Initial Dates of Delivery in September of any given year.
- VIII. **Proposed Pricing:** Respondent should provide a single, flat price for each MWh of electric energy delivered from the proposed generating resource. This energy price shall remain constant throughout the entire delivery term and shall not be adjusted by periodic escalators or time of delivery adjustments. This energy price shall include procurement of the energy commodity, all Green Attributes/Renewable Energy Credits related thereto, Capacity Attributes (if available), transmission charges to the delivery point, including but not limited to CAISO imbalance costs, fees and penalties as well as scheduling fees associated with delivered energy volumes.
- Alternative pricing options may be proposed so long as the aforementioned single flat pricing requirement has been satisfied.
- IX. **Point of Delivery:** Respondents may propose product delivery under one of the following options. MCE has a preference for option “a”:
- a. Respondent shall be financially and operationally responsible for delivery of all electric energy to the NP15 trading hub, as defined by the CAISO [TH_NP15_GEN-APND]. Respondent shall serve as its own scheduling coordinator or make arrangements for a third-party scheduling coordinator at no cost to MCE.
 - b. Respondent shall be financially and operationally responsible for delivery of all electric energy to the generator’s applicable production node. MCE shall serve as its own scheduling coordinator, or make arrangements for a third-party scheduling coordinator at MCE’s sole expense, scheduling all electric energy from the generator’s applicable production node.
- X. **Minimum Development Progress:** To the extent that a proposed generating resource is not yet commercially operational, documentation substantiating achievement of the following development milestones must be provided by the respondent for each eligible generator at the time of offer submittal:

Appendix B

Product B Specifications: Local Renewable Energy

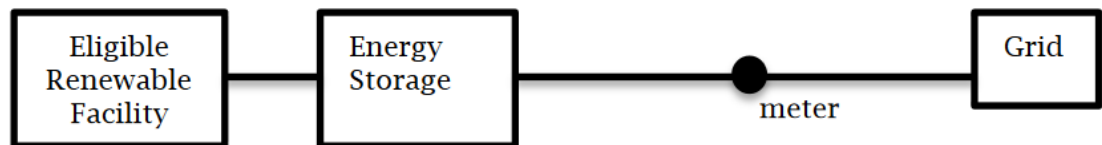
- a. documentation demonstrating full site control via ownership, lease or an option to lease upon PPA execution. Any site lease shall reflect a term length no less than the delivery term of the PPA.
 - b. documentation substantiating that the proposed generating resource has (a) passed all Fast Track screens, (b) passed Supplemental Review, (c) completed a System Impact Study in the Independent Study process, or (d) completed a Phase 1 Study in the Cluster Study Process with the interconnecting utility.
- XI. **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 Eligible Resource will be located (the “Local Hire Requirement”). Seller’s construction of the Eligible Resource is also subject to any local hire requirements specific to the city or town where the proposed generating resource is located. As a condition precedent to commencement of the delivery term under the PPA, 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. Failure to comply with this requirement may, in MCE’s sole discretion, result in termination of the PPA.
- XII. **Prevailing Wage:** To the extent not inconsistent with the requirements of subsection (XIII) 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 under the PPA, 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. Failure to comply with this requirement may, in MCE’s sole discretion, result in termination of the PPA.
- XIII. **Union Labor:** A proposed generating resource to be located in Contra Costa County 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. Applicants with proposed generating resources 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 under the, Seller must certify that it

Appendix B

Product B Specifications: Local Renewable Energy

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. Failure to comply with this requirement may, in MCE’s sole discretion, result in termination of the PPA.

- XIV. **Description of Generating Resource:** At the time of offer submittal, the applicant must provide:
- a. a to-scale Site Map of the generating resource showing the arrangement of all major components of the facility with the name of the facility, nameplate capacity, longitude and latitude of the centroid of the generating resource clearly labeled, in addition to labeling major cross streets and clearly marking the outer boundary of the facility, all Assessor Parcel Numbers included in and adjacent to the facility, and any environmentally sensitive areas;
 - b. a Single Line Diagram which includes to the generating resource’s point of interconnection on the electric distribution system; and
 - c. a 12 x 24 profile of expected generation output from the proposed Facility.
- XV. **Energy Storage:** A proposed generating resource may include storage in compliance with the current version of the CEC RPS Eligibility guidebook where the storage device is integrated into the generating resource such that the energy storage device is capable of storing only energy produced by the generating resource, either as an intermediary form of energy during the generation cycle or after electricity has been generated.
- Regarding co-located renewable energy and storage, MCE has the following preferences:
 - i. a minimum daily dispatch capacity of four (4) hours.
 - ii. Buyer to serve as the Scheduling Coordinator and to maintain all dispatch rights.
 - iii. Bids to include a “\$/MWh” energy price for renewable energy delivered and a “\$/kW-mo” capacity price for the storage capacity provided.



- XVI. **Scheduling:** Unless a renewable energy facility includes energy storage, MCE has a strong preference for the Seller to serve as the Scheduling Coordinator and for the Product to be scheduled in the day-ahead market. In the case that energy storage is included, MCE prefers to maintain Scheduling Coordinator responsibility and dispatch rights.

Appendix C

Product C Specifications: Energy Storage

Overall Goals of MCE's Energy Storage Procurement

- Meet MCE's energy storage compliance obligation of 1% of 2020 peak demand under the [CPUC's Decision Adopting Energy Storage Procurement Framework and Design Program](#). This decision established a target for community choice aggregators to procure energy storage by 2020 with installation no later than 2024. MCE's obligation is ~11 MW in aggregate. MCE will consider projects ranging from a minimum 0.5 MW to 20 MW.
- Lower peak demand and stand-by service charges for MCE customers choosing to host storage projects
- Shift MCE generation to MCE-selected hours (minimum four-hour duration)
- Provide cost effective energy in MCE-selected hours
- Reduce congestion impacts of integrating renewable energy on the CAISO grid
- Reduce GHG emissions (while reducing the effective cost of compliance)
- Reduce the cost to integrate renewable generation
- Provide cost effective Resource Adequacy capacity
- Increase the grid's overall flexibility, reliability and resiliency

Schedule

Announcement of MCE's 2018 Open Season Solicitation: Thursday, January 18, 2018.

Release of Energy Storage Offer Form and Term Sheet: MCE will provide via its website its Energy Storage Offer Form and Term Sheet no later than 5:00 P.M. Pacific Prevailing Time on Thursday, March 22, 2018.

Product C Webinar: MCE will hold an energy storage webinar to answer prospective supplier questions during the week of April 23, 2018.

Product C Frequently Asked Questions (FAQs): Posted to MCE's website no later than the week of April 23, 2018 and updated as necessary as additional questions are received.

Product C Offer Submission: Offers must be received by MCE no later than 5:00 P.M. Pacific Prevailing Time on **Tuesday, May 1, 2018**.

- All responses should be submitted to rfo@mcecleanenergy.org and must include the following subject line: "Response to MCE 2018 Open Season – Product C".
- A complete Offer Package must include the following:
 - Completed Offer Form
 - One-page Project Description
 - Attachment A – Financing Plan

Appendix C

Product C Specifications: Energy Storage

- Attachment B – Financial Statements
- Attachment C – Organizational Chart
- Attachment D – Interconnection Study or IA
- Attachment E – Project Development Timeline
- Attachment F – Permitting, Use and Zoning
- Attachment G – Site Plan
- Attachment H – Single Line Diagram
- (If applicable) Attachment I - Requested changes via redline, to MCE's Term Sheet

Product-specific requirements for Product C (Energy Storage):

- I. **Applicable Contract:** Energy Storage Term Sheet to be provided via MCE's website no later than 5:00 P.M. Pacific Prevailing Time on Thursday, March 22, 2018.
- II. **Resource Location:** Facility must be physically interconnected to, or capable of delivering energy to a California balancing authority; MCE's preference is for resources physically located within the state of California, specifically NP 15 or within MCE's service territory. An eligible Grid Asset project must be located within the State of California. An eligible Behind-the-Meter project must be located within MCE's service territory.
- III. **Product:** Types of Storage can include the following:
 - a) Grid Asset:
 - i) Preferred projects would shift MCE's Super Peak demand (typically HE 17 to HE 12), reduce congestion costs, provide Resource Adequacy capacity, as well as a means to arbitrage energy costs, charging from low cost energy and discharging stored energy during times of high energy cost, and/or to bid into the CAISO market. Resource Adequacy requirement is four hours duration.
 - b) Behind-the-Meter:
 - i) Commercial & Industrial Energy Storage Systems
 - (1) An MCE commercial or industrial customer with on-site renewable generation would own and operate a storage system to better utilize and firm the energy from the installation, allowing the C&I customer to reduce their reliance on grid energy during peak times, decreasing demand charges, and capturing the full value of their generation regardless of net-metering structure. Likely candidates are on E-19 or E-20 tariffs. An example load profile will be provided as part of the Energy Storage Offer Form. If the RFO participant does not select a site, MCE may provide assistance.

