Margaret Abe-Koga, Chair
City of Mountain View

Liz Gibbons, Vice Chair
City of Campbell

Jon Robert Willey
City of Cupertino

Zach Hilton
City of Gilroy

Neysa Fligor
City of Los Altos

George Tyson
Town of Los Altos Hills

Rob Rennie
Town of Los Gatos

Evelyn Chua
City of Milpitas

Javed Ellahie
City of Monte Sereno

Yvonne Martinez Beltran
City of Morgan Hill

Tina Walia
City of Saratoga

Gustav Larsson
City of Sunnyvale

Susan Ellenberg
County of Santa Clara

Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, November 10, 2021
7:00 pm

Teleconference Meeting
Webinar:
https://us06web.zoom.us/j/85828644144

Telephone (Audio Only):
US: +1 669 219 2599
Webinar ID: 858 2864 4144

This meeting will be conducted in accordance with California Government Code Section 54953(e), in consideration of the Coronavirus (COVID-19). All members of the Silicon Valley Clean Energy Board of Directors and staff will participate in this meeting by teleconference.

Members of the public may observe this meeting electronically by accessing the meeting via instructions above. Public Comments can be sent in advance of the meeting to Board Clerk Dorothy Roberts at Dorothy.Roberts@svcleanenergy.org and will be read within the public comment period or the applicable agenda item. The public will also have an opportunity to provide comments during the meeting. Members of the public using Zoom may comment during public comment or the applicable agenda item by using the Raise Hand feature and you will be recognized by the Chair. Those using the telephone (audio only) feature should press star 9 on your phones to initiate the "Raise Hand" function in Zoom. You will then be announced, unmuted, and your time to speak will begin.

The public may provide comments on any matter listed on the Agenda. Speakers are customarily limited to 3 minutes each, however, the Board Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA") please contact Board Clerk Andrea Pizano at andrea.pizano@svcleanenergy.org prior to the meeting for assistance.

AGENDA

Call to Order

svcleanenergy.org

333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the Clerk for the Authority at (408) 549-2685 x1031. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.105 ADA Title II).

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333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

Roll Call

Public Comment on Matters Not Listed on the Agenda

The public may provide comments on any matter not listed on the Agenda provided that it is within the subject matter jurisdiction of SVCE. Speakers are customarily limited to 3 minutes each, however, the Board Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

Consent Calendar (Action)

1a) Approve Minutes of the October 13, 2021, Board of Directors

1b) Receive September 2021 Treasurer Report

1c) Authorize the Chief Executive Officer to Execute Agreement with Ascend Analytics for Consulting around Portfolio Management and terminate the existing Master Consulting Agreement with Ascend Analytics

1d) Adopt Resolution 2021-24, Moving Reinstatement of SVCE's Delinquent Payment Policy to March 2022

1e) Adopt Resolution 2021-25 Amending the Authority's Energy Risk Management Policy

1f) Authorize the Chief Executive Officer to Execute a Coordinated Operations Agreement Between Central Coast Community Energy and Silicon Valley Clean Energy Authority to Provide for the Scheduling and Operational Coordination for the Jointly Procured Renewable Resources, in Substantial Form and Any Necessary Ancillary Agreements and Documents

1g) Approve Program Funding Recommendations from 2020 PG&E Carbon-Free Allocation Savings

1h) Authorize the Chief Executive Officer to Extend the Contract Terms and Spending Under Innovation Onramp Participant Agreement with UtilityAPI, Inc. for Data Hive

1i) Adopt Resolution 2021-26 Authorizing Public Meetings to Continue to Be Held Via Teleconferencing Pursuant to Government Code Section 54953(e) and Making Findings

1j) Approve Scholarship Funds for 2022 Empower SV Short-Film Competition

1k) Executive Committee Report

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SILICON VALLEY CLEAN ENERGY

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County of Santa Clara

1l) Finance and Administration Committee Report

1m) Audit Committee Report

1n) California Community Power Report

Regular Calendar

2) CEO Report

3) "Doubling Down" on Decarbonization Programs

Board Member Announcements and Direction on Future Agenda Items

Adjourn

svcleanenergy.org

333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

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SVCE
GLOSSARY OF TERMS

CAISO – California Independent System Operator - a non-profit independent system operator that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (~80% of California's electric flow). Its stated mission is to "operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development. CAISO is regulated by FERC and governed by a five-member governing board appointed by the governor.

CALCCA – California Community Choice Association – Association made up of Community Choice Aggregation (CCA) groups which represents the interests of California's community choice electricity providers.

CARB – California Air Resources Board – The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CEC – California Energy Commission

CPUC – California Public Utility Commission

C&I – Commercial and Industrial – Business customers

CP – Compliance Period – Time period to become RPS compliant, set by the CPUC (California Public Utilities Commission)

DA – Direct Access – An option that allows eligible customers to purchase their electricity directly from third party providers known as Electric Service Providers (ESP).

DA Cap – the maximum amount of electric usage that may be allocated to Direct Access customers in California, or more specifically, within an Investor-Owned Utility service territory.

DA Lottery – a random drawing by which DA waitlist customers become eligible to enroll in DA service under the currently-applicable Direct Access Cap.

DA Waitlist – customers that have officially registered their interest in becoming a DA customer but are not yet able to enroll in service because of DA cap limitations.

DAC – Disadvantaged Community

DASR – Direct Access Service Request – Request submitted by C&I to become direct access eligible.

Demand - The rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW), or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DER – Distributed Energy Resource – A small-scale physical or virtual asset (e.g. EV charger, smart thermostat, behind-the-meter solar/storage, energy efficiency) that operates locally and is connected to a larger power grid at the distribution level.

Distribution - The delivery of electricity to the retail customer's home or business through low voltage distribution lines.

DLAP – Default Load Aggregation Point – In the CAISO's electricity optimization model, DLAP is the node at which all bids for demand should be submitted and settled. SVCE settles its CAISO load at the PG&E DLAP as SVCE is in the PG&E transmission access charge area.

DR – Demand Response - An opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DWR – Department of Water Resources – DWR manages California's water resources, systems, and infrastructure in a responsible, sustainable way.

ELCC – Effective Load Carrying Capacity – The additional load met by an incremental generator while maintaining the same level of system reliability. For solar and wind resources the ELCC is the amount of capacity which can be counted for Resource Adequacy purposes.

EPIC – Electric Program Investment Charge – The EPIC program was created by the CPUC to support investments in clean energy technologies that provide benefits to the electricity ratepayers of PG&E, San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE)

ERRA – Energy Resource Recovery Account – ERRA proceedings are used to determine fuel and purchased power costs which can be recovered in rates. The utilities do not earn a rate of return on these costs, and only recover actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ESP – Energy Service Provider - An energy entity that provides service to a retail or end-use customer.

EV – Electric Vehicle

GHG – Greenhouse gas - water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane, and chlorofluorocarbons (CFCs). A gas that causes the atmosphere to trap heat radiating from the earth. The most common GHG is Carbon Dioxide, though Methane and others have this effect as well.

GRC – General Rate Case – Proceedings used to address the costs of operating and maintaining the utility system and the allocation of those costs among customer classes. For California's three large IOUs, the GRCs are parsed into two phases. Phase I of a GRC determines the total amount the utility is authorized to collect, while Phase II determines the share of the cost each customer class is responsible and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocates Office and interested parties and approval by the CPUC.

GWh – Gigawatt-hour - The unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

IEP – Independent Energy Producers – California's oldest and leading nonprofit trade association, representing the interest of developers and operators of independent energy facilities and independent power marketers.

IOU – Investor Owned Utility – A private electricity and natural gas provider.

IRP – Integrated Resource Plan – A plan which outlines an electric utility's resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt – Measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1000 watts

kWh – Kilowatt-hour – This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCFS – Low Carbon Fuel Standard – A CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels, and therefore, reduce greenhouse gas emissions.

LCR – Local (RA) Capacity Requirements – The amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LMP – Locational Marginal Price – Each generator unit and load pocket is assigned a node in the CAISO optimization model. The model will assign a LMP to the node in both the day- ahead and real time market as it balances the system using the least cost. The LMP is comprised of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

Load - An end use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity – Entities that have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

NEM – Net Energy Metering – A program in which solar customers receive credit for excess electricity generated by solar panels.

NRDC – Natural Resources Defense Council

OIR – Order Instituting Rulemaking - A procedural document that is issued by the CPUC to start a formal proceeding. A draft OIR is issued for comment by interested parties and made final by vote of the five Commissioners of the CPUC.

MW – Megawatt – measure of power. A megawatt equals 1,000 kilowatts or 1 million watts.

MWH – Megawatt-hour – measure of energy

NP-15 – North Path 15 – NP-15 is a CAISO pricing zone usually used to approximate wholesale electricity prices in northern California in PG&E's service territory.

PCC1 – RPS Portfolio Content Category 1 – Bundled renewables where the energy and REC are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO. Also known as "in-state" renewables

PCC2 – RPS Portfolio Content Category 2 – Bundled renewables where the energy and REC are from out-of-state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3 – Unbundled REC

PCIA or "exit fee" - Power Charge Indifference Adjustment (PCIA) is an "exit fee" based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.

PCL – Power Content Label – A user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Statue of 2009) and Senate Bill 1305 (Statutes of 1997).

PD – Proposed Decision – A procedural document in a CPUC Rulemaking process that is formally commented on by Parties to the proceeding. A PD is a precursor to a final Decision voted on by the five Commissioners of the CPUC.

Pnode – Pricing Node – In the CAISO optimization model, it is a point where a physical injection or withdrawal of energy is modeled and for which a LMP is calculated.

PPA – Power Purchase Agreement – A contract used to purchase the energy, capacity and attributes from a renewable resource project.

RA – Resource Adequacy - Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities—both independently owned utilities and electric service providers—to demonstrate in both monthly and annual filings that they have purchased capacity commitments of no less than 115% of their peak loads.

RE – Renewable Energy - Energy from a source that is not depleted when used, such as wind or solar power.

REC - Renewable Energy Certificate - A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every MWh of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

RPS - Renewable Portfolio Standard - Law that requires CA utilities and other load serving entities (including CCAs) to provide an escalating percentage of CA qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SCE – Southern California Edison

SDG&E – San Diego Gas & Electric

SGIP – Self-Generation Incentive Program – A program which provides incentives to support existing, new, and emerging distributed energy resources (storage, wind turbines, waste heat to power technologies, etc.)

TCR EPS Protocol – The Climate Registry Electric Power Sector Protocol – Online tools and resources provided by The Climate Registry to assist organizations to measure, report, and reduce carbon emissions.

Time-of-Use (TOU) Rates — The pricing of delivered electricity based on the estimated cost of electricity during a particular time-block. Time-of-use rates are usually divided into three or four time-blocks per 24 hour period (on-peak, midpeak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

TURN – The Utility Reform Network - A ratepayer advocacy group charged with ensuring that California IOUs implement just and reasonable rates.

Unbundled RECs - Renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are "unbundled" and sold to different buyers.

VPP – Virtual Power Plant – A cloud-based network that leverages an aggregation of distributed energy resources (DERs) to shift energy demand or provide services to the grid. For example, thousands of EV chargers could charge at a slower speed and hundreds of home batteries could discharge to the grid during a demand peak to significantly reduce the procurement of traditional supply resources.

Silicon Valley Clean Energy Authority
Board of Directors Regular Meeting
Wednesday, October 13, 2021
7:00 pm

Pursuant to State of California Government Code 54953 (e) the meeting was conducted via teleconference.

Call to Order:
All present Board members participated via teleconference.

Call to Order:
Acting Chair Gibbons called the Regular Meeting to order at 7:00 p.m.

Roll Call:
Present:
Liz Gibbons (Vice Chair), Campbell
Jon Robert Willey, Cupertino
Zach Hilton, Gilroy
Neysa Fligor, Los Altos
George Tyson, Los Altos Hills
Rob Rennie, Los Gatos
Evelyn Chua, Milpitas
Javed Ellahie, Monte Sereno
Yvonne Martinez Beltran, Morgan Hill
Tina Walia, Saratoga
Gustav Larsson, Sunnyvale

DRAFT MINUTES

Absent:
Margaret Abe-Koga (Chair), Mountain View
Susan Ellenberg, Santa Clara County

All Present Board Members participated via teleconference.
Vice Chair Gibbons served as Acting Chair.

(Note: Public Comment was inadvertently taken out of order after the approval of the Consent Calendar)

Consent Calendar

Vice Chair Gibbons called for comments from the Board or the public. No requests to comment were received.

MOTION: Director Chua moved; Director Ellahie seconded the motion to approve the Consent Calendar, Items 1a through 1j.

The motion carried unanimously by verbal roll call vote.

1a) Approve Minutes of the September 8, 2021, Board of Directors Meeting
1b) Receive August 2021 Treasurer Report
1c) Adopt the FY22 Strategic Focus Areas and Work Plan

1d) Closing Report of the Ad Hoc Committee of the Board to Address Legislative and Regulatory Responses to Industry Transition
1e) Executive Committee Report
1f) Finance and Administration Committee Report
1g) Audit Committee Report
1h) Receive Quarterly Decarbonization and Grid Innovation Programs Update for Q3 2021
1i) California Community Power Report
1j) Adopt Resolution Authorizing Public Meetings to Continue to Be Held Via Teleconferencing Pursuant to Government Code Section 54953(e) and Making the Required Findings

Public Comment on Matters Not Listed on the Agenda

Acting Chair Gibbons opened public comment.

Bruce Karney stated for the past several years he has been tracking how different CCAs in Northern California source and price their energy compared to PG&E. He commented on the findings (see document attached).



Bruce Karney Public Comment Document

No further public comments.

Regular Calendar

DRAFT MINUTES

2) CEO Report (Discussion)

CEO Girish Balachandran stated his report consisted of the written material in the Board packet and an introduction of four newly hired SVCE employees.

The following employees introduced themselves to the Board and talked briefly about their experience, their position with SVCE, and their personal interests:

Maren Wenzel; Power Resources Planner;
Zakary Liske; Power Contracts and Settlements Manager;
Charles Grinstead, Power Resources Manager; and
Naomi Moraes, Funding and Finance Fellow through the Climate Corps.

3) Clean Energy Procurement Informational Update (Presentation)

Monica Padilla, Director of Power Resources began her update by welcoming her new Team Members. Her presentation included an update on Renewable Portfolio Standards, Power Purchase Agreements, Reliability, Mid-term Reliability Procurement Order, California Community Power and Long Duration Storage Procurement.

During her update it was noted that SVCE has exceeded RPS mandates and will exceed long-term PPAs. Acting Chair Gibbons congratulated the staff, the CEO, and the Board for the progress that has been made to bring SVCE power online.

Director Padilla reviewed projects currently under construction. She stated there is a page on the SVCE website that provides information on the progress of projects. Staff is working on strategies to work with developers to bring the projects online seamlessly and schedule the contracts, some of which are

currently delayed, primarily due to COVID-19 and supply shortages. She then provided a timeline of PPAs expected over the next nine quarters.

She stated a large focus has been on the coordination, planning and reliability for Resource Adequacy Reform.

She commented on the multiple procurement decisions that have been made in the last 24 months, on an unprecedented scale, speed and frequency of orders by the CPUC.

Director Padilla responded to questions by Directors Willey and Chua. She reviewed requirements for future clean procurement, and the progress that has been made with CC Power. She provided the timeline for LDS Project #1 approval process.

Discussion ensued including the rise in cost and delays in projects due to COVID-19 and shortages in global supply chains; load forecasts, mandated allocations, timeline for the joint agreement with CCAs, increased supply cost and reduced hydro availability. Director Padilla stated many issues would be addressed at the Integrated Resource Planning Cycle.

Public Comment:
Bruce Karney asked how the competitive nature of all the CCAs along with PGE balance with what California Community Power is doing. CEO Balachandran stated there is an aspect of being competitive; but also benefits and economies to purchasing as a group.

Board member announcements and Future Agenda Items:

DRAFT MINUTES

Acting Chair Gibbons stated she would like to discuss at a later date the transition to time-of-use and how it would impact demand and costs in the future.

Acting Chair Gibbons congratulated Director Fligor and the City of Los Gatos for the new community center and also Don Bray who was involved in the community group. She noted the commitment by Los Gatos to implement the goal of a carbon-free environment.

Meeting Adjourned at 8:09 p.m.

ATTEST:

_____
Dorothy Roberts, Interim Board Clerk



TREASURER REPORT

Fiscal Year to Date
As of September 30, 2021

(Preliminary & Unaudited)

Issue Date: November 10, 2021

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Accounts Receivable Aging Report	14

SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights* ($ in 000's)

Financial Highlights for the month of September 2021:

> SVCE operations resulted in a change in net position for the month of $1.8 million and year-to-date (YTD) change in net position of negative $13.9 million.

> Retail GWh sales for the month landed 3% below budget.

> YTD operating margin of $5.0 million or 2.1% is below budget expectations of a 6.6% operating margin for the fiscal year to date.

> YTD Power Supply costs are 1.4% above budget.

> SVCE is investing ~94% of available funds generating year-to-date investment income of $0.27 million.

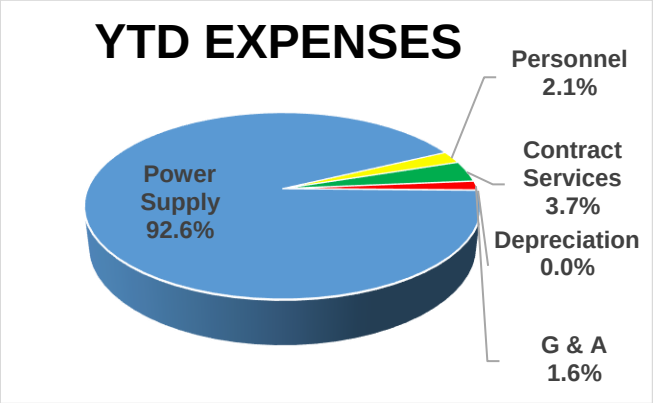
Change in Net Position	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Adopted Budget
Actual	9,773	2,637	2,405	(3,100)	(2,913)	(8,974)	(2,195)	(10,179)	(5,068)	1,564	387	1,772	(13,889)	(6,025)

Power Supply Costs	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Adopted Budget
Energy & REC's	12,559	13,126	15,668	14,654	12,198	18,816	11,866	17,536	21,448	15,867	18,553	15,076	187,367	
Wholesale Sales	(116)	(33)	(19)	(49)	(46)	(53)	-	(142)	(211)	-	(132)	(40)	(839)	
Capacity	2,271	1,853	1,934	2,274	2,245	2,206	2,259	2,994	3,669	4,704	5,720	4,689	36,818	
CAISO Charges	548	704	357	823	(30)	(303)	497	2	727	758	538	1,181	5,803	
NEM Expense	(60)	(103)	(178)	(133)	(65)	35	(9)	262	(58)	404	267	74	435	
Charge/Credit (IST/Net Rev)	1,932	(471)	(287)	936	1,237	1,568	934	1,095	1,072	1,088	(368)	267	9,003	
Net Power Costs	17,134	15,075	17,475	18,505	15,539	22,269	15,547	21,747	26,647	22,821	24,578	21,248	238,587	235,237

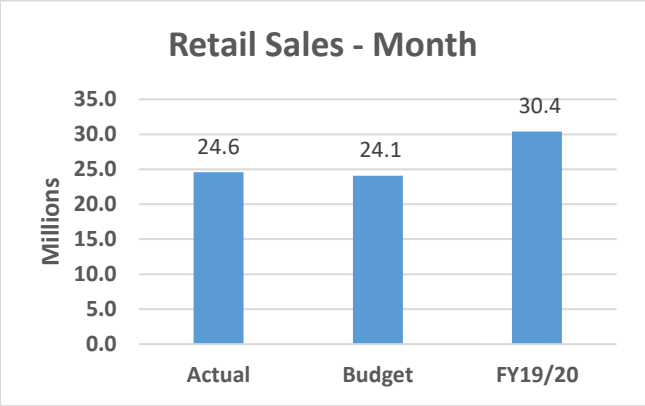
Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Adopted Budget
Capital Expenditures	182	-	-	49	0	50	-	-	-	-	3	2	285	400
Energy Programs	110	69	149	301	92	132	114	2,400	72	152	145	133	3,870	5,270

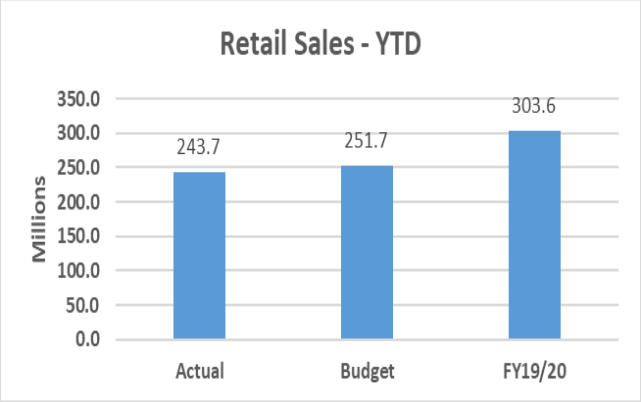
Load Statistics - GWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Adopted Budget
Retail Sales Actual	325	305	331	325	289	310	288	296	311	331	328	320	3,758	
Retail Sales Budget	325	305	331	320	286	302	279	291	314	345	355	330	3,781	3,781

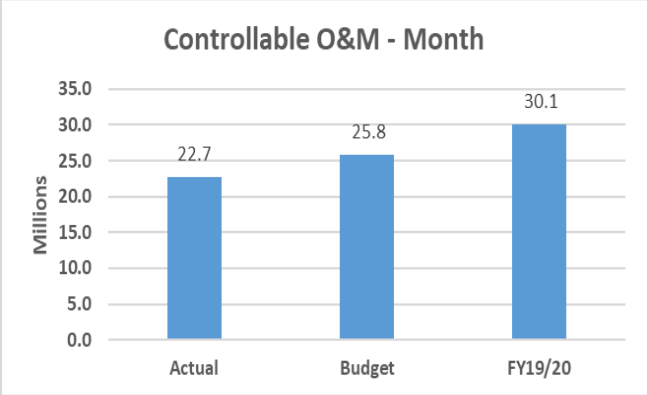
** The financial results in this report are preliminary and subject to change pending closing of the books for the fiscal year. Any potential changes are not expected to be significant.*

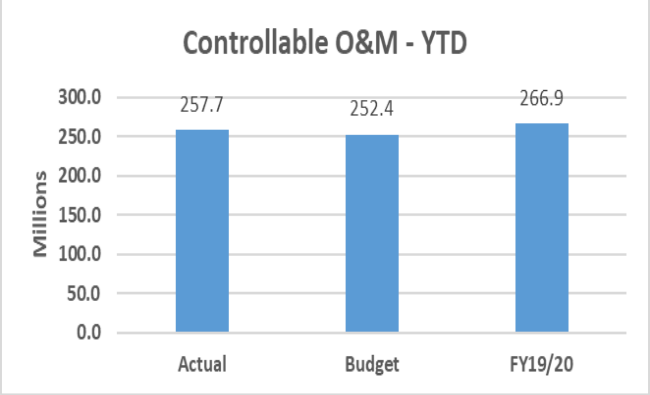


Other Statistics and Ratios	
Working Capital	$169,929,863
Current Ratio	6.0
Operating Margin	2.1%
Expense Coverage Days	226
Expense Coverage Days w/ LOC	275
Long-Term Debt	$0
Total Accounts	274,328
Opt-Out Accounts (Month)	39
Opt-Out Accounts (FYTD)	675
Opt-Up Accounts (Month)	10
Opt-Up Accounts (FYTD)	(337)









SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of September 30, 2021

ASSETS

Current Assets		
Cash & Cash Equivalents	$	158,794,268
Accounts Receivable, net of allowance		27,090,183
Market Settlements Receivable		269,012
Accrued Revenue		14,410,620
Other Receivables		230,485
Prepaid Expenses		2,378,236
Deposits		726,084
Restricted cash		4,000,216
Total Current Assets		**207,899,104**
Noncurrent assets		
Capital assets, net of depreciation		310,574
Deposits		45,330
Total Noncurrent Assets		**355,904**
Total Assets		**208,255,008**

LIABILITIES

Current Liabilities	
Accounts Payable	1,444,670
Accrued Cost of Electricity	30,812,277
Accrued Payroll & Benefits	642,043
Other accrued liabilities	15,000
User Taxes and Energy Surcharges due to other gov'ts	1,055,035
Total Current Liabilities	**33,969,025**
Noncurrent Liabilities	
Supplier security deposits	7,031,250
Total noncurrent liabilities	7,031,250
Total Liabilities	41,000,275

NET POSITION

Net investment in capital assets	310,574
Restricted for security collateral	4,000,216
Unrestricted (deficit)	162,943,943
Total Net Position	**$ 167,254,733**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2020 through September 30, 2021

OPERATING REVENUES	
Electricity Sales, Net	$242,584,417
GreenPrime electricity premium	1,014,531
Other income	101,219
TOTAL OPERATING REVENUES	**243,700,167**
OPERATING EXPENSES	
Cost of Electricity	238,586,555
Contract services	9,411,601
Staff compensation and benefits	5,475,281
General & Administrative	4,108,576
Depreciation	93,843
TOTAL OPERATING EXPENSES	**257,675,856**
OPERATING INCOME(LOSS)	**(13,975,689)**
NONOPERATING REVENUES (EXPENSES)	
Interest Income	273,985
Financing costs	(186,951)
TOTAL NONOPERATING REVENUES (EXPENSES)	**87,034**
CHANGE IN NET POSITION	(13,888,655)
Net Position at beginning of period	181,143,388
Net Position at end of period	**$167,254,733**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2020 through September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$255,739,768
Other operating receipts	13,710,535
Payments to suppliers for electricity	(247,403,997)
Payments for other goods and services	(13,452,582)
Payments for staff compensation and benefits	(5,248,970)
Tax and surcharge payments to other governments	(4,766,832)
Net cash provided (used) by operating activities	**(1,422,078)**
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Finance costs paid	(186,951)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(295,207)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income received	273,985
Net change in cash and cash equivalents	(1,630,251)
Cash and cash equivalents at beginning of year	164,424,735
Cash and cash equivalents at end of period	**$162,794,484**
Reconciliation to the Statement of Net Position	
Cash and cash equivalents (unrestricted)	$158,794,268
Restricted cash	4,000,216
Cash and cash equivalents	**$162,794,484**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2020 through September 30, 2021

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating Income (loss)	$ (13,975,689)
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	93,843
(Increase) decrease in net accounts receivable	4,368,130
(Increase) decrease in energy settlements receivable	(161,694)
(Increase) decrease in other receivables	(22,485)
(Increase) decrease in accrued revenue	3,106,604
(Increase) decrease in prepaid expenses	212,310
(Increase) decrease in current deposits	3,606,134
Increase (decrease) in accounts payable	121,514
Increase (decrease) in accrued payroll & benefits	226,311
Increase (decrease) in accrued cost of electricity	(5,932,560)
Increase (decrease) in accrued liabilities	5,000
Increase (decrease) in taxes and surcharges due to other governments	(100,746)
Increase (decrease) in supplier security deposits	7,031,250
Net cash provided (used) by operating activities	**$ (1,422,078)**

BUDGETARY COMPARISON SCHEDULE
October 1, 2020 through September 30, 2021

	FYTD	FYTD	Variance		FY 2020-21	FY 2020-21
OPERATING REVENUES	**Actual**	**Amended Budget**	**$**	**%**	**Amended Budget**	**Remaining Budge**
Energy Sales	$242,584,417	$250,747,000	-$8,162,583	-3%	$250,747,000	$8,162,583
Green Prime Premium	1,014,531	981,000	33,531	3%	981,000	(33,531)
TOTAL OPERATING REVENUES	**243,598,948**	**251,728,000**	**(8,129,052)**	**-3%**	**251,728,000**	**8,129,052**
ENERGY EXPENSES						
Power Supply	238,586,555	235,237,000	3,349,555	1.4%	235,237,000	(3,349,555)
Operating Margin	**5,012,393**	**16,491,000**	**(11,478,607)**	**-70%**	**16,491,000**	
OPERATING EXPENSES						
Data Management	3,174,267	3,258,000	(83,733)	-3%	3,258,000	83,733
PG&E Fees	1,169,749	1,350,000	(180,251)	-13%	1,350,000	180,251
Salaries & Benefits	5,475,281	6,248,000	(772,719)	-12%	6,248,000	772,719
Professional Services	2,462,543	3,800,000	(1,337,457)	-35%	3,800,000	1,337,457
Marketing & Promotions	567,745	820,000	(252,255)	-31%	820,000	252,255
Notifications	147,753	100,000	47,753	48%	100,000	(47,753)
Lease	453,208	500,000	(46,792)	-9%	500,000	46,792
General & Administrative	1,242,831	1,070,000	172,831	16%	1,070,000	(172,831)
TOTAL OPERATING EXPENSES	**14,693,377**	**17,146,000**	**(2,452,623)**	**-14%**	**17,146,000**	**2,452,623**
OPERATING INCOME/(LOSS)	**(9,680,984)**	**(655,000)**	**(9,025,984)**	**1378%**	**(655,000)**	**9,025,984**
NON-OPERATING REVENUES						
Other Income	32500	50,000	(17,500)	-35%	50,000	17,500
Investment Income	273,985	321,000	(47,015)	-15%	321,000	47,015
Grant Income	68,719	68,000	719	1%	68,000	(719)
TOTAL NON-OPERATING REVENUES	**375,204**	**439,000**	**(63,796)**	**-15%**	**439,000**	**63,796**
NON-OPERATING EXPENSES						
Financing	186,951	139,000	47,951	34%	139,000	(47,951)
CAPITAL EXPENDITURES, TRANSFERS, & OTHER						
Capital Outlay	285,243	400,000	(114,757)	-29%	400,000	114,757
Transfer to Programs Fund	5,270,000	5,270,000	-	0%	5,270,000	-
TOTAL OTHER USES	**5,555,243**	**5,670,000**	**(114,757)**	**-2%**	**5,670,000**	**114,757**
NET INCREASE(DECREASE) IN AVAILABLE FUND BALANCE	**-$15,047,974**	**-$6,025,000**	**-$9,022,974**	**150%**	**-$6,025,000**	