Appendix C

Product C Specifications: Energy Storage

c) Aggregated Energy Storage Systems

i) Consideration will be given to eligible participants of Distributed Energy Resource Aggregations (DERP), which requires the resource to:

- (1) Have a minimum sub-LAP aggregation of 0.5 MW;
- (2) Not be net-metered;
- (3) Provide energy and/or ancillary services from one or more Distributed Energy Resource Aggregations through a Scheduling Coordinator; and
- (4) Abide by the applicable provisions of the CAISO tariff.

IV. **Resource Eligibility:** All deliveries shall meet minimum specifications for energy storage as described in the Public Utilities Code and applicable regulations. Please specify whether the resource qualifies as a “System” RA resource, “Local” RA resource and specify which Local Resource Area (LRA) it is located, and whether the resource qualifies as “Flexible” under the CAISO tariff.

V. **Generating Capacity:** The proposed generating resource must be no less than 0.5 MW per sub-LAP and no more than twenty (20) megawatts (“MW”), alternating current (“AC”).

VI. **Term of Agreement:** Not less than one (1) year and not more than twenty (20) years, commencing on the Initial Date of Delivery.

VII. **Initial Date of Delivery:** Respondents are encouraged to offer one bid per facility, based on Initial Dates of Delivery of September each year, 2019 through 2024; MCE prefers Initial Dates of Delivery in September of any given year.

VIII. **Proposed Pricing**

a. **Energy:** Respondent should propose a single, flat price for each MWh of electric energy delivered from the proposed generating resource. This energy price shall remain constant throughout the entire delivery term and shall not be adjusted by periodic escalators or time of delivery adjustments. This energy price shall include the energy commodity, all Green Attributes/Renewable Energy Credits related thereto, transmission charges to the delivery point, including but not limited to CAISO imbalance costs, fees and penalties as well as scheduling fees associated with delivered energy volumes.

Alternative pricing options may be proposed so long as the aforementioned single flat pricing requirement has been satisfied.

b. **Capacity Attributes (if available):** Respondent should propose a single, flat price in \$/kW-Month for each kW of Net Qualifying Capacity along with a table of monthly NQC values.

Appendix C

Product C Specifications: Energy Storage

- IX. **Point of Delivery:** Respondents may propose product delivery under one of the following options. MCE has a preference for option “a”:
- a. Respondent shall be financially and operationally responsible for delivery of all electric energy to the NP15 trading hub, as defined by the CAISO [TH_NP15_GEN-APND]. Respondent shall serve as its own scheduling coordinator or make arrangements for a third-party scheduling coordinator at no cost to MCE.
 - b. Respondent shall be financially and operationally responsible for delivery of all electric energy and RA capacity to the generator’s applicable production node. MCE shall serve as Scheduling Coordinator or make arrangements for a third-party scheduling coordinator at MCE’s sole expense, scheduling all electric energy and RA capacity from the generator’s applicable production node.
- X. **Minimum Development Progress:** To the extent that a proposed generating resource is not yet commercially operational, documentation substantiating achievement of the following development milestones must be provided by the respondent for each eligible generator at the time of offer submittal:
- a. documentation demonstrating full site control via ownership, lease or an option to lease upon PPA execution. Any site lease shall reflect a term length no less than the delivery term of the PPA.
 - b. documentation substantiating that the proposed generating resource has (a) passed all Fast Track screens, (b) passed Supplemental Review, (c) completed a System Impact Study in the Independent Study process, or (d) completed a Phase 1 Study in the Cluster Study Process with the interconnecting utility.
- XI. **Local Hire:** If a proposed Project is to be located within MCE’s Service area, requirements may apply regarding local hire, prevailing wage, and union labor. Please see the corresponding sections of Appendix B.
- XII. **Prevailing Wage:** If a proposed Project is to be located within MCE’s Service area, requirements may apply regarding local hire, prevailing wage, and union labor. Please see the corresponding sections of Appendix B.
- XIII. **Union Labor:** If a proposed Project is to be located within MCE’s Service area, requirements may apply regarding local hire, prevailing wage, and union labor. Please see the corresponding sections of Appendix B.

Appendix C

Product C Specifications: Energy Storage

- XIV. **Description of Generating Resource:** At the time of offer submittal, the applicant must provide:
- a. a to-scale Site Map of the generating resource showing the arrangement of all major components of the facility with the name of the facility, nameplate capacity, longitude and latitude of the centroid of the generating resource clearly labeled, in addition to labeling major cross streets and clearly marking the outer boundary of the facility, all Assessor Parcel Numbers included in and adjacent to the facility, and any environmentally sensitive areas; and
 - b. a Single Line Diagram which includes to the generating resource's point of interconnection on the electric distribution system.
 - c. A 12 x 24 profile of expected generation output from the proposed Facility.



2018 Open Season Request for Offer Discussion

MCE Technical Committee – February 1, 2018

Agenda

- Open Season Purpose and Overview
- RFO Criteria and Evaluation Methodology
- Volumes
- Requested Products and Key Requirements
- Key Requirements by Product

Purpose

- Additional renewable purchases will be necessary to meet future demand of MCE customers:
 - MCE will continue to exceed the CA RPS standard
 - MCE aspires to maximize in-state renewable procurement, with an emphasis on Local projects, sited in or near MCE service territory
 - MCE has transitioned to 100% autonomous procurement
- MCE and project developers/marketers benefit from a standardized procurement process with clearly defined requirements

Purpose

- Ongoing procurement, consistent with annual Integrated Resource Plan:
 - Cost stability
 - Cost minimization
 - Technological diversity
 - Supplier diversity



Overview

2018 Open Season

- The Open Season provides a competitive, objectively administered opportunity for qualified suppliers of various energy products to fulfill certain portions of MCE's future resource requirements.
- MCE is increasing renewable energy purchases with the goal of supplying Light Green customers with 80 percent renewable energy by 2025.



Overview

2018 Open Season

- MCE will incrementally increase its overall carbon-free energy content to 100 percent of all customer energy deliveries.
- MCE's voluntary 100 percent renewable energy Deep Green service option, will consist of primarily bundled RE products.

Products

Product	Offers Due
PCC1 ("Bucket 1") Renewable Energy	Thursday, March 1, 2018
<i>PCC1 Webinar</i>	<i>Friday, February 16, 2018</i>
Local Renewable Energy	Monday, April 2, 2018
<i>Local Webinar</i>	<i>Tuesday, March 20, 2018</i>
Energy Storage	Tuesday, May 1, 2018
<i>Storage Webinar</i>	<i>Monday, April 23, 2018</i>

RFO Criteria

- **Offer Form:** Respondents must complete a standardized offer form, which now includes a Supplier Diversity questionnaire
- **Shortlist Deposit:** A deposit of \$3.00/kilowatt of the project's capacity is due upon a respondents acceptance of shortlisting status (refundable if not ultimately selected)
- **Revisions to Contract:** MCE will not accept or discuss contract changes that impose additional credit requirements on MCE
- **Limit Offers:** Respondents with multiple sites and/or project configurations are encouraged to limit submittals by identifying the "best matched" opportunities for MCE, based on RFO Instructions



Projects will be ranked based upon the following criteria:

Evaluation Methodology

- Overall quality of response, inclusive of completeness, timeliness and conformity
- Price and relative value within MCE's supply portfolio
- Project location and local benefits, i.e. local hiring & prevailing wage
- Project development status, such as Interconnection status, deliverability, siting, zoning permitting & financing



Projects will be ranked based upon the following criteria:

Evaluation Methodology

- Environmental impacts & related mitigation requirements
- Financing plan & financial stability of project owner/developer
- Acceptance of MCE's standard contract terms
- Development milestone schedule, if applicable

Volumes

- MCE intends to fill open positions with a steady state of procurement
- The open positions below flow from the approved 2018 IRP
- MCE Staff is soliciting additional short term PCC1 volumes for 2018 and 2019 to meet the demand of our Contra Costa county inclusion

Renewables Open Position (GWh)	2018	2019	2020	2021	2022	2023	2024	2025
Portfolio Content Category 1	198	544	667	458	632	811	1,026	1,221
Portfolio Content Category 2	111	448	852	901	951	1,002	1,056	1,111
Portfolio Content Category 3	146	169	169	170	171	172	174	175
Total Renewables Open Position (GWh)	455	1,161	1,688	1,528	1,754	1,986	2,256	2,508

Key Requirements: PCC1 Renewable Energy

- **Offers due:** March 1, 2018
- **Location:** Physically interconnected to, or capable of delivering PCC1 energy to a California balancing authority
- **Size:** Greater than 20 MW
- **Term:** Not less than 1 year or greater than 20 years
- **Price:** Single flat fixed \$/MWh price
- **Site Control:** Must demonstrate site control for Term of proposed contract
- **Interconnection:** Must provide a Phase 1 or equivalent study
- **Hiring Requirements:** If the project is located in MCE's service area, Local Hire, Prevailing Wage and Union Labor requirements may apply
- **Storage:** Developer may submit a RE + storage offer

Key Requirements: Local Renewable Energy

- **Offers due:** April 2, 2018
- **Location:** Physically located and interconnected within any member jurisdiction of MCE's service area
- **Size:** Greater than 5 MW
- **Term:** Not less than 1 year or greater than 20 years
- **Price:** Single flat \$/MWh
- **Site Control:** Must demonstrate site control for Term of proposed contract
- **Interconnection:** Must provide a Phase 1 or equivalent study
- **Hiring Requirements:** If the project is located in MCE's service area, Local Hire, Prevailing Wage and Union Labor requirements may apply
- **Storage:** Developer may submit a RE + storage offer

Energy Storage: Goals

- Meet CPUC storage compliance
- Lower peak demand and stand-by service charges for MCE customers
- Shift generation to preferred hours
- Reduce congestion impacts on CAISO grid
- Reduce GHG emissions
- Provide cost effective Resource Adequacy capacity
- Improve grid flexibility, reliability and resiliency

Key Requirements: Energy Storage

- **Offers due:** May 1, 2018
- **Product:**
 - Grid Asset
 - Behind-the-meter: Commercial and Industrial
 - Aggregated Energy Storage
- **Location:** Physically interconnected to, or capable of delivering energy to a California balancing authority
- **Size:** .5 MW and no more than 20 MW
- **Term:** Not less than 1 year or greater than 20
- **Pricing:** Flat fixed price in \$/MWh for energy and fixed flat \$/kW per month for Resource Adequacy
- **Interconnection:** Must provide a Phase 1 or equivalent study
- **Hiring Requirements:** If the project is located in MCE's service area, Local Hire, Prevailing Wage and Union Labor requirements may apply

Questions and Discussion

Thank You

Lindsay Saxby
Power Supply Contracts Manager
lsaxby@mceCleanEnergy.org



LETTER AGREEMENT

June 20 2017

Tom Hansen
Business Manager
IBEW Local 302
1875 Arnold Drive
Martinez, CA 94553

Re: MCE Solar Projects

Dear Mr. Hansen:

This letter memorializes an Agreement between MCE and IBEW Local 302 (the "Union") (the "Agreement"). This Agreement pertains to all future solar projects by MCE located in Contra Costa County, California (the "Projects") subject to Board approval. MCE and the Union have the authority to enter into this agreement.

MCE has entered into this Agreement with the Union in consideration for its commitment to establish a Project-specific partnership with MCE that will ensure that the Union provides a requisite number of skilled workers represented by the Union to perform "Covered Work" as defined in this Agreement and to allow the Project to be constructed and completed on schedule in a high quality and cost effective manner.

No later than 60 days prior to the start of construction of each Project, the parties shall replace this letter agreement with a more detailed agreement in the form of the attached Project Labor Agreement for that Project ("PLA") to be signed by MCE's Engineering and Procurement and Construction Contractor ("EPC"), the Union and the other Unions shown on the PLA. MCE will also require its EPC to sign or cause its subcontractor to sign the attached side letter with IBEW Local 1245. IBEW Local 302 agrees not to make any written or verbal statements about MCE that are disparaging, untrue or inaccurate; Doing so will cause this agreement to be void.

MCE recognizes the Union as the sole and exclusive collective bargaining agent for its construction craft employees.

MCE


By: Dawn Weisz, CEO

Agreed:

IBEW Local 302


By: Tom Hansen, Business Manager

**PROJECT LABOR AGREEMENT
FOR THE
_____ SOLAR PROJECT**

CONTRA COSTA COUNTY, CALIFORNIA

ARTICLE 1

INITIAL PROVISIONS

1.1 This Project Labor Agreement (“Agreement”) is entered into by _____ (“Primary Employer”), Operating Engineers Local 3, Northern California Carpenters Regional Council, Northern California District Council of Laborers and its affiliated local unions, IBEW Local 302, and Ironworkers Local 378 who have executed this Agreement (the “Unions”).

1.2 The _____ Project (the “Project”) is an approximately ____ MW photovoltaic solar power plant and any associated electricity storage facilities located in Contra Costa County, California. The Project is either owned by MCE (“Owner”) or MCE is the Power Supply Offtaker (“Offtaker”). It is understood and agreed by and between the Parties to this Agreement that the final plans for the Project may be subject to modifications and approval by those public agencies possessing lawful approval authority over the Project and that this Agreement applies to the Project as it is finally approved by such entities and agencies and only to the Project.

1.3 Primary Employer is an employer primarily engaged in the construction industry and has the authority to enter into this agreement.

1.4 As provided below, all construction managers, contractors, subcontractors or other persons or entities assigning, awarding or subcontracting Covered Work (as defined in Article 2), or performing Covered Work, will be subject to this Agreement by executing Attachment A, the Agreement to be Bound (all of whom, including the Primary Employer, are individually and collectively referred to as “Employer” or “Employers”).

1.5 The Unions are labor organizations whose members are construction industry employees. The Unions are party to multi-employer collective bargaining agreements (“Master Agreement”) applicable to employers working within the geographic jurisdiction.

1.6 A large labor pool represented by the Unions will be required to execute the Covered Work involved in the Project. Employers wish and it is the purpose of this Agreement to ensure that a sufficient supply of skilled craft workers are available at the Project, that all construction work performed by the members of the Unions on this Project shall proceed continuously, without interruption, in a safe and efficient manner, economically with due consideration for the protection of labor standards, wages and working conditions. In furtherance of these purposes and to secure optimum productivity, harmonious relations between the parties and the orderly performance of the work, the parties to this Agreement agree to establish adequate and fair wage levels and working conditions.

1.7 In the interest of the future of the construction industry in the local area, of which the Unions are a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work and cooperate with the Primary Employer, Employers and with other construction employers engaged on the Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement. In particular, the Unions shall make all efforts to first source local labor to the Project and shall cooperate with each Employer’s efforts to comply with all applicable laws and regulations related to such local hiring requirements.

1.8 The parties recognize the importance of solar power in assuring that California is provided with adequate supplies of renewable energy for economic growth, the creation of job opportunities and for a greater degree of energy independence. By entering into this Agreement, the parties recognize the unique nature of a solar photovoltaic power plant and that the terms and conditions covered by this Agreement are therefore unique. Accordingly, the parties have in good faith arrived at the special conditions contained in this Agreement, and the parties agree to work together jointly to support the Project and make it successful.

ARTICLE 2

SCOPE OF AGREEMENT

2.1 This Agreement covers all on-site construction, alteration, demolition or repair of buildings, structures, and other works which are part of the Project. All work covered by this Agreement is referred to as "Covered Work." This Agreement also covers work done in temporary yards or facilities adjacent to or near the Project that is otherwise Covered Work.

2.2 The following are specifically excluded from the definition of Covered Work:

2.2.1 Any work performed on or near the Project site by federal, state, county, city or other governmental bodies and/or agencies or their contractors or work performed by utilities or their contractors.

2.2.2 Work performed by supervisors not covered by a collective bargaining agreement, technical or non-manual employees including but not limited to executives, office and clerical personnel, drafters, staff engineers, technical advisors, vendor quality control representatives, logistic and materials support, timekeepers, messengers, or any other employees above the classification of general foreman who perform administrative/clerical functions.

2.2.3 Operations and maintenance work.

2.3 Purchase of any manufactured item produced in a genuine manufacturing facility for the supply of products is not Covered Work and shall not be considered subcontracting under Article 3 below. Any offsite fabrication, kitting, preparation or other assembly of components for the Project is Covered Work and shall be performed on site. For the convenience of the Employer, such work may be performed offsite if performed in accordance with the union standards for the applicable Union established by this Agreement. Covered Work does not include creating inverter skids, if they are created, built, or assembled in a genuine manufacturing facility. Any manufacturer owned in whole or in part, or with any ownership or control relationship with a general contractor or electrical contractor shall not be recognized as a genuine manufacturer.

ARTICLE 3

SUBCONTRACTING

3.1 Primary Employer and each other Employer agree that they will contract for the assignment, awarding or subcontracting of Covered Work, or authorize another party to assign, award or subcontract Covered Work, only to a person, firm, corporation or other entity that, at

the time the contract is executed, has become a party to this Agreement by executing Attachment A, the Agreement to be Bound.

3.2 Primary Employer and each other Employer agree that they will subcontract Covered Work only to a person, firm, corporation or other entity who is or becomes a party to this Agreement, who is primarily a C-10 electrical contractor (for IBEW Covered Work), and who is or becomes signatory to the Master Agreement or, in the case of a national contractor, a national agreement with the applicable Union. Before being authorized to perform any Covered Work, Employers (other than Primary Employer) shall become a party to this Agreement by signing Attachment A, the Agreement to be Bound and the applicable Master Agreement. Every Employer shall notify the Union in writing within five business days after it has subcontracted work, and shall at the same time provide to the Union a copy of the executed Agreement to be Bound. Any Employer not already bound to the Master Agreement, who signs and becomes bound to such agreement to participate on this Project, shall not be required to apply the terms of that Master Agreement to any other construction project for which such Employer is already engaged contractually, but shall only be required to apply such agreement to this Project and future projects which it undertakes and which are in the scope of work covered by that Master Agreement.

3.3 Nothing in this Agreement shall in any manner whatsoever limit the rights of the Primary Employer and every other Employer, to subcontract Covered Work or to select its contractors or subcontractors; provided, however, that all Employers, at all tiers, assigning, awarding, contracting or performing, or authorizing another to assign, award, contract or perform Covered Work shall be required to comply with the provisions of this Agreement. Primary Employer and every other Employer shall notify each of its contractors and subcontractors of the provisions of this Agreement and require as a condition precedent to the assigning, awarding or subcontracting of any Covered Work or allowing any subcontracted Covered Work to be performed, that all such contractors and subcontractors at all tiers become signatory to this Agreement, and the applicable Master Agreement or national agreement as provided in Section 3.2 above. Any Employer that fails to provide the Union with a copy of the Agreement to be Bound executed by its contractor or subcontractor shall be liable for any failure of that contractor or subcontractor, or any contractor or subcontractor at a lower tier, to comply with the provisions of this Agreement, including any contributions to any trust funds that the contractor or subcontractor, or any subcontractor to that subcontractor, fails to make.

ARTICLE 4

WAGES AND BENEFITS

4.1 All employees performing Covered Work and covered by this Agreement (including foremen and general foremen if they are covered by the Master Agreement) shall be classified and paid wages and benefits, and contributions made on their behalf to multi-employer trust funds, all in accordance with the applicable Union's then current multi-employer Master Agreement.

4.2 Employees performing Covered Work in the IBEW CW classification shall receive wages and benefits as specified in the most current wage sheet for that classification.

ARTICLE 5

UNION RECOGNITION AND REFERRAL

5.1 The Employers recognize the Unions signatory to this Agreement as the sole and exclusive collective bargaining agent for their construction craft employees performing Covered Work for the Project, and further recognize the traditional and customary craft jurisdiction of the Unions.

5.2 All employees performing Covered Work shall be or shall become and then remain members in good standing of the applicable Union as a condition of employment on or before the eighth (8th) day of employment, or the eighth (8th) day following the execution of this Agreement, whichever is later.

5.3 The Unions shall be the source of all craft employees for Covered Work for the Project. Employers agree to be bound by the hiring practices of the Unions, including hiring of apprentices, and to utilize its registration facilities and referral systems.

5.4 The Unions shall exert their utmost efforts, including requesting assistance from other local unions, to recruit a sufficient number of skilled craftsmen to fulfill the manpower requirements of the Employers. In the event the referral facilities maintained by the Union does not refer the employees as requested by the Employer within a forty-eight (48) hour period after such requisition is made by the Employer (Saturdays, Sundays and holidays excepted), the Employer may employ applicants from any source, but shall arrange for a dispatch to be issued for those applicants from the Union within forty-eight (48) hours of the commencement of employment, and the dispatch shall upon request be issued by the Union to the employee. Employer will notify the Union of such gate-hires.

5.5 Each Union shall have the right to designate a working journey person as a working steward. The steward shall be a qualified employee performing the work of that craft and shall not exercise any supervisory functions. The steward shall be concerned with the employees of the steward's Employer and not with the employees of any other Employer. A steward shall be allowed sufficient time to perform his/her duties.

ARTICLE 6

WORK STOPPAGES AND LOCKOUTS

6.1 During the term of this Agreement, there shall be no strikes, sympathy strikes, picketing, work stoppages, slow downs, handbilling where the handbilling relates to the Project or to the Owner, Employer, or other Employer working or providing work on the Project, or interference with the work or other disruptive activity of any kind at the Project site for any reason by the Union, its agents, representatives, or by any employee, and there shall be no lockout by any Employer. Failure of either a Union or an employee to cross any picket line established at the Employer's project site is a violation of this Article.

6.2 The Unions shall not sanction, aid or abet, encourage, condone or participate in or continue any work stoppage, delay, strike, picketing or any other disruptive activity at the Project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in

or encourages any activities which interfere with the normal operation of the Project or which violate this Article, shall be subject to disciplinary action, including discharge, and, if justifiably discharged for the above reasons, shall not be eligible for rehire or further work on the Project.

6.3 A Union shall not be liable for acts of employees that it does not represent. With respect to employees the Union does represent, the principal officer or officers of the Union will immediately instruct, and order and use the best efforts of his office to cause such employees to cease any violations of this Article. A Union complying with this obligation shall not be liable for any unauthorized acts of the employees it represents. The failure of the Employer to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

6.4 The Unions agree that if any union or any other persons, whether parties to this Agreement or otherwise, engage in any picketing or work stoppages, the signatory Unions shall consider such work stoppage or picketing to be illegal and refuse to honor such picket line or work stoppage.

6.5 In the event of any work stoppage, strike, sympathy strike, picketing, handbilling or interference with the work or any other disruptive activity at the Project site in violation of this Article, the Primary Employer may suspend all or any portion of the Project work affected by such activity at the Primary Employer's discretion and without penalty.

6.6 In lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union has been notified of the fact, understanding that the grieving party has the discretion to opt for resolution of any dispute under this Article or through Article 8 instead.

6.6.1 The party invoking this procedure shall notify Thomas Pagan, Norman Brand or Joe Grodin, who the parties to this agreement agree shall be the permanent Arbitrators under this procedure. In the event that any of the permanent Arbitrators is unavailable at any time, the American Arbitration Association shall select an alternative arbitrator within twenty-four (24) hours of notice. Notice to the Arbitrator shall be by the most expeditious means available, with notice by fax or electronic means or any other effective written means to the party alleged to be in violation and the Union.

6.6.2 Upon receipt of said notice, the Arbitrator selected above shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists or is threatened to resume.

6.6.3 The Arbitrator shall notify the parties by fax or electronic means or any other effective written means of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

6.6.4 The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any party desires an opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The Arbitrator may order cessation of the violation of this Article by the Union, and such Award shall be served on all parties by hand or registered mail or by

electronic mail upon issuance. The Union accepts service pursuant to any of the foregoing means of notice and expressly waives notice by more formal means.