SILICON VALLEY CLEAN ENERGY AUTHORITY
PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2020 through September 30, 2021

	AMENDED BUDGET	ACTUAL	AMENDED BUDGET REMAINING	ACTUAL/ AMENDED BUDGET
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund	$ 5,270,000	$ 5,270,000	$ -	100%
EXPENDITURES & OTHER USES:				
Program expenditures	6,475,000	3,869,859	2,605,141	59.8%
Net increase (decrease) in fund balance	**$ (1,205,000)**	**$1,400,141**		
Fund balance at beginning of period		4,437,570		
Fund balance at end of period		$5,837,711		

CUSTOMER RELIEF & COMMUNITY RESILIENCY FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2020 through September 30, 2021

	AMENDED BUDGET	ACTUAL	AMENDED BUDGET REMAINING	ACTUAL/ AMENDED BUDGET
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund *	$ -	$ -	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures *	2,170,000	432,222	1,737,778	19.9%
Net increase (decrease) in fund balance	**$ (2,170,000)**	**(432,222)**		
Fund balance at beginning of period		8,422,537		
Fund balance at end of period		$7,990,315		

SILICON VALLEY CLEAN ENERGY AUTHORITY

OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2020 through September 30, 2021

Net Increase (decrease) in available fund balance per budgetary comparison schedule	$ (15,047,974)
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(93,843)
Subract program expense not in operating budget	(3,869,859)
Subract CRCR expense not in operating budget	(432,222)
Add back transfer to Program fund	5,270,000
Add back capital asset acquisition	285,242
Change in Net Position	**(13,888,656)**

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2020 through September 30, 2021

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	$ 28,096,823	$ 18,883,887	$ 21,158,486	$ 16,807,750	$ 13,786,525	$ 14,983,153	$ 14,553,343	$ 15,160,605	$ 22,772,904	$ 25,684,803	$ 26,216,498	$ 24,479,640	$ 242,584,417
Green electricity premium	115,513	88,930	99,269	103,321	66,706	85,001	63,080	36,482	79,934	103,604	$ 88,909	$ 83,782	1,014,531
Other Income			12,500			45,813	10,000	1,000	1,250	1,000	$ 28,406	$ 1,250	101,219
Total operating revenues	28,212,336	18,972,817	21,270,255	16,911,071	13,853,231	15,113,967	14,626,423	15,198,087	22,854,088	25,789,407	26,333,813	24,564,672	243,700,167
OPERATING EXPENSES													
Cost of electricity	17,134,450	15,075,488	17,475,125	18,505,400	15,538,726	22,269,507	15,546,879	21,747,146	26,646,508	22,821,038	24,578,125	21,248,163	238,586,555
Staff compensation and benefits	515,431	500,561	443,961	469,232	433,328	466,011	424,125	456,160	447,442	444,150	420,294	454,586	5,475,281
Data manager	263,699	263,235	263,906	263,445	263,518	265,009	265,848	265,258	265,804	265,644	264,903	263,998	3,174,267
Service fees - PG&E	96,883	101,260	97,487	96,880	96,839	96,973	96,890	97,280	100,000	94,982	97,340	96,935	1,169,749
Consultants and other professional fees	316,457	286,315	435,745	549,859	345,961	444,200	353,423	523,510	333,287	549,184	455,603	474,041	5,067,585
General and administration	142,834	131,876	170,271	146,750	100,557	557,971	144,701	2,247,025	138,061	58,560	139,572	130,398	4,108,576
Depreciation	6,737	6,891	6,557	7,065	7,065	8,843	8,795	8,681	8,626	8,505	8,189	7,889	93,843
Total operating expenses	18,476,491	16,365,626	18,893,052	20,038,631	16,785,994	24,108,514	16,840,661	25,345,060	27,939,728	24,242,063	25,964,026	22,676,010	257,675,856
Operating income (loss)	9,735,845	2,607,191	2,377,203	(3,127,560)	(2,932,763)	(8,994,547)	(2,214,238)	(10,146,973)	(5,085,640)	1,547,344	369,787	1,888,662	(13,975,689)
NONOPERATING REVENUES (EXPENSES)													
Interest income	36,768	30,271	29,178	27,507	19,293	20,999	19,641	20,211	18,115	17,110	17,238	17,654	273,985
Financing costs	-	-	(985)	(185)	-	-	-	(51,839)	-	-	(10)	(133,932)	(186,951)
Total nonoperating revenues (expenses)	36,768	30,271	28,193	27,322	19,293	20,999	19,641	(31,628)	18,115	17,110	17,228	(116,278)	87,034
CHANGE IN NET POSITION	**$ 9,772,613**	**$ 2,637,462**	**$ 2,405,396**	**$ (3,100,238)**	**$ (2,913,470)**	**$ (8,973,548)**	**$ (2,194,597)**	**$ (10,178,601)**	**$ (5,067,525)**	**$ 1,564,454**	**$ 387,015**	**$ 1,772,384**	**$ (13,888,655)**

SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2020 through September 30, 2021

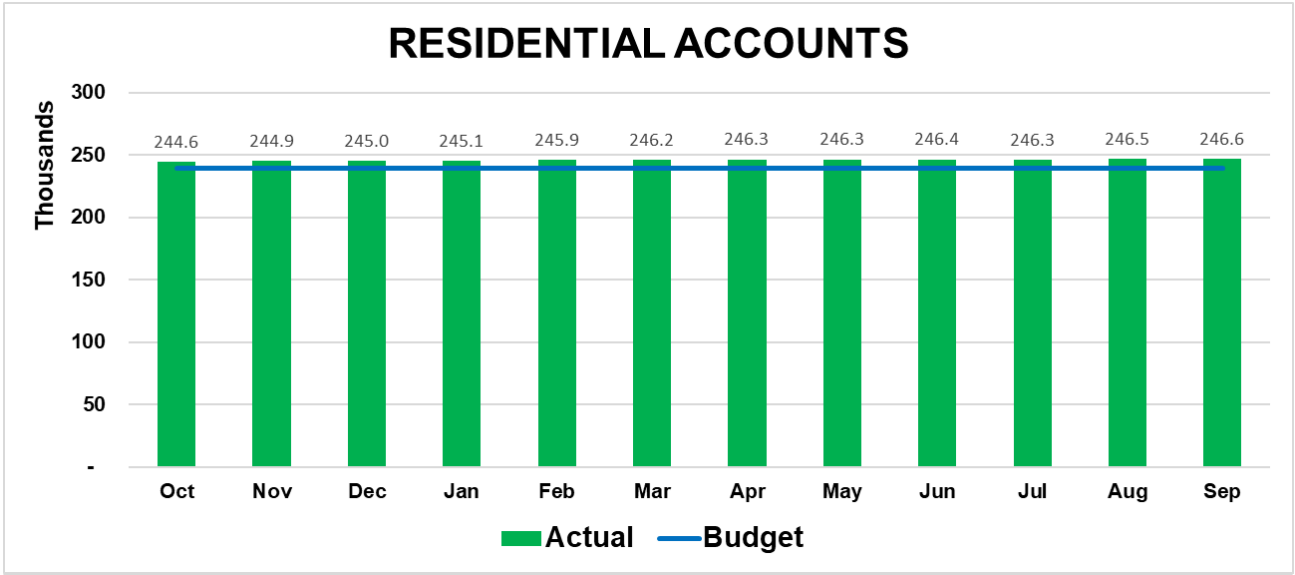
Return on Investments	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**YTD Total**
Money Market	$36,768	$30,271	$29,178	$27,507	$19,293	$20,999	$19,641	$20,211	$18,115	$17,110	$17,238	$17,654	**$273,985**
Portfolio Invested													
*Average daily portfolio available to invest**	153,022,170	156,551,866	169,439,956	174,590,999	175,717,184	174,082,517	170,111,239	166,125,235	152,006,424	142,343,598	147,191,357	150,078,297	
Average daily portfolio invested	144,362,137	144,437,356	160,267,489	161,586,880	165,502,382	164,820,497	159,130,720	158,535,283	144,153,810	134,262,364	135,298,924	141,646,451	
% of average daily portfolio invested	94.3%	92.3%	94.6%	92.6%	94.2%	94.7%	93.5%	95.4%	94.8%	94.3%	91.9%	94.4%	

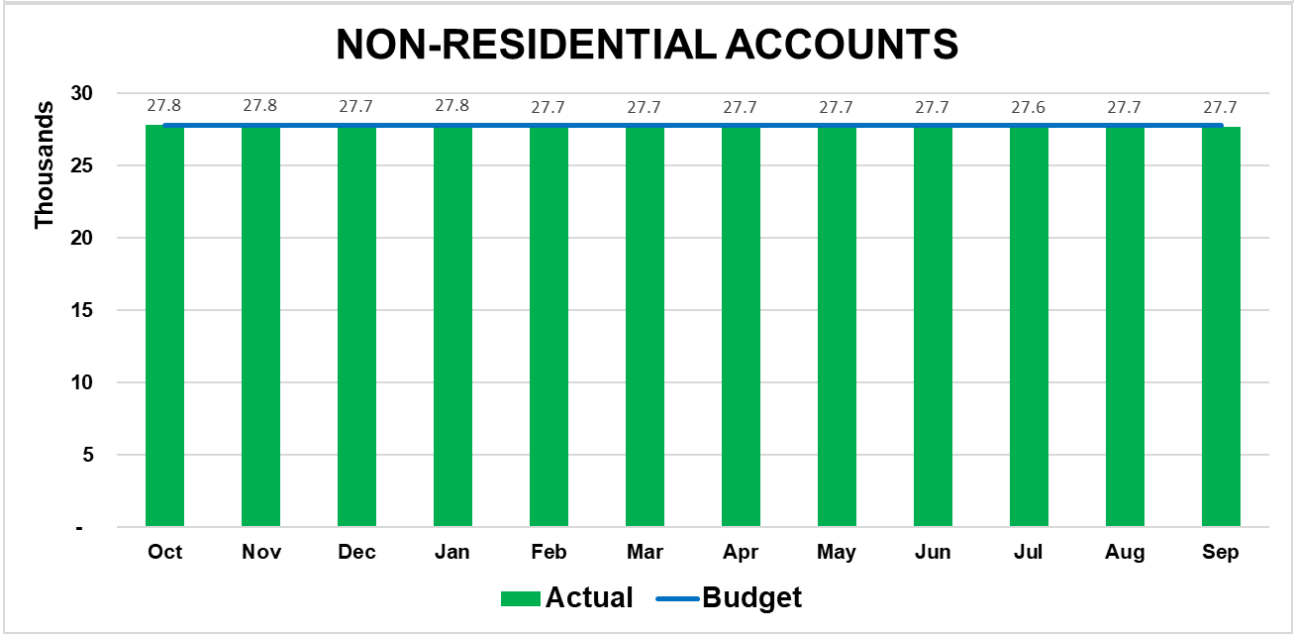
Detail of Portfolio

	Opening Rate	**September Rate**	**Carrying Value**	**Interest Earned**
Money Market - River City Bank	1.26%	0.15%	$0	$17,430

* Note: Balance available to invest does not include lockbox or debt service reserve funds.

CUSTOMER ACCOUNTS

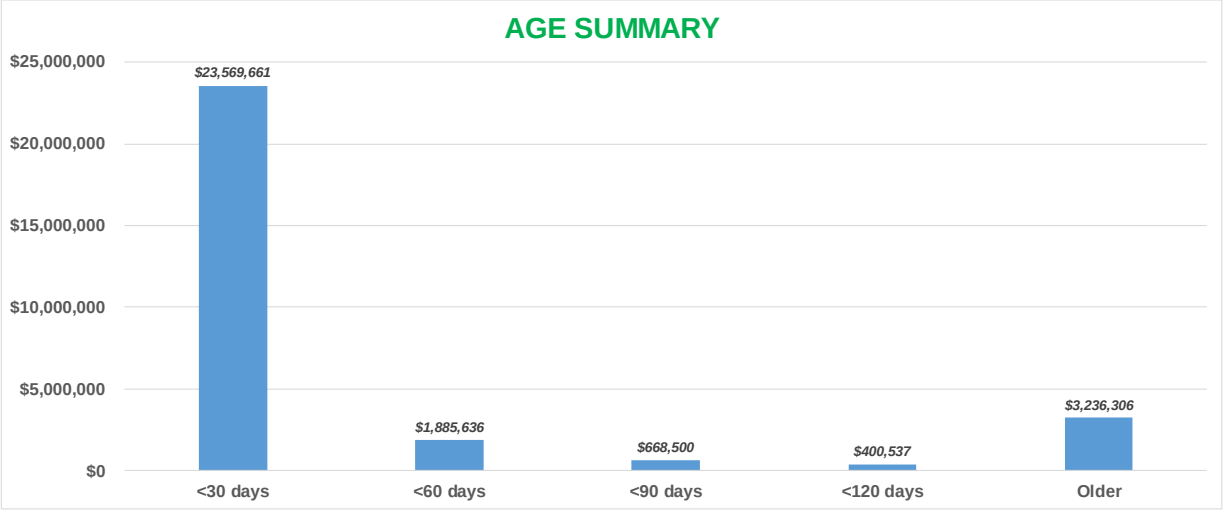




SILICON VALLEY CLEAN ENERGY AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT

	October	November	December	January	February	March	April	May	June	July	August	September
0 to 30 days	81.5%	79.8%	75.4%	75.9%	74.2%	69.7%	70.8%	70.2%	74.5%	82.2%	79.7%	79.2%
31 to 60 days	7.2%	6.7%	10.0%	7.1%	6.6%	7.7%	5.8%	6.1%	5.8%	3.4%	4.8%	6.3%
61 to 90 days	3.3%	3.6%	3.8%	4.0%	3.9%	5.3%	4.9%	3.6%	2.8%	2.0%	2.1%	2.2%
91 to 120 days	2.0%	2.1%	2.7%	2.8%	3.2%	3.0%	3.3%	3.1%	2.3%	1.5%	1.5%	1.3%
Over 120 days	6.0%	7.7%	8.1%	10.2%	12.2%	14.4%	15.2%	16.9%	14.6%	10.9%	11.9%	10.9%

Accounts Receivable Days
43 Days
$29,760,640
TOTAL DUE
Bad Debt % (*Budget*)
1%



SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1c

Item 1c:	**Authorize the Chief Executive Officer to Execute Agreement with Ascend Analytics for Consulting around Portfolio Management and terminate the existing Master Consulting Agreement and Ascend Analytics Agreement**
From:	Girish Balachandran, CEO
Prepared by:	Monica Padilla, Director of Power Resources Kevin Armstrong, Administrative Services Manager
Date:	11/10/2021

RECOMMENDATION

Staff recommends that the Board authorize the Chief Executive Officer ("CEO") to execute the Ascend Analytics ("Ascend") agreement for consulting services around power portfolio management for a total amount not to exceed(("NTE") $1,311,754 over three years and terminate the existing Master Consulting Agreement ("MCA") and Ascend Analytics Agreement

BACKGROUND

SVCE has maintained the need to rapidly advance its portfolio management and retail pricing capabilities with the goals of reducing costs, managing risk and enhancing value for its customers through various rate offerings in order to meet the Board-adopted mission and policies. Staff's ability to effectively monitor, digest and respond to the continual influx of legislative and regulatory changes along with increasing demands to improve internal processes and efficiencies, reduce costs and enhance the customer's value proposition is limited by existing bandwidth and tools.