6.6.5 Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to hereinabove in the following manner. The fax or electronic notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's Award as issued under Section 6.6.4 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address or by registered mail or by electronic mail. All parties waive the right to require the issuance of a bond or other security for issuance of an injunction or an appeal to a refusal to issue one under this Article.

6.6.6 Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance therewith are hereby waived by the parties to whom they accrue.

6.6.7 The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found, such fees and expenses shall be borne by the moving party.

6.6.8 If the Arbitrator determines that a violation has occurred in accordance with Section 6.6.4 above, the party or parties found to be in violation shall pay as liquidated damages the following amounts: for the first shift in which the violation occurred, \$10,000; for the second shift, \$15,000; for the third shift, \$20,000; for each shift thereafter on which the craft has not returned to work, \$20,000 per shift. The Arbitrator shall retain jurisdiction to determine compliance with this section and this Article.

6.7 The procedures contained in this Article shall be applicable to alleged violations of this Article. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of this Article, shall be resolved under the grievance procedures of Article 8.

6.8 Notwithstanding the provisions of Section 6.1 above, it is agreed that with forty eight (48) hours prior written notice to the Primary Employer, the Union retains the right to withhold the services of its members from a particular contractor or subcontractor who fails with respect to work on the Project to make timely payments to the Union's benefit plans or to pay timely its weekly payroll in accordance with its agreements with the Union; provided, however, that in the event the Union or any of its members withhold their services from such contractor or subcontractor, Primary Employer shall have the right to replace such contractor or subcontractor with any other contractor or subcontractor who executes the Agreement to be Bound.

6.9 In the event that the Master Agreement of a Union expires and the parties to that agreement fail to reach agreement on a new contract by the date of expiration, the Union shall continue to provide employees to the Employers working on the Project under all the terms of the expired agreement until a new agreement is negotiated, at which time all terms and conditions of that new agreement shall be applied to Covered Work at the Project, except to the extent they conflict with any provision of this Agreement. In addition, if the new Master

Agreement provides for wage or benefit increases, then any Employer shall pay to its employees who performed Covered Work at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such wage and benefit increases established by the new labor agreement applicable to such work performed during the hiatus.

ARTICLE 7

WORK RULES, HOLIDAYS

7.1 The standard work day shall consist of eight (8) hours of work between 6:00 a.m. and 5:30 p.m. with one-half hour designated as an unpaid period for lunch. The standard work week shall be five (5) consecutive days starting on Monday. Nothing herein shall be construed as guaranteeing any employee eight (8) hours of work per day or forty (40) hours of work per week.

7.2 Handling and installation of PV modules will be primarily performed by employees in the IBEW CW classification. There shall be at least one journeyman and one apprentice for each four CWs.

7.3 There shall be at least one journeyman for each apprentice for IBEW Covered Work other than PV module handling and installation.

7.4 Employers may utilize Ironworker apprentices for all Ironworker Covered Work, provided that there shall be at least one journeyman for each one apprentice.

7.5 It will not be considered a violation of this Agreement when the Primary Employer or any Employer considers it necessary to shut down to avoid loss of human life because of an emergency situation that could endanger life or safety. In such cases, employees will be compensated only for the actual time worked. In case of a situation described above whereby the Primary Employer or any Employer requests employees to wait in a designated area available for work the employees will be compensated for the waiting time.

7.6 Recognized holidays shall be as follows: New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving and Christmas Day. Under no circumstances shall any work be performed on Labor Day except in cases of emergency involving life or property. In the event a holiday falls on Saturday, the previous day, Friday, shall be observed as such holiday. In the event a holiday falls on Sunday, the following day, Monday, shall be observed as such holiday. There shall be no paid holidays. If employees are required to work on a holiday, they shall receive the appropriate rate as provided in the Master Agreement not to exceed double the straight time rate of pay.

ARTICLE 8

GRIEVANCE PROCEDURE

8.1 It is mutually agreed that any question arising out of and during the term of this Agreement involving its interpretation and application (other than successorship) shall be considered a grievance. Questions between or among parties signatory to the Master Agreement arising out of or involving the interpretation of the Master Agreement shall be resolved under the grievance procedure provided in the Master Agreement.

8.2 The Primary Employer and other Employers, as well as a Union, may bring forth grievances under this Article.

8.3 A grievance shall be considered null and void if not brought to the attention of the Employer(s) within five (5) working days after the incident that initiated the alleged grievance occurred or reasonably should have been discovered, whichever is later. The term "working days" as used in this Article shall exclude Saturdays, Sundays or holidays regardless of whether any work is actually performed on such days.

8.4 Grievances shall be settled according to the following procedure (provided that grievances that do not involve an individual grievant or grievants shall be discussed by Primary Employer and the Union, and then, if not resolved within five (5) working days of written notice unless extended by mutual consent, shall commence at Step 2):

Step 1

The Steward and the grievant shall attempt to resolve the grievance with the craft supervisor within five (5) working days after the Grievance has been brought to the attention of the Employer.

Step 2

In the event the matter remains unresolved in Step 1 above after five (5) working days, within five (5) working days thereafter, the alleged grievance may be referred in writing to the Business Manager of the Union or his designee and the site construction manager or Labor Relations representative of the Employer(s) for discussion and resolution. A copy of the written grievance shall also be mailed, faxed or emailed to the Primary Employer.

Step 3

In the event the matter remains unresolved in Step 2 above within five (5) working days, within five (5) working days thereafter, the grievance may be referred in writing to the Business Manager of the Union or his designee and the Manager of Labor Relations of the Employer(s) or the Manager's designated representative and the Primary Employer for discussion and resolution.

Step 4

If the grievance is not settled in Step 3 within five (5) working days, within five (5) days thereafter, either party may request the dispute be submitted to arbitration or the time may be extended by mutual consent of both parties. The request for arbitration and/or the request for an extension of time must be in writing with a copy to the Primary Employer. Should the parties be unable to mutually agree on the selection of an Arbitrator, selection for that given arbitration shall be made by seeking a list of seven (7) labor arbitrators with construction experience from the Federal Mediation and Conciliation Service and alternately striking names from the list of names on the list until the parties agree on an Arbitrator or until one name remains. The first party to strike a name from the list shall alternate between the party bringing forth the grievance and the party defending the grievance.

8.5 The Arbitrator shall conduct a hearing at which the parties to the grievance shall be entitled to present testimonial and documentary evidence. Hearings will be transcribed by a certified court reporter. The parties shall be entitled to file written briefs after the close of the hearing and receipt of the transcript.

8.6 Upon expiration of the time for the parties to file briefs, the Arbitrator shall issue a written decision that will be served on all parties and on the Primary Employer. The Arbitrator shall have the authority to utilize any equitable or legal remedy to prevent and/or cure any breach or threatened breach of this Agreement. The Arbitrator's decision shall be final and binding as to all parties signatory to this Agreement.

8.7 The cost of the Arbitrator and the court reporter, and any cost to pay for facilities for the hearing, shall be borne equally by the parties to the grievance. All other costs and expenses in connection with the grievance hearing shall be borne by the party who incurs them.

8.8 The Arbitrator's decision shall be confined to the issue(s) posed by the grievance and the Arbitrator shall not have the authority to modify, amend, alter, add to or subtract from any provision of this Agreement.

8.9 Any party to a grievance may invite the Primary Employer to participate in resolution of a grievance. The Primary Employer may, at its own initiative, participate in Steps 1 through 3 of the grievance procedure.

8.10 In determining whether the time limits of Steps 2 through 4 of the grievance procedure have been met, a written referral or request shall be considered timely if it is personally delivered, sent by overnight mail, electronic mail, or faxed within the five (5) working day period. Any of the time periods set forth in this Article may be extended in writing by mutual consent of the parties to the grievance. Failure to process a grievance, or failure to respond in writing within the time limits provided above, without a request for an extension of time, shall be deemed a waiver of such grievance to the other without prejudice, or without precedent to the processing of and/or resolution of like or similar grievances.

8.11 In order to encourage the resolution of disputes and grievances, the parties agree that settlements shall not be precedent setting.