At the November 2018 Board of Directors Meeting, the Board authorized the CEO to spend up to $1,000,000 through the Master Consulting Agreements (MCA) with Flynn, Hanover, Ascend, and later in 2019 amended the MCA to include E3. This spending authority was granted through September 30, 2021. At the October 2020 Board of Directors Meeting, the Board authorized the CEO to amend the MCA by increasing the spending authority up to $1,500,000 and extending the authority through March 31, 2022. Consultant work under the existing MCA has been directed toward Direct Access offerings, PCIA analysis, Risk Management, Portfolio Analysis, Integrated Resource Planning, Regulatory Support, Distributed Energy Resource analysis, and Compliance reporting.

At the October 22, 2021 Executive Committee meeting the CEO updated the committee on this item, during the CEO Report agenda item.

ANALYSIS & DISCUSSION

Staff has relied heavily on the use of consultants under the current MCA, Ascend most specifically. Staff believes that setting up a new, separate agreement with Ascend and terminating the MCA best serves SVCEs needs going forward. By structuring a standalone, multiyear agreement with Ascend, SVCE will both secure the use of Ascends consulting team and benefit from negotiated pricing over the longer term. The agreement includes both ongoing fees for the continued provision and access to the PowerSimm portfolio management platform, in addition to dedicated consulting hours to be used over the term of the agreement.

Under this proposed agreement, Ascend will provide SVCE with the following services:

- PowerSimm Platform Access & Hosting Fees (ongoing)
- CAISO Market Report and Fundamentals (ongoing)
- Integrated Resource Plan / Virtual Power Plant / Request for Offer Support (500 hours)
- Term Portfolio Management, Budget, and Customer Service Support (2,900 hours)
- Finance / Middle-Office Support: Budget, Risk Policy Review and Counterparty Credit Monitoring (845 hours)

In addition, SVCE may request the following optional services:

- Additional IRP Support Hours
- Additional RFO Support Hours
- Portfolio Management Contingency Support
- Finance / Middle-Office Contingency Support
- Optional PowerSimm Tools
- Short-Term Portfolio Management Services

SVCE and Ascend have agreed to a three year term, extending from November 11, 2021 to September 30, 2024, but are exploring the possibility of an optional fourth year. The consulting hours ("Hour Bank") included in the scope of work will be logged by category but will be consumed in aggregate and not specifically restricted to certain tasks. The Hour Bank can roll forward and backward. If hours are expended more quickly than anticipated, any unexpected overage will be pre-approved and either negotiated or billed at the time and material ("T&M") rates included in the agreement. If the Hour Bank is under-expended, and hours remain at the end of the contract term, they may be rolled forward into a new agreement or amendment or refunded to SVCE at 70% of the bundled rate ($204/hr) of the hours in the agreement. Services included in this agreement also replace services previously provided by other external consultants, reducing the costs associated with maintaining those additional agreements.

The three additional agreements under the MCA - Energy and Environmental Economics, Hanover Strategy Advisors, and Flynn Resources Consulting will terminate at the end of their respective terms but will not be open to any reallocation of funds through the terminated MCA.

STRATEGIC PLAN

Approval of the attached Resolution is in direct support of the Board-approved Strategic Plan as follows:

- Goal 5: Manage and optimize power supply resources to meet affordability, GHG reduction, and reliability objectives
    - Measure 1: Manage Net Revenue at Risk by reducing annual supply cost risk exposure (be within 95-105% of budgeted Supply Cost) by hedging within Energy Risk Management tolerance bands and ensuring a viable and creditworthy set of power supply counterparties
- Goal 14: Empower Organization-wide financial decision-making with data, systems, processes, and infrastructure
    - Measure 6: Provide effective risk management and financial control functions

ALTERNATIVE

Staff determined that recent experience under the Master Consulting arrangements points to exclusively negotiating and developing an agreement with Ascend. Alternatively, the Board may direct staff to continue under the existing MCA and issue an RFP to select one or more consultants and bring each consultant agreement to the Board for approval. This approach is not recommended due to the experience gained with Ascend through the current MCA and the pricing benefit negotiated through this agreement.

FISCAL IMPACT

The Board approved Resolution and amendments to the MCA totaled $1.5MM over a roughly 3.5-year term – an average of ~$428,500 per year. This new agreement with Ascend would total $1.3MM over a 3-year term, an average of ~$437,250 per year, a slight increase to annual budget amounts, but with a larger associated

output, given the discounted rates achievable through the multi-year agreement. Spending under this agreement in future fiscal years remains subject to Board appropriations.

ATTACHMENTS

1. Draft Agreement with Ascend Analytics

AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY AND ASCEND ANALYTICS FOR GENERAL CONSULTING, SOFTWARE TOOLS AND SUPPORT SERVICES

THIS AGREEMENT is entered into this 11th day of November, 2021, by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency, ("Authority"), and Ascend Analytics, a Colorado corporation whose address is 1877 Broadway Suite 706, Boulder CO, 80302 (hereinafter referred to as "Consultant") (collectively referred to as the "Parties" and individually as a "Party").

RECITALS:

A. Authority is an independent public agency duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq*.) ("Act") with the power to conduct its business and enter into agreements.

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein.

C. Authority and Consultant desire to enter into an agreement for PowerSimm software license and hosting, CAISO Market Report & Fundamentals, and general consulting and support services for IRP/VPP/RFO, Term Portfolio Management, Budget & Customer Analysis, and Finance/Mid-Office support upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on November 11, 2021, and shall terminate on September 31, 2024, unless terminated earlier as set forth herein (the "Initial Term").

2. **SERVICES TO BE PERFORMED**

Consultant shall perform each and every service set forth in Exhibit "A" pursuant to the schedule of performance set forth in Exhibit "B," both of which are attached hereto and incorporated herein by this reference.

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed one million three hundred eleven thousand seven hundred fifty-four dollars ($1,311,754.00) based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

Consultant and Authority agree that time is of the essence regarding the performance of

this Agreement.

5. **STANDARD OF CARE**

Consultant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area under similar circumstances and in a manner reasonably satisfactory to Authority and agrees that all services shall be performed by qualified and experienced personnel. Consultant shall be responsible to Authority for any errors or omissions in the performance of work pursuant to this Agreement. Should any errors caused by Consultant be found in such services or products, Consultant shall correct the errors at no additional charge to Authority by redoing the professional work and/or revising the work product(s) called for in the Scope of Services to eliminate the errors.

6. **INDEPENDENT PARTIES**

Authority and Consultant intend that the relationship between them created by this Agreement is that of an independent contractor. The manner and means of conducting the work are under the control of Consultant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No civil service status or other right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by Authority to its employees, including but not limited to, unemployment insurance, workers' compensation plans, vacation and sick leave are available from Authority to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant. Consultant shall indemnify and hold harmless Authority and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent contractors in the role of Authority officials, from any and all liability, damages, claims, costs and expenses of any nature to the extent arising from Consultant's personnel practices. Authority shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Authority from Consultant as a result of Consultant's failure to promptly pay to Authority any reimbursement or indemnification arising under this section.

7. **NO RECOURSE AGAINST CONSTITUENT MEMBERS OF AUTHORITY**

Authority is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. Authority shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Authority's constituent members in connection with this Agreement.

8. **NON-DISCRIMINATION**

In the performance of this Agreement, Consultant, and any subconsultant under the Consultant, shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation, military or veteran status, or other basis prohibited by law, except as provided in Government Code section 12940. Consultant shall have

responsibility for compliance with this Section.

9. **HOLD HARMLESS AND INDEMNIFICATION**

A. General Indemnification. To the fullest extent permitted by law, Consultant shall, at its sole cost and expense, defend, hold harmless and indemnify Authority and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those Authority agents serving as independent contractors in the role of Authority officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Consultant shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Consultant shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

B. Intellectual Property Indemnification. Consultant hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the services and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as "IP Rights"), except as otherwise expressly provided by this Agreement. Consultant warrants that the services to be provided pursuant to this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Consultant shall indemnify, defend, and hold Indemnitees, harmless from and against any Liabilities by a third party that the services to be provided pursuant to this Agreement infringe or violate any third-party's IP Rights, provided any such right is enforceable in the United States. Such costs and expenses shall include reasonable attorneys' fees of counsel of Authority's choice, expert fees and all other costs and fees of litigation.

C. The acceptance of the services by Authority shall not operate as a waiver of these rights of indemnification. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liability.

D. Consultant's indemnifications and obligations under this section shall survive the expiration or termination of this Agreement.

10. **INSURANCE**

A. General Requirements. On or before the commencement of the term of this Agreement, Consultant shall furnish Authority with certificates showing the type, amount, class

of operations covered, effective dates and dates of expiration of insurance coverage in compliance with the requirements listed in Exhibit "D," which is attached hereto and incorporated herein by this reference. Such insurance and certificates, which do not limit Consultant's indemnification obligations under this Agreement, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the Authority by certified mail, Attention: Chief Executive Officer." Consultant shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to Authority and licensed to do insurance business in the State of California. Endorsements naming the Authority as additional insured shall be submitted with the insurance certificates.

B. Subrogation Waiver. Consultant agrees that in the event of loss due to any of the perils for which he/she has agreed to provide comprehensive general and automotive liability insurance, Consultant shall look solely to his/her/its insurance for recovery. Consultant hereby grants to Authority, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or Authority with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of Consultant may acquire against Authority by virtue of the payment of any loss under such insurance.

C. Failure to secure or maintain insurance. If Consultant at any time during the term hereof should fail to secure or maintain the foregoing insurance, Authority shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. Additional Insured. Authority, its members, officers, employees and volunteers shall be named as additional insureds under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. Sufficiency of Insurance. The insurance limits required by Authority are not represented as being sufficient to protect Consultant. Consultant is advised to confer with Consultant's insurance broker to determine adequate coverage for Consultant.

F. Maximum Coverage and Limits. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum Insurance coverage requirements and/or limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in this Agreement, or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

11. CONFLICT OF INTEREST

Consultant warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers,

employees, associates and subcontractors, will not employ any person having such an interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the Authority Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this section into any subcontract that Consultant executes in connection with the performance of this Agreement. Consultant understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff Authority, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. **PROHIBITION AGAINST TRANSFERS**

Consultant shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of Authority. Any attempt to do so without such consent shall be null and void, and any assignee, sublessee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from Authority under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to Authority by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if Consultant is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. **SUBCONTRACTOR APPROVAL**

Unless prior written consent from Authority is obtained, only those persons and subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement.

In the event that Consultant employs subcontractors, such subcontractors shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance in substantial conformity to the insurance carried by Consultant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

Consultant agrees to include within their subcontract(s) with any and all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Consultant shall agree to be bound to Consultant and Authority in the same manner and to the same extent as Consultant is bound to Authority under this Agreement. Subcontractors shall agree to include these same provisions within any sub-subcontract. Consultant shall provide a copy of the Indemnity and Insurance provisions of this Agreement to any subcontractor. Consultant

shall require all subcontractors to provide valid certificates of insurance and the required endorsements prior to commencement of any work and will provide proof of compliance to Authority.

14. **REPORTS**

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of Authority. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to Authority the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of Authority, and all publication rights are reserved to Authority. Consultant may retain a copy of any Report furnished to the Authority pursuant to this Agreement.

B. All Reports prepared by Consultant may be used by Authority in execution or implementation of: (1) The original project for which Consultant was hired; (2) Completion of the original project by others; (3) Subsequent additions to the original project; and/or (4) Other Authority projects as Authority deems appropriate in its sole discretion.

C. Consultant shall, at such time and in such form as Authority may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports shall also be provided in electronic format, both in the original file format (e.g., Microsoft Word) and in PDF format.

E. No Report, information or other data given to or prepared or assembled by Consultant pursuant to this Agreement that has not been publicly released shall be made available to any individual or organization by Consultant without prior approval by Authority.

F. Authority shall be the owner of and shall be entitled upon request to immediate possession of accurate reproducible copies of Reports or other pertinent data and information gathered or computed by Consultant prior to termination of this Agreement or upon completion of the work pursuant to this Agreement.

15. **RECORDS**

Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by Authority that relate to the performance of services under this Agreement, in sufficient detail to permit an evaluation of the services and costs. All such records shall be clearly identified and readily accessible. Consultant shall provide free access to such books and records to the representatives of Authority or its designees at all proper times, and gives Authority the right to examine and audit same, and to make transcripts therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a minimum period of five (5) years after Consultant receives final payment from Authority for all services required under this agreement

16. **PARTY REPRESENTATIVES**

The Chief Executive Officer (“Authority Representative”) shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. Gary Dorris, Chief Executive Officer, (Consultant Representative”) shall represent Consultant in all matters pertaining to the services to be performed under this Agreement.

17. **INFORMATION AND DOCUMENTS**

A. Consultant covenants that all data, reports, documents, discussion, or other information (collectively "Data") developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Consultant without prior written authorization by Authority. Authority shall grant such authorization if applicable law requires disclosure. Consultant, its officers, employees, agents, or subcontractors shall not without written authorization from the Authority Representative or unless requested in writing by the Authority Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the Authority. Response to a subpoena or court order shall not be considered "voluntary," provided Consultant gives Authority notice of such court order or subpoena.

B. Consultant shall promptly notify Authority should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the Authority. Authority may, but has no obligation to, represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Consultant. However, Authority's right to review any such response does not imply or mean the right by Authority to control, direct or rewrite the response.

C. In the event Authority gives Consultant written notice of a "litigation hold", then as to all data identified in such notice, Consultant shall, at no additional cost to Authority, isolate and preserve all such data pending receipt of further direction from the Authority.

D. Consultant's covenants under this section shall survive the expiration or termination of this Agreement.

18. **NOTICES**

Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Consultant's and Authority's regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

TO AUTHORITY:

333 W. El Camino Real
Suite 330
Sunnyvale CA 94087
Attention: Chief Executive Officer

TO CONSULTANT:

Gary Dorris Ph.D.
Ascend Analytics
1877 Broadway Suite 706
Boulder CO, 80302

19. **RENEWAL**

After the Initial Term, the Term of this Agreement may automatically renew for successive additional twelve-month period(s) (each such twelve-month period, a "license year") by payment to Licensor of the Annual Platform and Hosting Fee, Annual Market Report Fee, and Annual +Service Fees (collectively "Annual Fees"). The Authority may choose to renew some or all of the services listed in Exhibit B, or may choose to modify the number of support hours for any item upon renewal. Renewals are subject to a maximum 2.5% annual escalation from the prior year's fees.

The Authority may elect not to renew on expiration of the Initial Term, or on expiration of any subsequent Renewal License Year, by delivering written notice thereof to the Consultant ("Non-Renewal Notice"). Non-Renewal Notice must be delivered to Consultant no less than 30 days in advance of the last day of the then-effective License Year. The effective Termination Date under the Non-Renewal Notice is the last day of the License Year in which the Non-Renewal Notice was delivered.

20. **TERMINATION**

In the event Consultant fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If the Consultant materially defaults in its obligations under the Agreement, the Authority shall provide Consultant with written notice specifying the material default. If Consultant fails to cure the default within the time specified (which shall be determined by the Authority but shall be not less than 10 days) and according to the requirements set forth in Authority's written notice of default, and in addition to any other remedy available to the Authority by law, the Authority Representative may terminate the Agreement by giving Consultant written notice thereof, which shall be effective immediately.

In addition to material default of the Agreement, items from the following list may be cause for termination by Authority, if the Consultant is unable to remedy after receiving the opportunity to cure in the time specified by Authority:

- The Consultant is unable to integrate with Authority's Business Process Optimization initiative ("BPO") in a reliable or affordable manner.
- The Consultant does not release a new software UI version in 2022 that provides an improved user experience, including better design and ease of use and configuration.
- The Consultant is unable to implement an automated process for uploading of client data. Process may be via data file location or UI. Consultant shall supply the template and tool for automatic upload, but use of automatic data upload is subject to client mapping and provision of data to template. Lack of use is not cause for termination.
- The Consultant fails to provide a mechanism for checks on input/output data included in studies for the Authority's main portfolio. Consultant and Authority will collaborate on scope of data checks.

Upon termination, Consultant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials shall become the property of Authority. Consultant shall have no other claim against Authority by reason of such termination, including any claim for compensation.

21. **COMPLIANCE WITH LAWS**

Consultant shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall, at all times, observe and comply with all such laws and regulations. Authority, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Consultant to comply with this paragraph.

Consultant represents and agrees that all personnel engaged by Consultant in performing services are and shall be fully qualified and are authorized or permitted under state and local law to perform such services. Consultant represents and warrants to Authority that it has all licenses, permits, certificates, qualifications, and approvals required by law to provide the services and work required to perform services under this Agreement, including a business license. Consultant further represents and warrants that it shall keep in effect all such licenses, permits, and other approvals during the term of this Agreement.

22. **CONFLICT OF LAW**

This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the Parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the Superior Court of the County of Santa Clara, State of California.

23. **ADVERTISEMENT**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from Authority to do otherwise.

24. **WAIVER**

A waiver by Authority of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

25. **INTEGRATED CONTRACT**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both Authority and Consultant.

26. **AUTHORITY**

The individual(s) executing this Agreement represent and warrant that they have the legal Authority and authority to do so on behalf of their respective legal entities.

27. **INSERTED PROVISIONS**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either Party.

28. **CAPTIONS AND TERMS**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

29. **AUTHORITY'S RIGHTS TO EMPLOY OTHER CONSULTANTS**

Authority reserves the right to employ other consultants in connection with the subject matter of the Scope of Services.

30. **EXHIBITS**

The Exhibits referenced in this Agreement are attached hereto and incorporated herein by this reference as though set forth in full in the Agreement. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Consultant's proposal, the provisions of this Agreement shall control.

31. **FORCE MAJEURE**

Consultant shall not be liable for any failure to perform its obligations under this Agreement if Consultant presents acceptable evidence, in Authority's sole judgment, that such failure was due to acts of God, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

32. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE**

The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of Authority from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of Authority's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by Authority shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by Authority for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.

33. **ATTORNEY FEES**

In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys' fees, experts' fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

34. **SEVERABILITY**

If any provision in this Agreement is held by a court of competent jurisdiction to be illegal, invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

35. **SUCCESSORS AND ASSIGNS**

The terms and conditions of this Agreement shall be binding on the successors and assigns of the Parties to this Agreement.

36. **NO THIRD PARTY BENEFICIARIES INTENDED**

This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

37. **COUNTERPARTS; FACSIMILE/PDF/ELECTRONIC SIGNATURE**

This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument. The Parties agree that a facsimile, PDF or electronic signature may substitute for and have the same legal effect as the original signature.

38. **DRAFTING PARTY**

This Agreement shall be construed without regard to the Party that drafted it. Any ambiguity shall not be interpreted against either Party and shall, instead, be resolved in accordance with other applicable rules concerning the interpretation of contracts.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed as of the date set forth above.

RECOMMENDED FOR APPROVAL

_____
Monica Padilla, Director of Power Resources

RECOMMENDED FOR APPROVAL

_____
Amrit Singh, Chief Financial Officer/Director of Administrative Services

CONSULTANT NAME
Ascend Analytics

By: _____
Name: Gary Dorris
Title: Chief Executive Officer
Date: _____

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

By: _____
Name: Girish Balachandran
Title: Chief Executive Officer
Date: _____

APPROVED AS TO FORM:

_____
Counsel for Authority

ATTEST:

_____
Authority Clerk

Exhibit A
Scope of Services

The below table identifies the Scope of Services to be performed by the Consultant.

	Item	Description
1.	**PowerSimm Platform & Hosting Fees**	Includes hosting, PowerSIMM (inclusive of PS 5 upgrade), BudgetTracker and Credit/Collateral; and BatterySimm Val. Budget Tracker will require technical support by/through SVCE when their renewables come online
2.	**Ascend CAISO Market Report & Fundamentals**	Includes full nodal analysis with forecast parameters for CAISO including (RA, Reg, Spin, DA Energy vol, RT Energy spikes, Price shapes, Forward prices, REC, RA value)
3.	**IRP/VPP/RFO +Service[1] (500 hours)**	**500 hours** of support credit over three (3) years. This is largely devoted to IRP work in FY 2023 but includes other potential VPP and or RFO support. Should the 500 hours be inadequate, there is the ability to add hours or use hours from other categories.
4.	**Term Portfolio Management, Budget and Customer Analysis +Service[1] (2,900 hours)**	**100 hours** of support credit for short-term portfolio management assessment in Year 1. This involves scoping, collaboration discussions, clarification of needs (system vs services) **300 hours** of support credit for data quality control augmentation over three (3) years. This relates to data reconciliation between Ascend and SVCE spreadsheets **2,500 hours** of term portfolio management reporting & advisory services and Customer Analysis over three (3) years. This accounts for approximately 16 hours per week in Ascend staff support ranging from Portfolio/Risk Management consultation services, ad hoc power procurement and compliance, weekly model runs and risk report publication, bi-weekly IROC meeting and monthly ROC meeting participation.
5.	**Finance / Mid-Office Support: Budget, Risk Policy Review and Counterparty Credit Monitoring +Service[1] (845 hours)**	**250 hours** for extensive energy risk policy review/recommendations with qualitative and process-based policy for other risks. **100 hours** to build a counterparty credit risk monitoring Excel model. **270 hours** (~7.5 hours per month) for ongoing monthly updates, monitoring and reporting to that Excel model. **225 Hours** (~75 per year) for budget/finance activities. For the counterparty credit monitoring SVCE will procure and obtain counterparty ratings from a rating agency along with probability of default. They will also provide counterparty thresholds. Ascend will help integrate with PowerSIMM output for PFE/Collateral risk, cash flow and impact on liquidity, deliverables will also address exposure for AP/AR netting and room to trade with counterparties. Overall aim will be to diversify/limit counterparty credit risk.

[1] Ascend will provide a monthly statement of support hours used and remaining balance for the current year. Support hours credit is not restricted to the specific categories of support listed above. Hours will be logged by category, but consumed in aggregate across the three-year term without limit on individual category usage. Hour Bank can roll forward or backward. Any unexpected overage to these bank hours will be negotiated or billed at T&M and in either case pre-approved by SVCE. If for any reason SVCE does not consume all hours at the end of the Initial Term, Ascend will roll unused hours over to the renewal/extension of this Agreement, or any subsequent agreement between Parties. If SVCE chooses to not renew or enter into a new agreement with Ascend following the end of the Initial Term, Ascend will reimburse SVCE at a rate of $204 per hour of unused support credit, 70% of the bundled discounted rate of this Agreement.

The Authority may, at their own discretion, also request the following OPTIONAL services. This OPTIONAL schedule, or any subsection of Items, may be enacted with a separate Task Order with written approval of the Authority. Cost for each item is subject to scoping.

	OPTIONAL Item	Description
1.	**IRP Support Credit Adder[1]**	200 hours of additional support credit for IRP activities (hours may be adjusted pending scoping)
2.	**Per RFO Support Credit Adder[1]**	250 hours of additional support credit for RFO activities (hours may be adjusted pending scoping)
3.	**Portfolio Management Contingency Support Credit[1]**	200 hours of additional support credit for Portfolio Management activities (hours may be adjusted pending scoping)
4.	**Finance/Mid-Office Support Contingency[1]**	TBD hours of additional support credit for Finance/Mid-Office activities (hours may be adjusted pending scoping)
5.	**SmartBidder (For batteries & renewables)**	Software license for modeling battery and renewable operations (hours for implementation TBD pending scoping)
6.	**PowerSIMM Ops**	Software license for modeling cash-month, whole portfolio operations (hours for implementation TBD pending scoping)
7.	**Short-term Portfolio Management Services[1]**	TBD hours of portfolio management support credit for short-term using PowerSIMM Ops (hours may be adjusted pending scoping)

Exhibit B
Schedule of Performance

This schedule may be modified with the written approval of the Authority and Consultant.

Task	Begin	Complete[2]
1. **PowerSimm Platform & Hosting Fees**	November 11, 2021	September 31, 2024
2. **Ascend CAISO Market Report & Fundamentals**	November 11, 2021	September 31, 2024
3. **IRP/VPP/RFO +Service**	November 11, 2021	September 31, 2024
4. **Term Portfolio Management, Budget and Customer Analysis +Service**	November 11, 2021	September 31, 2024
5. **Finance / Mid-Office Support: Budget, Risk Policy Review and Counterparty Credit Monitoring +Service**	November 11, 2021	September 31, 2024
6. **[OPTIONAL] IRP Support Credit Adder**	TBD	TBD
7. **[OPTIONAL] Per RFO Support Credit Adder**	TBD	TBD
8. **[OPTIONAL] Portfolio Management Contingency Support Credit**	TBD	TBD
9. **[OPTIONAL] Finance/Mid-Office Support Contingency**	TBD	TBD
10. **[OPTIONAL] SmartBidder (For batteries & renewables)**	TBD	TBD
11. **[OPTIONAL] PowerSIMM Ops**	TBD	TBD
12. **[OPTIONAL] Short-term Portfolio Management Services**	TBD	TBD

[2] After the Initial Term, the Authority may automatically renew this Task Order for successive additional twelve-month period(s) (each such twelve-month period, a "license year") by payment to Licensor of the Annual Platform and Hosting Fee, Annual Market Report Fee, and Annual +Service Fees (collectively "Annual Fees"). The Authority may choose to renew some or all of the services listed in Exhibit B, or may choose to modify the number of support hours for any item upon renewal. Renewals are subject to a 2.5% annual escalation from the prior year's fees.

Exhibit C
Compensation

Authority shall compensate Consultant for professional services in accordance with the terms and conditions of this Agreement based on the rates and compensation schedule set forth below. Compensation shall be calculated based on the hourly rates set forth below up to the not to exceed budget amount set forth below.

The compensation to be paid to Consultant under this Agreement for all services described in Exhibit "A" and reimbursable expenses shall not exceed a total of one million three hundred eleven thousand seven hundred fifty-four dollars ($1,311,754.00), as set forth below. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Task		**Est. Budget FY2022**	**Est. Budget FY2023**	**Est. Budget FY2024**
1.	**PowerSimm Platform & Hosting Fees**	$90,000	$92,250	$94,556
2.	**Ascend CAISO Market Report & Fundamentals**	$12,500	$12,813	$13,133
3.	**IRP/VPP/RFO +Service (500 hours)**	$50,000	$51,250	$52,531
4.	**Term Portfolio Mgmt, Budget and Customer Analysis +Service (2,900 hours)**	$275,000	$281,875	$288,922
5.	**Finance/Mid-Office: Budget, Risk Policy Review & Counterparty Credit Monitoring +Service (845 hours)**	$80,000	$82,000	$84,050
6.	**+Service Three-Year Agreement Cost Reduction Credit**	($81,000)	($83,025)	($85,101)
Total Annual Fee, Not to Exceed		**$426,500**	**$437,163**	**$448,092**
Total Three Year Fee, Not to Exceed		**$1,311,754**		

Rates

Personnel	**Title**	**Hourly**
Gary Dorris, PhD	Engagement Director	$550
Sean Burrow, PhD	Principal Analyst	$375
Scott Wrigglesworth, David Millar	Senior Project Manager/Advisor	$340
Brandon Mauch	Project Manager	$275
Logan Riber, Anand Govindarajan	Senior Analyst	$250

Invoices

Annual Invoicing: In order to request payment, Consultant shall submit annual invoices to the Authority for Task #1 and #2.

Quarterly Invoicing: In order to request payment for, Consultant shall submit quarterly invoices to

the Authority for Tasks #3-6, describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed).

Authority shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. Authority does not pay interest on past due amounts.

First Year Invoicing Schedule

Task	**Oct 1, 2021**	**Jan 1, 2022**	**Apr 1, 2022**	**Jul 1, 2022**
Task #1	$90,000	-	-	-
Task #2	$12,500	-	-	-
Task #3	$12,500	$12,500	$12,500	$12,500
Task #4	$68,750	$68,750	$68,750	$68,750
Task #5	$20,000	$20,000	$20,000	$20,000
Task #6	($20,250)	($20,250)	($20,250)	($20,250)

Reimbursable Expenses

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by Authority.

Additional Services

Consultant shall provide additional services outside of the services identified in Exhibit A only by advance written authorization from Authority Representative prior to commencement of any additional services. Consultant shall submit, at the Authority Representative's request, a detailed written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

Exhibit D
Insurance Requirements and Proof of Insurance

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE**:

(1) **Workers' Compensation**:
Statutory coverage as required by the State of California.

(2) **Liability**:
Commercial general liability coverage with minimum limits of $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury and property damage. ISO occurrence Form CG 0001 or equivalent is required.

(3) **Automotive**:
Comprehensive automotive liability coverage with minimum limits of $1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 or equivalent is required.

(4) **Professional Liability**
Professional liability insurance which includes coverage for the professional acts, errors and omissions of Consultant in the amount of at least $1,000,000.

(5) **Privacy and Cybersecurity Liability**
Privacy and cybersecurity liability (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs of at least $5,000,000 US per occurrence.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1d

Item 1d:	**Adopt Resolution 2021-24, Moving Reinstatement of SVCE's Delinquent Payment Policy to March 2022**
From:	Girish Balachandran, CEO
Prepared by:	Don Bray, Director of Account Services and Community Relations
Date:	11/10/2021

RECOMMENDATION

Staff requests the Board of Directors (Board) adopt Resolution 2021-24, moving re-instatement of SVCE's Delinquent Payment policy from November 2021 to March 2022.

BACKGROUND

At its August 8th meeting, the SVCE Board voted to move the reinstatement date of SVCE's Delinquent Payment Policy to November 2021. This timing was predicated on extension of PG&E's scheduled service disconnection moratorium end date to September 30, 2021, as ordered by the CPUC.

PG&E has since extended their service disconnection moratorium to January 1, 2022.

Further, AB135 authorized $993 million in funding for the California Arrearage Payment Program (CAPP) to provide credits to utility customers carrying outstanding debts past 60 days and incurred during the COVID crisis (March 4, 2020 – June 15, 2021). These credits must be applied by the IOUs to customer bills before the end of January 2022. The credits will be applied on a pro-rata basis to outstanding customer debts held by PG&E and community choice energy agencies.