ARTICLE 9

WORK JURISDICTION AND PRE-JOB MEETINGS

9.1 All Covered Work will be assigned to the appropriate Union as identified in Attachment B.

9.2 Prior to the commencement of work at the site of construction the Primary Employer shall hold a Pre-Job Conference with the Unions for the purpose of discussing the scope, schedule, manpower requirements, and jurisdictional work assignments. A Pre-Job Conference will be held prior to the commencement of work to establish the scope of work in each contractor's contract.

9.3 In the event of any jurisdictional or similar dispute concerning the Employer's assignment of work on this Project, the Employer and the Unions agree to cooperate to attempt to resolve such dispute expeditiously and efficiently; however, nothing in this Section shall require the Unions to agree to any modification of this Agreement. This Article (including Attachment B), rather than any jurisdictional dispute resolution procedure in a Union's Master Agreement, shall apply to jurisdictional disputes involving the assignment of work on this Project to a Union.

ARTICLE 10

GENERAL WORKING CONDITIONS

10.1 The selection of craft foremen and/or general foremen shall be entirely the responsibility of the Employer, it being understood that in the selection of such foremen and/or general foremen the Employer will give primary consideration to the qualified individuals referred to the Employer who are available in the local area. After giving such consideration, the Employer may select such individuals from other areas. All foremen shall take orders from the designated Employer representatives.

10.2 There shall be no limit on production by employees or restrictions on the full use of tools or equipment. Employees using tools shall perform any of the work of the trade and shall work under the direction of the craft foremen. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations.

10.3 The Primary Employer shall establish and employees shall observe such reasonable project job site work rules as the Employer deems appropriate. These rules will be reviewed and discussed at the Pre-Job conference, distributed to all employees, posted at the project site by the Primary Employer, and may be amended thereafter as necessary.

ARTICLE 11

MANAGEMENT RIGHTS

11.1 The Primary Employer and Employers retain and shall exercise full and exclusive authority and responsibility for the management of their respective operations and work forces, except as expressly limited by the terms of this Agreement or the Master Agreement. This

authority includes, but is not limited to, the rights retained by Employers under the Master Agreement and the rights to:

11.1.1 Plan, direct and control the operation of all the work.

11.1.2 Decide the number and type of employees required for the work.

11.1.3 Hire, promote and lay off employees as deemed appropriate to meet work requirements and/or skills required, and to select and hire directly all supervisory personnel above the classification of general foreman it considers necessary and desirable, without such persons being referred by the Union.

11.1.4 Discharge, suspend or discipline employees in accordance with the applicable Master Agreement.

11.1.5 Require all employees to observe the Primary Employer's, Employers' and Owners' reasonable Project Rules, Security, Environmental and Safety Regulations, consistent with the provisions of this Agreement. These Project Work Rules and Regulations shall be supplied to the Union, to all employees and posted on the job site.

11.1.6 Determine the work methods and procedures

11.1.7 Determine the competency of all employees.

11.1.8 Assign and schedule work at its sole discretion and determine when overtime will be worked. There shall be no refusal by any Union to perform work, including overtime work, assigned. Such cases shall be subject to the grievance procedure.

11.1.9 Utilize any safe work methods, procedures or techniques and select and use any type or kind of materials, apparatus or equipment regardless of source, manufacturer or designer.

11.1.10 Purchase materials or equipment from any source it deems appropriate.

11.1.1 The foregoing listing of management rights shall not be deemed to exclude other functions not specifically set forth herein. The Employers, therefore, retain all legal rights not specifically given up in this Agreement.

ARTICLE 12

SUCCESSORSHIP AND SURVIVABILITY

12.1 The subcontracting obligations described in Article 3 are independent obligations of Primary Employer which shall survive any full or partial termination of Primary Employer's involvement in the Project for any reason, including, without limitation: (i) any full or partial termination or transfer of Primary Employer's right to control and coordinate construction work on the Project; (ii) any full or partial termination or transfer of a contract, if any, between Primary Employer and any Owner for any Covered Work; (iii) the transfer of all or any portion of the Project or any interest in the Project by any Project Owner; or (iv) any other event that results in the replacement of Primary Employer with another contractor.

12.2 The parties agree that: (i) if Primary Employer's involvement in the Project is terminated as described in Section 12.1, and (ii) Covered Work is performed by a contractor or subcontractor that is not in compliance with the provisions of Article 3, then Primary Employer shall pay liquidated damages, as described in Section 12.3, to compensate for the actual damages caused by reason thereof. The parties agree that such damages would be unreasonably difficult, costly, inconvenient or impracticable to calculate and, accordingly, they agree to liquidated damages which bear a reasonable relationship to the actual harm suffered by the Union and their members, as provided in Section 12.3 ("Liquidated Damages").

12.3 In the event that Liquidated Damages are owed as described in Section 12.2, Primary Employer shall pay an amount equal to the journeyman total compensation package of the applicable Union for each hour that work was performed on the Project within the scope of this Agreement by employees of contractors or subcontractors who are not signed to this Agreement. The Liquidated Damages shall be paid as follows: Half to the qualified pension plan and half to the qualified health and welfare plan of the Union having jurisdiction over the work performed by the contractor not signatory to this Agreement. The parties agree that the Unions shall enforce, collect and receive Liquidated Damages pursuant to Article 12 on behalf of its qualified pension plan and its qualified health and welfare plan. The qualified pension plans and the qualified health and welfare plans shall have no right to enforce independently the provisions of this Agreement, including, but not limited to, the Liquidated Damages provisions contained in Article 12.

12.4 Primary Employer shall be released from all obligations under this Agreement with respect to all or any portion of the Project, including liability for the payment of Liquidated Damages, and shall have no liability for any breach of this Agreement by a successor upon Primary Employer's receipt of a fully executed release by the Union. Such release shall not be withheld if, under all the circumstances, the Union, in the exercise of its reasonable judgment, determines that the successor has the financial means to complete the Project and to comply with the successor Primary Employer's obligations and undertakings under this Agreement, including any obligation to pay Liquidated Damages.

12.5 This Article shall be enforceable in any court of competent jurisdiction, and shall not be subject to the grievance procedure of Article 8.

ARTICLE 13

HELMETS TO HARDHATS

13.1 The Employers and Unions recognize a desire to facilitate the entry into the building and construction trades of veterans and members of the National Guard and Reserves who are interested in careers in the building and construction industry. The Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment ("Center"), a joint Labor-Management Cooperation Trust Fund, established under the authority of Section 6(b) of the Labor-Management Cooperation Act of 1978, 29 U.S.C. Section 175(a), and Section 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. Section 186(c)(9), and a charitable tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to

apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

13.2 The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans and members of the National Guard and Reserves interested in working on this Project and apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Union will give credit to such veterans and members of the National Guard and Reserves for bona fide, provable past experience.

13.3 In recognition of the work of the Center and the value it will bring to the Project, within thirty (30) days of the commencement of Covered Work, Primary Employer shall make a onetime contribution of \$1,000 to the Center on behalf of itself and all other Employers employing workers under the terms of this Agreement.

13.4 The Center shall function in accordance with, and as provided in the Agreement and Declaration of Trust creating the fund, and any amendments thereto, and any other of its governing documents. Primary Employer approves and consents to the appointment of the Trustees designated pursuant to the Trust Agreement establishing the Center and hereby adopts and agrees to be bound by the terms and provisions of the Trust Agreement.

ARTICLE 14

GENERAL PROVISIONS

14.1 If any article or provision of this Agreement shall become invalid, inoperative and/or unenforceable by operation of law or by declaration of any competent authority of the executive, legislative, judicial or administrative branches of the federal or state government, the parties shall suspend the operation of such article or provision during the period of its invalidity, and the Primary Employer and the Unions shall negotiate in its place and stead an article or provision that will satisfy the objections to its validity and that, to the greatest extent possible, will be in accord with the intent and purpose of the article or provision in question. The new article or provision negotiated by the Primary Employer and the Unions shall be binding on all parties signatory to this Agreement. At all times relevant the provisions of Article 6 will apply.

14.2 If any article or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law, or by any of the above mentioned tribunals of competent jurisdiction, the remainder of the Agreement or application of such article or provision to persons or circumstances other than to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.

14.3 The provisions of this Agreement shall take precedence over conflicting provisions of the Master Agreement or any other local, area, regional, or national collective bargaining agreement

14.4 Except as enumerated in this Agreement, all other terms and conditions of employment described in the Master Agreement shall apply.