One of the requirements of the CAPP program is that participating utilities suspend disconnection for non-payment until a minimum of 90 days after an eligible customer has received a CAPP payment. Based on analysis to date, SVCE has an estimated 11,000 customer accounts eligible for CAPP arrearage relief, for an amount totaling approximately $1.5M. These payments are currently planned for January 2022. Per the 90-day requirement noted above, the earliest any CAPP payment recipient would be eligible for service disconnection would be April 2022.

ANALYSIS & DISCUSSION

PG&E's service disconnection moratorium has now been extended by three months to January 1, 2022. And significant new customer credits funded by the California Arrearage Payment Program (CAPP) will be applied to customer balances in arrears before the end of January 2022. Per the CAPP rules, the ~11,000 SVCE (and PG&E) customers eligible for CAPP payments may not have their service disconnected for non-payment before April 2022 at the earliest.

As such, SVCE staff requests that re-start of the Delinquent Payment Policy be extended by four months, to March 2022. This means SVCE customers, regardless of arrearage amount or days overdue, would receive at least three late payment notices beginning in March and over three consecutive months. No customers would be returned to PG&E before May of 2022. This will allow time for customer bill credits to be fully applied under CAPP, and for the minimum 90-day moratorium on subsequent service disconnection for non-payment to

expire. CAPP payments should significantly lower SVCE's COVID-related arrearage and reduce the number of customers that would qualify for return to PG&E under the delinquent payment policy.

STRATEGIC PLAN

This recommendation balances SVCE strategic plan goals described in Goal 10 'empower customers with the awareness, knowledge and resources to make effective clean energy choices', and Goal 13 'commit to maintaining a strong financial position'.

ALTERNATIVE

Staff is open to new suggestions from the Board of Directors. In this new resolution, staff has strived to maintain consistency with direction provided in previous related resolutions.

FISCAL IMPACT

Moving reinstatement of the Delinquent Payment Policy will allow time for credits under the California Arrearage Payment Program to be applied. This will help customers with delinquent payments meet their payment obligations and remain customers of SVCE, while reducing SVCE's outstanding customer balances.

ATTACHMENT

1. Resolution 2021-24 Modification of the Reinstatement Date of the Delinquent Payment Policy

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2021-24

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY MODIFYING THE REINSTATMENT DATE OF THE DELINQUENT PAYMENT POLICY

WHEREAS, the Silicon Valley Clean Energy Authority ("Authority") was formed on March 31, 2016 pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in Santa Clara County; and

WHEREAS, at the May 10, 2017 Board of Directors Meeting, the Board adopted the policy FP10, the Delinquent Accounts & Collections Policy, authorizing return of SVCE customers to PG&E for non-payment; and

WHEREAS, in March of 2020, due to the outbreak of the COVID-19 pandemic and statewide shelter-in-place orders, PG&E suspended their service disconnection policy for non-payment, and SVCE suspended its return of customers to PG&E for non-payment; and

WHEREAS, since March of 2020, SVCE customer arrearage amounts have doubled to nearly $6 million, and the number of customers in arrears has grown from 13,000 to 21,000; and

WHEREAS, COVID restrictions are being lifted, economic conditions are improving, and PG&E was scheduled to reinstate it's service disconnection policy effective June 30th, 2021; and

WHEREAS, a broad range of payment plans, discounts and debt relief programs are now available to help impacted customers address their past-due payments; and

WHEREAS, SVCE seeks to reduce arrearage and avoid potential PG&E service disconnections by helping customers identify and utilize available debt forgiveness and financial support programs; and minimize customer returns to PG&E, financial write-offs of bad debt, and exposure to additional arrearage; and

WHEREAS, on June 9, 2021, the Board of Directors of the Silicon Valley Clean Energy Authority approved Resolution No. 2021-12 reinstating SVCE's delinquent payment policy effective July 1, 2021; and

WHEREAS, on June 24, 2021, the California Public Utilities Commission voted to approve Decision D.21-06-036, extending PG&E's service disconnection moratorium by three months, from June 30, 2021 to September 30th, 2021; and

WHEREAS, on July 16th, 2021, the Governor approved Assembly Bill 135, establishing the California Arrearage Payment Program (CAPP), which will provide direct credits to customers with past-due balances of 60 days or more, for debts incurred between March 4th 2020 and June 15th 2021, with credits to be applied no later than January 31, 2022; and

WHEREAS, on August 11th, 2021, the Board of Directors of the Silicon Valley Clean Energy Authority approved Resolution No. 2021-18, extending reinstatement SVCE's delinquent payment policy from July 1, 2021, to November 1, 2021; and

WHEREAS, on September 30th, 2021, PG&E announced that it is extending its service disconnection moratorium through January 1, 2022, and is automatically enrolling all residential and small business customers with past due balances over 60 days in new extended payment arrangements; and

WHEREAS, in January 2022, an estimated 11,000 SVCE customers will receive direct credits from the CAPP program and may not have their service disconnected for non-payment for a minimum of 90 days after receiving the credit such that the earliest any CAPP payment recipient would be eligible for service disconnection would be April 2022.

NOW THEREFORE, the Board of Directors of the Silicon Valley Clean Energy Authority does hereby resolve, determine, and order as follows:

Section 1. SVCE's delinquent payment policy will be reinstated effective March 1, 2022. Affected customers will receive a minimum of three monthly late payment notices before being returned to PG&E; no customer returns will occur before May 2022.

PASSED AND ADOPTED this 10th day of November 2021, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Gibbons				
City of Cupertino	Director Willey				
City of Gilroy	Director Hilton				
City of Los Altos	Director Fligor				
Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Director Rennie				
City of Milpitas	Director Chua				
City of Monte Sereno	Director Ellahie				
City of Morgan Hill	Director Martinez Beltran				

City of Mountain View	Director Abe-Koga				
County of Santa Clara	Director Ellenberg				
City of Saratoga	Director Walia				
City of Sunnyvale	Director Larsson				

_____

Chair

ATTEST:

_____

Dorothy Roberts, Interim Board Clerk

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1e

Item 1e:	**Recommend the Board Approve the Amended Energy Risk Management Policy**
From:	Girish Balachandran, CEO
Prepared by:	Amrit Singh, CFO and Director of Administrative Services
Date:	11/10/2021

RECOMMENDATION

Staff recommends that the Board adopt Resolution 2021-25 approving revisions to SVCE's Energy Risk Management Policy.

COMMITTEE RECOMMENDATIONS

The CEO chartered Risk Oversight Committee reviewed the changes to the Policy at its October 11, 2021, meeting and did not raise any objections to the proposed changes. The ROC had questions related to hedge minimum and maximum values and changes have been made to reflect the discussion with the ROC.

The Executive Committee reviewed the changes to the Policy at its October 22, 2021, meeting. The Committee asked clarifying questions about the proposed revisions and after discussion with Staff and Ascend Analytics voted unanimously to recommend that the Board approve the revised Policy. The Committee had questions on the mathematical models used to measure portfolio risks. Ascend Analytics engaged in a discussion with the Committee members to explain that the model uses Monte Carlo simulation to demonstrate a range of possible outcomes of portfolio results as opposed to providing a deterministic outcome.

BACKGROUND

The purpose of the Energy Risk Management (ERM) Policy is to set the framework for managing market and credit risks associated with the energy procurement activities. The ERM Policy designates responsibility for risk identification, measurement, management, and reporting. It establishes the framework to ensure risks are appropriately managed and that SVCE achieves its mission and adheres to policies established by the SVCE Board of Directors.

The ERM Policy (Policy) requires that it be reviewed and updated as needed at least every two calendar years. The last formal review of the policy occurred on June 12, 2019. For this review, SVCE staff worked with Ascend Analytics to ensure that the Policy not only is relevant to the current energy procurement activities but also meets the industry's best practices based on Ascend Analytics independent assessment.

ANALYSIS & DISCUSSION

SVCE staff and Ascend Analytics found that the current Policy is comprehensive but recommends the following changes to further strengthen risk management controls, clarify existing policy, and reflect current energy procurement activities.

Section 1.5 – Acknowledgement of ERM Policy

Change: Add requirement that new and existing employees subject to the Policy have read and understood the Policy when joining SVCE and after material changes to the Policy.

Justification: To reduce operational risks and reinforce that the Policy should guide portfolio management decisions.

Section 4.1 – Clarify use of Third-party Advisors to Support Middle and Back Office Function

Change: Clarify in the Policy that third-party advisors can support middle and back-office functions.

Justification: Use of third-party advisors can be cost-effective to augment existing staff, bring knowledge of industry best practices, and reduce risks from staff turnovers.

Section 5.1 – Clarify Use of Probabilistic-Based Risk Models

Change: Clarify the use of probabilistic-based risk models to quantify risks.

Justification: Risk exposure outputs are already produced from probabilistic models and use of such models aligns with industry practices to capture volumetric and market price uncertainty.

Section 5.1 – Add Requirement to Conduct Stress Tests to Support Portfolio Management Decisions

Change: Add requirement to conduct stress tests.

Justification: Stress tests supplement other risk metrics to better assess extreme but plausible scenarios that can guide strategic planning decisions.

Section 5.6 – Add Requirement to Manage Risks from Operationalization of Power Purchase Agreements (PPA)

Change: Add reference to the operating agreement[1], which will be adopted by the Board, that manages operationalization of the PPAs that are coming online.

Justification: The Board-approved operating agreement will delegate limited authority to the Scheduling Coordinator to manage the long-term electricity resources that are coming online. The requirement also adds that the CEO will approve an operating plan for management of each PPA.

Section 5.10 – Enhance Reporting for Exceptions to Compliance with the Policy

Change: Define compliance exceptions more broadly and set reporting and notification requirements.

Justification: The prior language was limited to transactions falling outside of risk limits and required email notification to the Risk Oversight Committee. The change requires to document, track, and resolve policy exceptions and to present the report to the Risk Oversight Committee at the next meeting.

Section 5.10 – Clarify Portfolio Management Objectives

Change: Include the objective of managing power resources to optimize value in meeting load obligations in addition to hedging the costs. Clarify accounting for expected generation variability in managing the portfolio.

Justification: Clarify the language on portfolio management objectives and the management of volumetric uncertainty from supply resources.

Section 5.10 – Update Hedging Tolerance Bands

Change: Extend the maximum hedging tolerance bands from 105% to 110% for prompt quarter and the balance of year periods. Increase the minimum tolerance bands for years 4 and 5 to 50% from 40% and 0%, respectively. Increase the maximum tolerance band for years 3, 4 and 5 to 80% from 75%, 60% and 50%, respectively.

Justification: The increase in the maximum bands for the prompt and balance year periods are to account for uncertainty of portfolio positions that are based on expected positions that can lead to optimal hedges that are higher than at 100% levels and to provide additional resources that may be needed to manage uncertainty in meeting summer obligations. The increase in hedge

[1] The operating agreement is expected to be adopted at the November 10, 2021, Board meeting.

target levels for years 3, 4, and 5 are to account for procurement of long-term power purchases to meet state mandates that are pushing against the existing limits.

Section 6.4 – Remove Dated Language on CPUC Resource Adequacy (RA) Requirements

Change: Remove language on CPUC RA compliance obligations that are not current.

Justification: RA requirements continue to be under review by CPUC; as a result, adding more general requirement that SVCE will continue to comply with current and any future requirements.

Section 6.5.2 – Authority Delegated to CEO by Board – Replace NOP with Hedge

Change: Reflecting change in labeling of Energy NOP Tolerance Bands to Energy Hedge Tolerance Bands.

Justification: To use consistent language in the policy. Energy Hedge Tolerance bands better reflect the intend to hedge the portfolio positions with the approved bands.

Section 6.5.3 – Streamline the Resource Adequacy Board Delegation Section

Change: Eliminate the distinction between system, flexible and local capacity delegations since the delegations are same for all categories. Include language to reflect that CPUC may change RA requirements.

Justification: Streamline the policy and reflect changing RA obligations.

Section 6.6 – Add Requirement for SVCE Staff to Declare Conflict of Interest

Change: SVCE staff under the purview of the Policy to acknowledge the conflict-of-interest requirements and report any existing or potential conflicts.

Justification: Ensure staff declare any potential conflict and reduce any potential legal and reputational risks from any potential conflict of interest.

STRATEGIC PLAN

The Policy supports the goals of the Board adopted Strategic Plan. Specifically, the Policy strongly supports:

- Goal 5 - Acquire clean and reliable electricity in a cost effective, equitable and sustainable manner
- Goal 6 - Manage and optimize power supply resources to meet affordability, GHG reduction and reliability objectives

ALTERNATIVE

N/A

FISCAL IMPACT

Implementing the proposed updates to the Policy is not expected to have a fiscal impact.

ATTACHMENTS

1. Energy Risk Management Policy (Redline)
2. Energy Risk Management Policy (Clean – No Redline)
3. Resolution 2021-25 Approving Revised Energy Risk Management Policy

Attachment 1.a

Energy Risk Management Policy

Proposed:
~~June 12~~~~October~~November ~~15~~10th, ~~2019~~2021

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1 General Provisions

1.1 Background and Purpose of Policy

Silicon Valley Clean Energy's (SVCE) mission is to reduce dependence on fossil fuels by providing carbon free, affordable and reliable electricity and innovative programs for the SVCE community.

This Energy Risk Management Policy (Policy) has been developed to help ensure that SVCE achieves its mission and adheres to policies established by the SVCE Board of Directors (Board), power supply and related contract commitments, good utility practice, and all applicable laws and regulations. SVCE is not engaged in the power supply business for profit and is, therefore, precluded by this Policy from engaging in many of the risk-taking activities typical to an organization orientated solely toward profit maximization.

This Policy defines SVCE's general energy risk management framework and provides management with the authority to establish processes for monitoring, measuring, reporting, and controlling market and credit risks to which SVCE is exposed in its normal course of business.

1.2 Scope of Business and Related Market Risks

SVCE provides energy to retail customers in its service territory that entails business activities such as; bilateral purchases and sales of electricity under short-, medium- and long-term contracts; scheduling of load and generation of electricity into California Independent Systems Operator (CAISO) markets; retail marketing of electricity to consumers within its service territory; compliance with voluntary objectives and regulatory requirements as it relates to carbon free and renewable portfolio standard (RPS) compliant energy; participation in CAISO Congestion Revenue Rights ("CRRs") market; managing the balance of load and generation over short, medium and long term horizons; and compliance with California Public Utilities Commission (CPUC) Resource Adequacy (RA) requirements.

Examples of energy market risks include, but are not limited to, the following:

- Mark-to-Market Risk
- Market Price Risk
- Net Revenue Risk
- Counterparty Credit and Performance Risk
- Load and Generation Volumetric Risk
- Operational Risk
- Liquidity Risk
- Regulatory/Legislative Risk

This Policy focuses on the following:

- Risk Management Goals and Principles
- Definitions of Risks
- Internal Control Principles
- Risk Management Business Practices
- Authorized Transaction and Trading Limitations
- Risk Management Governance

This Policy does not address the following types of general business risk, which are treated separately in other official policies, ordinances and regulations of SVCE: fire, accident and casualty; health, safety, and workers' compensation; cybersecurity, general liability; and other such typically insurable perils. The term "risk management," as used herein, is therefore understood to refer solely to energy market risks as herein defined, and not those other categories of risk.

1.3 Policy Administration

This Energy Risk Management Policy (Policy) is adopted by the SVCE Board of Directors and will be reviewed and updated as needed at least every two calendar years by SVCE's Board. The CEO is responsible for implementation of the Policy. The CEO is also responsible to develop Energy Risk Management Guidelines (Guidelines), which is required for staff to implement the Policy.

1.4 Policy Distribution

This Policy shall be distributed to all SVCE employees and third-party contractors who are engaged in the planning, procurement, sale and scheduling of electricity on SVCE's behalf and/or in other SVCE departments providing oversight and support for these activities.

1.5 Acknowledgement of ERM

All SVCE ~~Representatives~~staff participating in any activity or transaction within the scope of the ERM shall sign, upon joining or upon any material revision of the ERM policy, that such SVCE representative has:

- Read the ERM;
- Understands the terms and agreements of said ERM;
- Will comply with said ERM;
- SVCE employees who are within the scope of the ERM understand that any violation of said ERM ~~shall~~may subject the employee to discipline up to and including termination of employment;

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2 Risk Management Goals

Although SVCE does not engage in risk-taking activities typical in a for-profit organization, certain risks are incidental to the normal power supply operations and hedging activities. SVCE's policy is to manage risk inherent with serving load, including the risks associated with normal cost-hedging activities, those associated with participation in wholesale markets in general and the CAISO in particular.

The goals of energy risk management shall be to:

1. assist in achieving the business objectives in the Strategic Plan, Integrated Resource Plan (IRP) and Cash Reserve Policy including retail rate stability and competitiveness and the accumulation of financial reserves;
2. avoid losses and excessive costs which would materially impact the financial condition of SVCE;
3. establish the parameters for energy procurement and sales activity to obtain the best possible price while ensuring compliance with Board-approved policies;

4. identify specific cost, regulatory and legislative risks that could adversely affect SVCE's ability to achieve its business objectives, and to the extent possible, quantify and measure performance against those risks;
5. assist in assuring that market activities and transactions are undertaken in compliance with established procurement authorities, applicable laws, regulations and orders;
6. encourage the development and maintenance of a corporate culture at SVCE in which the proper balance is struck between control and facilitation and in which professionalism, discipline, technical skills and analytical rigor come together to achieve SVCE objectives; and
7. manage business risks to acceptable levels consistent with retail rate-setting, resource procurement and cash reserve management.

SVCE manages its energy resources and transactions to provide its customers with low cost renewable, carbon free and other energy while at the same time minimizing risks. The risk management principles that SVCE will use include:

1. Undue exposure to CAISO or bilateral energy market volatility for the purpose of potentially achieving lower costs but at the risk that costs may, in fact, be much higher, will not be accepted.
2. Procurement and hedging strategy will be determined by analytical methods supplemented by experienced judgement. SVCE will use that experienced judgement and its analytical tools to assess system cost drivers such as weather, short term energy prices, load variation and operational constraints to manage timing and quantity of purchases and sales of energy and related services, consistent with the limits identified in this Policy.
3. When actions are taken that are consistent with this Policy and for the combined goal of low costs and optimized risk, those actions are considered to be consistent with the objectives of this Policy.
4. SVCE will not engage in transactions, without proper authorization, whose purpose is not tied to managing costs and risks or are outside of the limits identified in this Policy.

3 Definition of Market Risks

The term "market risks," as used here, refers specifically to those categories of risk which relate to SVCE's participation in wholesale and retail markets as a Load Serving Entity (LSE) and its interests in long-term contracts. Market risks include market price risk, counterparty credit and performance risk, load and generation volumetric risk, operational risk, liquidity risk, and regulatory and legislative risk. These categories are defined and explained as follows.

3.1 Mark-to-Market Risk

Mark-to-Market risk is the risk that wholesale trading positions, long-term supply contracts and generation resources may move "out of the money," that is, become less valuable in comparison with similar positions, contracts or resources obtainable at present prices. These same positions can also be "in the money" if they become more valuable in comparison to similar positions, contracts or resources obtainable at present market prices. This valuation methodology is commonly referred to as "Mark-to-Market." If SVCE is "out of the money" on a substantial portion of its contracts, it may have to charge higher retail rates. This may erode SVCE's competitive position and market share if other market participants (e.g., Direct Access providers or PG&E) are able to procure power at a lower cost and offer lower retail electricity rates.

3.2 Market Price Risk

Market Price risk is the risk that market prices change, resulting in changes to energy procurement cost. For example, the cost for the unhedged portion of a supply portfolio (net open position) will increase when market prices increase. Conversely, if resources are in excess to needs and market prices fall, the revenue expected from the sale of the surplus resources will decrease. In addition, uncertain market price relationships (locational risk) affect SVCE's procurement costs.

A subcomponent of market price risk is market liquidity. Illiquid markets make it more difficult to buy or sell a commodity and can result in higher premiums on purchases or deeper discounts on sales.

Another dimension of market price risk is congestion risk. Congestion risks arise from the difference between the prices SVCE pays the CAISO to schedule its load and the prices SVCE receives from the CAISO for energy delivered by SVCE's suppliers.

3.3 Net Revenue Risk

Net Revenues are the total of all revenues received (from retail sales to customers and from the sale of any energy products that were surplus or unneeded) less the total costs (including the costs of long-term contracts, forward transactions, and spot market purchases plus all other operating costs). Net Revenue Risk is the risk that any of those factors—revenues or costs—changes (e.g. changes in market prices or retail sales volumes, or failures of counterparties). Net Revenue is the "bottom line" for SVCE as it determines the financial viability of the authority.

One of the main components of net revenue risk is on the retail revenue side, which is at risk when customers opt out from service by SVCE and return to PG&E, or if customers choose to find another supplier through direct access opportunities that may arise. In addition, when the Power Charge Indifference Adjustment (PCIA) is changed, it directly affects SVCE's bottom line if SVCE compensates by changing its retail rates.

3.4 Counterparty Credit and Performance Risk

Performance and credit risk refers to the inability or unwillingness of a counterparty to perform according to its contractual obligations or to extend credit. Failure to perform may arise if an energy supplier fails to deliver energy as agreed. There are four general performance and credit risk scenarios:

1. counterparties and wholesale suppliers may fail to deliver energy or environmental attributes, requiring SVCE to purchase replacement products elsewhere, possibly at a higher cost;
2. counterparties may fail to take delivery of energy or environmental attributes sold to them, necessitating a quick resale of the product elsewhere, possibly at a lower price;
3. counterparties may fail to pay for energy or environmental attributes delivered; and
4. counterparties and suppliers may refuse to extend credit to SVCE, possibly resulting in higher collateral posting costs impacting SVCE's cash and bank lines of credit.

An important subcategory of credit risk is concentration risk. When a portfolio of positions and resources is concentrated in one or a very few counterparties, sources, or locations, it becomes more likely that major losses will be sustained in the event of non-performance by a counterparty or supplier or as a result of price fluctuations at one location.

3.5 Load and Generation Volumetric Risk

Energy deliveries must be planned for based upon forecasted load adjusted for distribution line losses. SVCE forecasts load over the long and short term and enters into long- and short-term fixed-price energy contracts to hedge its load.

Load forecasting risks arises from inaccurate load forecasts and can result in the over or under procurement of energy and/or revenues that deviate from approved budgets. Energy delivery risk occurs if a generator fails to deliver expected or forecast energy. Variations in wind speed and cloud cover can also impact the amount of electricity generated by solar and wind resources, and occasional oversupply of power on the grid can lead to curtailment

of energy deliveries or reduce revenue as a result of low or negative prices at energy delivery points. Weather is an important variable that can result in higher or lower electricity usage due to heating and cooling needs.

In the CAISO markets this situation can result in both oversupply and undersupply of electricity relative to SVCE's load and the over or under scheduling of generation or load into the day ahead market relative to actual energy consumed or delivered in the real time market. Load and generation volumetric risk may result in unanticipated open positions and imbalance energy costs. Imbalance energy costs result from differences in the price or volume of generation or load scheduled into the day ahead market when compared to the price or volume of generation or load occurring in the real time market during that time period.

3.6 Operational Risk

Operational risk consists of the potential for failure to act effectively to plan, execute and control business activities. Operational risk includes the potential for:

1. organizational structure that is ineffective in addressing risk (i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, ineffective internal checks and balances, incomplete, inaccurate and untimely forecasts or reporting, failure to separate incompatible functions, etc.);
2. absence, shortage or loss of key personnel or lack of cross functional training;
3. lack or failure of facilities, equipment, systems and tools such as computers, software, communications links and data services;
4. exposure to litigation or sanctions resulting from violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting and analyzing contracts effectively, etc.; and
5. errors or omissions in the conduct of business, including failure to execute transactions, violation of guidelines and directives, etc.

3.7 Liquidity Risk

Liquidity Risk is the risk that SVCE will be unable to meet its financial obligations. This can be caused by unexpected financial events and/or inaccurate pro forma calculations, rate analysis, and debt analysis. Some unexpected financial events impacting liquidity could include:

1. breach of SVCE credit covenants or thresholds; SVCE has credit covenants included in its banking and several short-term energy contracts. Breach of credit covenants or thresholds could result in the withdrawal of SVCE's line of credit or trigger the requirement to post collateral;
2. calls for collateral from the CAISO or SVCE's counterparties based on terms of transacting agreements; and
3. from time to time SVCE may be the subject of legal or other claims arising from the normal course of business. Payment of a claim by SVCE could reduce SVCE's liquidity if the cause of loss is not covered by SVCE's insurance policies.

3.8 Regulatory/Legislative Risk

Regulatory risk encompasses market structure and operational risks associated with shifting state and federal regulatory policies, rules, and regulations that could negatively impact SVCE. Some examples are the potential increase of exit fees for customers served by Community Choice Aggregators such as SVCE that would result in higher electricity rates for

SVCE's customers, and the risk that the customers would select another supplier through an expanded Direct Access program.

Legislative risk is associated with actions by federal and state legislative bodies, such as any adverse changes or requirements that may infringe on SVCE's autonomy, increase its costs, impact its customer base, or otherwise negatively impact SVCE's ability to fulfill its mission.

4 Internal Control Principles

Internal controls shall be based on proven principles that meet or exceed the requirements of financial institutions and credit rating agencies and good utility practice. The required controls shall include all customary and usual business practices designed to prevent errors and improprieties, ensure accurate and timely reporting of results of operations and information pertinent to management, and facilitate attainment of business objectives. These controls are currently and shall remain fully integrated into all activities of the business and shall be consistent with stated objectives.

4.1 Segregation of duties

One of the main aspects of internal controls is the segregation of duties to ensure that the staff person that executes a transaction is not the same person that evaluates or settles the transaction. Appropriate segregation of duties is to be established and maintained throughout the system of controls over financial risks. Senior management must be diligent in ensuring that appropriate segregation of duties is adhered to within the context of organizational changes, while considering staffing limitations, SVCE's business model as a cost hedger, and the overall level of transactions with counterparties. Segregation of duties and functions between front, middle, and back office activities is generally as follows:

- The Front Office is directly involved in resource planning, product procurement and sales transactions and implementation of strategies within authorized limits.
- The Middle Office's functions are related to risk management and counterparty credit. The primary responsibility is ensure that all products utilized and transaction activities are undertaken in compliance with current policy.
- The Back Office is comprised of those functions responsible for verification, validation accounting, processing, reconciling and settling all transactions.

Controls over inputs and systems operations are of particular importance in ensuring the integrity of data used in risk control and management. In all cases, there will be an appropriate segregation of duties or oversight to reduce the risk of error and/or fraud.

To the maximum extent practicable given SVCE's business model and level of staffing, Front-Office activities will be functionally independent from Middle and BackOffice activities. As a result, the Front Office will generally neither perform nor supervise Middle-Office Risk Management activities, or Back Office financial accounting or settlements. The Director of Power Resources is responsible for ensuring the Front Office's ability to perform tasks in compliance with this Policy. This arrangement will provide independent and regular management oversight for both risk-taking and risk-control activities. It will also allow for a clear separation of duties between the Front-Office transacting and Middle Office risk-control functions.

To the maximum extent practicable given SVCE's business model and level of staffing, Middle Office activities will be functionally independent from all Front Office and Back Office activities. The Middle Office will have primary responsibility for risk management oversight

and policy development and compliance. If there are not adequate resources necessary to fully support a Middle Office, this function may be combined with another function, or be supported by qualified third party advisors, provided that appropriate segregation of duties or sufficient internal controls are maintained at all times.

To the maximum extent practicable given SVCE's business model and level of staffing, Back Office settlement activities will be functionally independent from all Front Office and Middle Office activities. The Back Office will have primary responsibility for all transaction confirmation, accounting and reconciliation processes. If there are not adequate resources necessary to fully support a Back Office, this function may be combined with another function, or be supported by qualified third party advisors, provided that appropriate segregation of duties or sufficient internal controls are maintained at all times.

4.2 Additional Internal Controls

Besides segregation of duties, additional required operational control principles include the following, which the CEO shall implement by incorporating them into the ERM Guidelines and procedures:

1. Delegation of authority that is commensurate with responsibility and capability, and relevant training to ensure adequate knowledge to operate in and comply with rules associated with the markets in which they transact (e.g., CAISO). Contract origination, commercial approval, legal review, invoice validation, and transaction auditing shall be performed by separate staff or contractor for any single transaction. No single staff member shall perform all these functions on any transaction.
2. Defining authorized products and transactions (see Section 6.3).
3. Defining procurement authority for any transactions for which procurement authority has not already been explicitly granted as set forth in SVCE's Purchasing Policy and any Board Resolution delegating energy procurement authority (e.g. Resolution 2016-15 which delegates authority to the CEO to execute confirmation agreements with energy service providers with whom SVCE has executed Master Agreements).
4. Defining proper trade capture process for executing power supply contracts.
5. Complete and precise capture of transaction and other data, with standardization of electronic and hard copy documentation.
6. Meaningful summarization and accurate reporting of transactions and other activity at regular intervals.
7. Consultation with legal counsel on all legal issues related to this Policy.
8. Timely and accurate risk and performance measurement at regular intervals.
9. Regular compliance review to ensure that this Policy and the Guidelines are adhered to, with specific guidelines for resolving instances of noncompliance.
10. Active participation by senior management in risk management processes.

5 Risk Management Business Practices

5.1 Risk Measurement Metrics and Reporting

A vital element of this Policy is the regular identification, measurement and communication of risk. To effectively communicate risk, all risk management activities must be monitored on a frequent basis using risk measurement methodologies that quantify the risks associated with SVCE's procurement-related business activities and performance relative to goals.

SVCE measures and updates its risks using a variety of tools that model programmatic financial projections, market exposure and risk metrics, as well as through short term budget updates.

SVCE seeks to minimize financial exposure to higher-volatility spot market wholesale electricity using rolling hedges and net open position percentage bands. Financial exposure creates budget uncertainty. To mitigate the financial exposure to short-time horizon price volatility, SVCE continually reduces its financial exposure by reducing the quantity of energy in either open long or short positions.