14.5 This Agreement may be amended or otherwise modified by mutual agreement in writing between Primary Employer and the Unions. Employers executing the Agreement to be

Bound acknowledge and accept all such amendments and modifications executed prior to their respective execution of the Agreement to be Bound.

14.6 Each person executing this Agreement represents and warrants that he or she is authorized to execute this Agreement on behalf of the party or parties indicated.

14.7 This Agreement may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document. All executed counterparts together shall constitute one and the same document, and any signature pages may be assembled to form a single original document.

ARTICLE 15

TERM OF AGREEMENT

15.1 The term of this Agreement shall commence on the date indicated below as the date of execution, and shall continue in effect until completion of all Covered Work pursuant to Article 2.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and effective as of _____, 2017.

Primary Employer

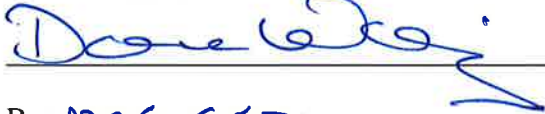
OPERATING ENGINEERS LOCAL 3

By: _____

By: Russ Burns, Business Manager

NORTHERN CALIFORNIA DISTRICT
COUNCIL OF LABORERS

Power Supply Offtaker



By: MCE, CEO

By: _____
Oscar De La Torre

NORTHERN CALIFORNIA CARPENTERS
REGIONAL COUNCIL

By: Bob Alvarado, Executive Officer

**INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, LOCAL 302**

By: Tom Hansen, Business Manager

IRONWORKERS LOCAL 378

By: Jeff McEuen, Business Manager

ATTACHMENT A
AGREEMENT TO BE BOUND
PROJECT LABOR AGREEMENT
_____ PROJECT

The undersigned hereby certifies and agrees that:

- 1.) It is an Employer as that term is defined in Section 1.4 of the _____ Project Labor Agreement (“Agreement”) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Article 2 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2.) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3.) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4.) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5.) It will secure a duly executed Agreement to be Bound, in form identical to this document, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____

Name of Employer

(Authorized Officer & Title)

(Address)

ATTACHMENT B
WORK ASSIGNMENTS

ITEM	WORK ACTIVITY	ASSIGNMENT
1.	Surveying	OE
2.	Soil testing, compaction testing	OE
3.	Grading, cranes, trenching machines, forklift work serving multiple crafts	OE
4.	Curbs and gutters	Carp/IW/Laborers
5.	Vegetation management and weed control	Laborers
6.	Chain link perimeter fencing	Laborers/OE
7.	Dust control	Laborers
8.	Landscaping and erosion control	Laborers
9.	Rigging for off-loading of large equipment or materials of multiple crafts	IW
10.	Excavation and backfilling of trenches by hand	Laborers
11.	Drinking water distribution	Laborers
12.	General site cleanup	Laborers
13.	Concrete foundations	Carp/IW/Laborers
14.	Post insertion <ul style="list-style-type: none"> • Seated equipment • Walk-behind equipment (no seat and <50 HP) 	OE/Piledrivers Laborers
15.	Uncratering of metallic components of the racking system	Laborers
16.	Supporting steel, brackets, I-Beams, and other metallic components of the racking system between the post and module attachment	IW
17.	Cleanup of crating materials for the racking system	Laborers
18.	Handling and installation of PV Modules: The staging area placement, inspection, uncratering, and physical installation of panels will be the work of the Laborers, including cleanup of crate materials. The installation of PV panels wiring is the work of the IBEW	Laborers IBEW

ITEM	WORK ACTIVITY	ASSIGNMENT
19.	Electrical and communications wiring, cables and conduit below and above ground, AC and DC connections, wire trays, combiner boxes, tracking control boxes and other electrical equipment	IBEW
20.	Mounting and alignment of drive motors; pivot shaft	Millwright
21.	Handling and installation of inverter enclosures	IBEW/IW
22.	Industry standard electrical startup and commissioning	IBEW
23.	Buildings	BTs Plan Jurisdiction
24.	Water storage tanks and piping	Boilermaker/UA

Any other work assignments will be based on this table and traditional building trades jurisdiction.

June 20, 2017

Tom Dalzell
Business Manager
I.B.E.W. Local 1245
PO Box 2547
Vacaville CA 95696

Dear Mr. Dalzell:

This Side Letter agreement accompanies the Project Labor Agreement between MCE, and several building trades Unions ("Agreement").

Unless performed by the PG&E, the construction of transmission and distribution lines, outside substations, switchyards, and ground grids for the _____ Project, including the future covered projects, will be performed by contractors who are signatory to a collective bargaining agreement with I.B.E.W. Local #1245. The provisions of Article 12, Successorship and Survivability, of the Agreement govern and apply to this Side Letter with respect to any work that is not performed in accordance with this Side Letter. I.B.E.W. Local 1245 agrees not to make any written or verbal statements about MCE that are disparaging, untrue or inaccurate; Doing so will cause this agreement to be void.

Please indicate your concurrence with the foregoing by executing this Side Letter agreement below.

By:


Dawn Weisz, MCE

AGREED

I.B.E.W. Local #1245

By: _____

Tom Dalzell
Business Manager

HUFFINGTON POST

Tom Dalzell, Contributor

Business Manager and Financial Secretary, International Brotherhood of Electrical Workers
Local 1245

On The Brink

01/11/2018 07:31 pm ET

California's energy infrastructure on the edge of the abyss

California has been a leader on climate change, and for that our policy makers deserve praise. While other states fretted over the politics, we came together to pass bipartisan bills, and our regulatory agencies stood up and enforced them. We now lead the nation in reducing emissions, proving that real change is possible when we work together.

But while we've been making progress in this area, structural flaws in our existing regulatory framework have widened into cracks. And in recent months, several of them have worsened to the point that they are eroding the foundation of California's energy system, threatening to bankrupt our major utilities and destroy the basis for the safe, affordable power we all rely on. Recent newspaper headlines tell the story — for the second time in less than 20 years, California's utilities have been pushed to the financial brink. In the past few weeks, they have lost billions of dollars of market capitalization.

Three policy quirks, each of which started as a small wrinkle in an otherwise well thought-out plan, have grown into major problems that must be dealt with if we are to keep our power system on track and responsive to a changing energy future.

The first has to do with Community Choice Aggregation, a policy that allows entire cities and counties to move away from a utility and attempt to purchase their own power on the open market. CCAs have cropped up in wealthy communities like Marin, where they promise more green power and then automatically enroll all local customers in their plan. They then pay only 65 percent of the cost of power that the utility had purchased for those customers — and add the remaining 35 percent to the bills of non-CCA customers. This unfairly shift costs to customers in other communities who end up paying more.

CCAs have also disrupted California's Integrated Resource Plan — our state's framework to ensure we have enough power for everyone and meet our renewable goals. By splintering into many tiny entities, CCAs make it all but impossible to track what kind of power is being used where and the levels of associated emissions. Our regulators and legislators know that under current policy, CCAs are unfair to regular customers and that fragmenting the system undermines our ability to work together towards a clean energy future — but they have done nothing to rein them in.

Policymakers also know that utility power customers are paying more than their fair share to cover the costs of those who have rooftop solar — and this is a second source of inequity among

our energy policies. Our current Net Energy Metering policy allows rooftop customers to be paid back at extremely generous rates for the power they put into the grid, creating tiny or non-existent bills for them. But that doesn't mean they're not using traditional power — it just means they're generating more than they use during the day, and relying on traditional power at night. Rooftop customers also aren't paying to maintain poles, wires, and other components of the grid — even though they use them regularly. The utilities essentially function as a free backup battery for them.

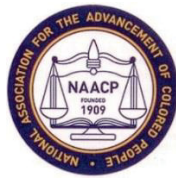
This went without much outcry when rooftop solar panels were few and far between — but as they proliferate (mainly among homeowners in wealthy communities), more and more Californians are being fleeced. Bills for regular customers are going up to cover what the rooftop customers are not required to pay. And in many cases, they are subsidizing not the actual solar customers but the investment banks that have bought the leases the customers entered into when the panels were installed. This puts unnecessary financial stress on the monthly budgets of hardworking families across the state, and on the system overall. A legislative fix to make the system fair should be made immediately.

Most recently and most seriously, regulators and legislators have ignored the catastrophic implications of California's policy of inverse condemnation with strict liability. Under the law, if utility equipment is found to have caused a fire, the utility is automatically liable for the damage — even if they were not negligent and followed all best practices for avoiding fires.

As unseasonably hot weather and wind events bore down on the state in the late summer, the most devastating wildfires on record broke out in both northern and southern California. Because of the inverse condemnation/strict liability flaw, the state's utilities and their customers may be on the hook for all the damages associated with them — and it could push them into bankruptcy, undermining the reliability, safety and affordability of California's power supply.

Regulators and legislators will privately concede that inverse condemnation is a terrible, one-size-fits-all policy that creates a disincentive for investors to provide utilities with the capital they need to survive. San Diego Gas and Electric, Southern California Edison and the Los Angeles Department of Water and Power are all facing hundreds of millions or even billions of dollars of liability despite doing nothing wrong, and having worked hard to prevent fires and other disasters. Legislators and regulators know that the doctrine of inverse condemnation with strict liability is flawed, and they know that enforcing it is both unfair and could cause real disruption to our state's economy — but they have not acted.

California's energy infrastructure is the most basic building block of our economy. Every single one of us depends on safe, affordable power to work, live and thrive — every single day. Now is hardly the time for laissez faire, hands-off regulation or legislative lethargy. Our elected officials and regulators need to stand up and face these problems, and face them soon, before the foundation of our system is beyond repair.



Asian Americans for Community Involvement



California State Conference NAACP



Department of California



Center for Asian Americans United for Self Empowerment

January 18, 2018

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Support for Resolution E-4907

Dear Commissioners:

Thank you for your efforts to ensure current law is being followed and electricity customers in California aren't paying extra on their bills for power that was purchased for others.

On behalf of diverse organizations representing low-income, senior, veterans, faith-based, ethnic, community and business organizations throughout the state we support Resolution E-4907.

Given the rapid growth of new energy providers like Community Choice Aggregators (CCAs), it is critical that regulations to preserve system reliability and protect customers keep pace with changes in the marketplace.

Currently, all electricity providers in California are required to forecast the number of customers they will have, and demonstrate they have the power to serve them (called Resource Adequacy). We understand that based on current timelines, CCAs may not be required to meet their Resource Adequacy obligations for the calendar year in which they first provide new or expanded service. As a result, utilities are buying power for customers that will soon later be served by CCAs, leaving those customers who remain with their utility as a power supplier responsible for picking up the tab for power that was purchased for those now served by another provider.

Passage of this resolution is critical to not only protect utility customers from paying more for Resource Adequacy than they should, but also to protect the integrity of the state's Resource Adequacy program that is supposed to ensure reliable electricity for all customers. It is a positive step toward ensuring that some energy customers aren't adversely impacted by another jurisdiction's decision to proceed with a CCA.

Sincerely,



California Small Business Association



California League of United Latin American Citizens



A Sempra Energy utility



CALIFORNIA HISPANIC CHAMBERS OF COMMERCE



Energy for What's Ahead



Redwood Community Action Agency
"Empowering People, Changing Lives Since 1980"



Association of Rural Northern
California Energy Providers



California Black Chamber of Commerce
DEDICATED TO ECONOMIC EMPOWERMENT



American GI Forum
of California



PACS
PACIFIC ASIAN
COUNSELING SERVICES



California Business Properties Association



HISPANIC FOUNDATION
OF SILICON VALLEY



Department of
California



FRIENDS OF THE LA RIVER



The Fresno Center

Gary Passmore, President
Congress of California Seniors

Ruben Barrales, President
Latino Leadership & Policy Forum

Aubry Stone, President & CEO
California Black Chamber of Commerce

Ronald O. Nichols, President
Southern California Edison

Eugene "Mitch" Mitchell, Vice President,
State Government & External Affairs
San Diego Gas & Electric Company

Patrick Lavin, Business
Manager/Financial Secretary
IBEW Local Union 47

Edwin T. Tan, Ph.D., Director of Advocacy
and Development
**Asian Americans for Community
Involvement (AACI)**

Dave Rodriguez, State President
**California League of United Latin
American Citizens (LULAC)**

Rex Hime, President & CEO
**California Business Properties
Association**

Carlos Antonio H. Vaquerano, Executive
Director
**The Salvadorian-American Leadership
and Educational Fund**

John "Doc" Bart, Adjutant
**American Legion – Department of
California**

Lorraine Plass, State Legislative Chair
AMVETS Department of California

Greg McKee, President & CEO
CONNECT

Alice Huffman, President
California State Conference NAACP

Julian Cañete, President & CEO
**California Hispanic Chambers of
Commerce**

Steve Malnight, Senior Vice President of
Strategy and Policy
Pacific Gas & Electric

Val Martinez, President
**Association of Rural Northern California
Energy Providers (ARNCEP)**

Tom Dalzell, Business Manager
IBEW Local 1245

Robert C. Lapsley, President
California Business Roundtable

Deborah Howard, Secretary
California Senior Advocates League

Betty Jo Toccoli, President
California Small Business Association

Mariko Kahn, Executive Director
Pacific Asian Counseling Services

Ron Gonzales, President & CEO
Hispanic Foundation of Silicon Valley

Fred A. Romero, State Commander
American GI Forum of California

Marissa Christiansen, Executive Director
Friends of the Los Angeles River

Kim May Yamasaki, Executive Director
**Center for Asian Americans United for
Self-Empowerment (CAUSE)**

Val Martinez, Executive Director
Redwood Community Action Agency



Ammie Hines, Founder
Another Level for Women

Andrew Quiñones, CEO
Southern California Service Corps

Pao Yang, Executive Director
The Fresno Center

Sean Karafin, Vice President, Policy & Economic Research
San Diego Regional Chamber of Commerce



James P. Reber, Executive Director
San Jose Parks Foundation

Betty Jo Toccoli, Chair/CEO
California Small Business Roundtable



Cynthia Murray, President & CEO
North Bay Leadership Council

Andy Caldwell, Executive Director
The Coalition of Labor, Agriculture & Business, Santa Barbara County (COLAB)



Dennis J. Huang, Executive Director & CEO
Asian Business Association of Los Angeles

Scott Raty, President & CEO
Pleasanton Chamber of Commerce



Bev Jorgensen, Executive Director
Dana Point Chamber of Commerce

Michael Turnipseed, Executive Director
Kern County Taxpayers Association

Scott Ashton, CEO
Oceanside Chamber of Commerce

Contact: Tom Hansen
IBEW Local 302
Phone (925) 228-2302
Fax (925) 228-0764
tomh@ibewlu302.com

1875 Arnold Drive
Martinez, CA 94553

IBEW Local 302

Press Release

Project Labor Agreement Signed between Intersect Power and Five Local Construction Crafts to Build Largest Solar Project in Northern California

Project will produce 100 megawatts of new renewable energy and employ 500 local union workers. At least 50% of workers will come from Contra Costa County.

Martinez, CA January 16, 2018:

A five-craft project labor agreement was signed today between IP Delta Ranch, LLC, a subsidiary of Intersect Power and five local unions: the IBEW Local 302, Operating Engineers Local 3, Laborers Local 324, Ironworkers Local 378, and Carpenters Local 152, for construction of up to 100-megawatts of renewable energy in Contra Costa County. The Delta Ranch Renewable Energy Project would create as many as 500 local construction jobs, and it would be the largest such project in Contra Costa County and northern California.

The five construction crafts represent over 3,500 members living in Contra Costa County, many of whom are pleased to have an upcoming job so close to home, reducing commute time and cost as well as highway congestion.

"We are very happy to have entered into this agreement, guaranteeing our members the opportunity to work on the largest solar project in Northern California", said Tom Hansen, Business Manager for IBEW Local 302. "The size and scale of this type of project makes a meaningful impact on our members and our ability to plan for the future."

Added Jeff McEuen, Business Manager at Ironworkers Local 378, "We are thrilled to be able to work with the team at Intersect Power. They are experienced leaders in the development of large scale solar projects, and have a solid track record of working with local building trades unions. It will be great to have a 100-megawatt project right in our own backyard so close to where many of our members live."

Intersect Power is in the early stages of project development and expects to go through a full review over the next 12 to 18 months. Following a successful completion of this review with the County, the project would begin construction in 2019.

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