The following items are measured, monitored, and reported:

1. Reserve Requirement Targets – on no less than an annual basis, SVCE staff will monitor SVCE's reserves to ensure that they meet the targeted thresholds as outlined in SVCE's Cash Reserve Policy.
2. Mark-to-Market Valuation – marking to market is the process of determining the current value of contracted supply. A mark-to-market valuation shall be performed at least on a monthly basis.
3. Exposure Reporting – calculates the notional dollar and/or probabilistic-based risk exposure of open portfolio positions at current market prices. The exposure risk calculation shall be performed at least on a monthly basis.
4. Open Position Monitoring – on a monthly basis, SVCE shall calculate/monitor its open positions for all energy and capacity products.

Consistent with the above, the Middle Office will develop reports and provide feedback to the Risk Oversight Committee. Risk measurement methodologies shall be re-evaluated on a periodic basis to ensure SVCE adjusts its methods to reflect the evolving competitive landscape.

In addition to ensuring the portfolio is within the approved hedge bands, portfolio management decisions are supported by risk metrics from simulations of future market conditions, loads, and other material risk drivers for the portfolio. The following probabilistic risk metrics are regularly calculated and reported:

- Net Revenue at Risk: Potential adverse changes in net revenues for a given time period and confidence level.
- Reserve Requirements at Risk: Potential adverse change in reserves for a given time period and confidence level.
- Potential Future Exposure for counterparty credit risk: Maximum Mark-to-market counterparty exposures for a given time period and confidence level.
- Potential Collateral Exposure: Maximum of collateral that SVCE may have to post for a given time period and time horizon with a given counterparty.

Stress tests will used to understand the potential variability in SVCE's projected procurement costs, and resulting retail rate impacts and competitive positioning, associated with adverse scenarios of material risk drivers. The IROC will develop, and update as necessary, a set of plausible and forward looking stress-tests based on SVCE's portfolio and expected market conditions. The stress test analysis will complement other probabilistic metrics used to manage portfolio risks and its results will be distributed on at least an annual basis to the ROC.

5.2 Mark-to-Market Risk

SVCE manages its mark-to-market risk by comparing the current value of any wholesale

trading positions and long-term supply contracts to the cost of the contracts. This is important if there are trading restrictions for entering into new transactions with certain counterparties based on the terms of the agreements and to counterparty credit limits. Being aware of the Mark-to-Market of the portfolio is important as it provides an indication of the competitiveness of the portfolio.

5.3 Market Price Risk

SVCE manages market price risk by determining its Load and Resource Balance which defines forecasted load, energy under contract and SVCE's open positions in various energy product types including renewable energy, carbon free energy, system power, and SVCE's procurement targets.

SVCE determines its NOP by comparing the forecasted use to supply resources on a monthly basis. The NOP is exposed to potentially volatile market prices. The quantity of energy SVCE will contract for in each year is guided by the NOP tolerances. Market price risk is determined by evaluating how costs could increase (or decrease) if market prices were to reach high (or low) values.

SVCE minimizes financial exposure to higher-volatility spot market wholesale electricity prices by hedging its NOP according to the NOP tolerance bands in Section 6.4. To reduce this exposure, SVCE's practice is to close its NOP (hedge at close to 100%) for the prompt

month and quarter. The relatively tight prompt year tolerance band provides a high level of budget certainty. However, SVCE will continue to have some exposure to spot market prices due to the load changes and the difference between forecasted and actual load. These differences result in a need to purchase or sell energy in the short-term markets.

In general, SVCE will seek to spread out its long-term purchases of renewable energy to diversify exposure to market conditions and reduce the risk of concentrating purchases in any one year.

For products generally purchased through short- and medium-term contracts, SVCE follows a similar strategy of diversifying contracting over the delivery horizon.

As predominantly a net buyer, SVCE manages its market liquidity risk through purchasing at different intervals and maintaining a diverse set of counterparties to transact with.

Congestion risk is managed through the contracting process with a preference for day ahead scheduling and energy delivery at the NP 15 trading hub and through resource assessment and selection. Once energy is procured SVCE manages congestion risks through the prudent management of Congestion Revenue Rights (CRRs). CRRs are financial instruments used to hedge against transmission congestion costs encountered in the CAISO day-ahead market. SVCE uses a third-party scheduling coordinator to manage its CRR portfolio. SVCE uses CRRs to reduce its exposure to congestion and other CAISO charges, and will not use CRRs for speculative purposes.

5.4 Net Revenue Risk

SVCE manages net revenue risk by managing each of its contributing factors as described in other sections in this Policy—market price risk, load and generation volumetric risk, counterparty performance, etc. In addition, SVCE strives to provide competitively priced products that are valued by its customers to minimize opt out rates. Net revenue is monitored closely so that trend changes can be identified as early as possible and corrective action can be taken as appropriate.

5.5 Counterparty Credit and Performance Risk

SVCE evaluates and monitors the financial strength of service and energy providers. Generally, SVCE manages its exposure to energy suppliers through a preference for counterparties with Investment Grade Credit ratings as determined by Moody's or Standard and Poor's and through the use of security requirements in the form of cash and letters of credit. SVCE measures its mark-to-market counterparty credit exposure consistent with industry best practices. Additionally, SVCE manages counterparty credit risk by monitoring and controlling collateral, letters of credit and other forms of credit calls on the agency as well as paying bills in a timely fashion to avoid defaulting on any term of an agreement.

5.6 Load and Generation Volumetric Risk

SVCE manages energy delivery risks by ensuring that contracts include appropriate contractual penalties for non-delivery, acquiring energy from a geographically and technologically diverse portfolio of generating assets with a range of generation profiles.

SVCE manages load forecasting and related weather risks by contracting with qualified data management and scheduling coordinators who together provide the systems and data necessary to forecast and schedule load using good utility practice.

SVCE's load scheduling strategy, as executed by its scheduling coordinator, ensures that price risk in the day ahead and real time CAISO markets is managed effectively and is consistent with good utility practice.

SVCE has contracted for long-term electricity resources including large hydroelectricity, renewable energy and storage to meet its RPS and clean goals. For many of these contracts, SVCE has scheduling coordination responsibilities and intends to work with Central Coast Community Energy (CCCE) to manage these resources.

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SVCE's generation scheduling strategy, as executed by its scheduling coordinator and in coordination with CCCE when necessary, ensures that the resources are scheduled to produce needed PCC1 renewable energy certificates; manage curtailment risk; meet the regulatory requirements for Resource Adequacy; and optimize energy value either in the day-ahead or real time market. To effectively manage these resources, SVCE will delegate limited authority to its scheduling coordinator within the guidelines of the board-approved operating agreement. The CEO will approve an operating plan for management of each of its Power Purchase Agreements.

5.7 Operational Risk

Operational risks are managed through:

- Adherence to this Policy and oversight of procurement activity;
- Conformity to Employee Handbook;
- Staff resources, expertise and/or training reinforcing a culture of compliance;
- Ongoing and timely internal and external audits; and
- Cross-training amongst staff
- Authorized traders and others involved in any phase of transacting are prohibited to own stock in a current or potential counterparty to avoid a conflict of interest

5.8 Liquidity Risk

SVCE manages liquidity risk through adherence to its loan and power purchase agreement credit covenants, limiting commitments to provide security consistent with the Guidelines, ensuring it has adequate loan facilities, prudent cash and investment management, and adherence to its Cash Reserve Policy. SVCE monitors its liquidity (defined as unrestricted cash, investments and unused bank lines of credit) no less than weekly. SVCE utilizes scenario and sensitivity analyses while preparing budget, rate, and pro forma analyses in order to identify potential financial outcomes and ensure sufficient liquidity under adverse conditions.

5.9 Regulatory/Legislative Risk

SVCE manages its regulatory and legislative risk through active participation in working groups and advocacy coalitions such as the California Community Choice Association. SVCE regularly participates in regulatory rulemaking proceedings and legislative affairs to protect SVCE's interests.

5.10 Reporting

Reporting of critical information to relevant parties is a key component of energy risk management. Periodic reports will be provided to the ROC that shall provide sufficient

details on SVCE's transactions, NOP, market exposure, credit exposure, counterparty credit ratings, transaction compliance, and other relevant data. The frequency and content of the reports for each oversight body shall be prescribed in the Energy Risk Management Guidelines. ~~Should the risks associated with the portfolio or a specific transaction within the portfolio fall outside of any established risk limit, the CEO will report this fact to the ROC within one business day via email, and will evaluate the risk of holding any of the contracts in the portfolio to delivery and report to the Board within 3 months.~~

Compliance exceptions are actions which violate the limits, and/or the procedures developed and approved by the ROC. For example, the risks associated with the portfolio or a specific transaction within the portfolio may fall outside of any established risk limit at a given point in time.

In the event a compliance exception occurs, the CEO is responsible for notifying the ROC within 24 hours via email after it is identified and ensure that the Front Office prepares a report (Exception Report) for the ROC at its next meeting. The Report shall identify the issue or violation, and discuss the alternative remedial actions, document the action taken in response, and describe the steps that will be taken to prevent a reoccurrence of the event.

6 Authorized Transaction and Trading Limitations

6.1 Trader Authorization Process

The Front Office shall request that the Middle Office begin the trader authorization process. The Middle Office shall verify that the trader's background and experience is sufficient to transact on behalf of SVCE. Before authorizing personnel to transact, the Middle Office shall:

- Require that trader affirm that they are not currently under investigation for market manipulation;
- Require that trader affirm that they have not been previously investigated for market manipulation;
- Verify that trader has read and understands SVCE's ERM Policy and Guidelines; and
- Determine that the trader has sufficient understanding and experience of the energy markets in which SVCE participates.

The Middle Office shall maintain a list of the authorized trading personnel as part of the ERM Guidelines.

6.2 Approved Markets

Approved markets in which SVCE authorized traders can participate are as follows:

- California Independent System Operator (CAISO);
- Western Electricity Coordinating Council (WECC); and
- California Air Resources Board (CARB) emissions/carbon auctions

6.3 Approved Transactions

Authorized transactions which SVCE authorized traders can utilize must be consistent with this Policy. Transactions must be directly related to the procurement and/or administration of:

- electric energy,
- reserve capacity,
- transmission and distribution service,
- ancillary services,
- congestion revenue rights (CRRs),
- renewable energy,
- renewable energy certificates (RECs),
- basis transactions,
- greenhouse gas emissions allowances,
- tolling agreements, and
- bilateral purchases of energy products.

Prohibited transactions are those transactions that are not related to serving retail electric load and/or reducing financial exposure. Speculative buying and selling of energy products is prohibited. Speculation is defined as buying energy in excess of forecasted load plus reasonable planning reserves or selling energy or environmental attributes that are not yet owned by SVCE. In no event shall speculative transactions be permitted. Any financial derivatives transaction including, but not limited to futures, swaps, options, and swaptions are also prohibited.

6.4 Tolerance Bands

Hedging its load obligation is a key function for SVCE. The primary responsibility of the Front Office is to manage the energy portfolio ~~and~~ by ~~purchase~~ purchasing energy to hedge the cost of SVCE's load obligation and managing SVCE's portfolio of power resources to optimize value and load obligations. As described in Section 5.3 (Market Price Risk), SVCE ladders its energy purchases over time to access the market at different times. Every six months, the Front Office produces a Portfolio Management Plan that must be approved by the CEO. The Portfolio Management Plan must describe the current portfolio position, expected generation and variability, the recommended hedging transactions, the portfolio position after the transactions, and how the portfolio will remain within the Tolerance Bands in Table 1.

Energy Hedging

~~Tolerance bands for SVCE's Net Open Position (NOP) for energy load minus (note we may hedge with physical options as well)hedged and fixed price supplies shall fall within the tolerances outlined in Table 1 below: As stated this implies NOP should be at these percentages. How about:~~ SVCE will maintain Net Open Position (NOP) portfolio hedge levels within the tolerances outlined in Table 1 below:

~~(Also, if we plan to hedge more with physical options, I'm ok to increase the Max tolerance for the first two buckets to 110%.)~~

Table 1 Calendar Year Energy NOP Tolerance Bands

Period*	Minimum Tolerance	Maximum Tolerance
Prompt Quarter	85%	~~105~~110%
Current Balance of Year	80%	~~105~~110%
Year 2	70%	90%
Year 3	55%	~~75~~80%
Year 4	~~40%~~50%	~~60%~~80%
Year 5	~~0~~50%	~~50%~~80%

*For example, if the current year calendar year is ~~2019~~2021, then Year 2 is 202~~3~~2~~0~~.

Resource Adequacy

SVCE must comply with the regulatory requirements for procurement of capacity products for Resource Adequacy (RA) needs. ~~The CPUC has recently adopted a decision to modify compliance obligations for local resource adequacy from demonstrating for one year to three year by October 31st. Additionally, SVCE must demonstrate, on a month-ahead basis, full compliance with its monthly RA obligations.~~

SVCE endeavors to purchase~~s~~ RA products over time to meet its obligation and to diversify its purchases between suppliers and market conditions.

Renewable Portfolio Standard and Carbon-free

With respect to purchases to meet the Renewable Portfolio Standard (RPS), SVCE is guided by its Strategic Plan, which states that purchases should be staggered to accommodate regulatory uncertainty, changes in load and supply price risks and that the RPS portfolio should be diversified with respect to technologies.

6.5 Authorized Trading Limits

6.5.1 Transacting Authority Retained by the Board

The Board retains the authority to approve:

- All transactions with terms of over 12 months unless it has explicitly delegated authority to the CEO;
- All transactions with terms of over 5 years; and
- Master Agreements under which the CEO is delegated authority to transact

6.5.2 Authority Delegated to the CEO by the Board

Under the Board-approved Purchasing Policy, the CEO is delegated the authority to approve and execute contracts for Energy Procurement for terms of less than or equal to 12 months,

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which the CEO shall timely report to the Board. In addition, under Resolution 2019-03, the Board delegates to the CEO the authority to enter into Confirmations for terms not greater than 60 months and limited to purchases of Product consistent with forecasted load and within the Energy ~~NOP~~ Hedge Tolerance Bands (as defined in the ERM Policy).

Table 2 below lists the authorized trading limits to transact on behalf of SVCE for all non-resource adequacy related products. If the CEO delegates some of his authority, he must document any such delegations in the Energy Risk Management Guidelines.

Table 2: Authority Delegated to the CEO by the Board

Product	Term Limit	Maturity Limit	Volume Limit	Counterparty Limits	Who
Energy, Capacity, and CAISO Ancillary Services	Day Ahead and Real Time	N/A	As needed to meet SVCE's expected load obligations with the CAISO	Any counterparty	CEO
Energy, Capacity, CRRs, and Environmental Products	Up to 12 months	18 months	As needed to meet SVCE's expected load needs (per Purchasing Policy)	Any counterparty	CEO
	Up to 60 months	72 months	As needed to meet SVCE's expected load needs	Board-approved Master Agreements	CEO
	Over 60 months	As approved by Board	As approved by the Board	As approved by the Board	Board

6.5.3 Resource Adequacy Authority Delegated to the CEO by the Board

~~RA obligations are set by the CPUC and may change with respect to the quantity needed, type of RA, location and timing.~~ The CEO has the authority to meet resource adequacy requirements based on CPUC and CAISO guidelines. Failure to meet California's RA compliance obligations~~,~~ may subject SVCE to hefty penalties.

~~Table 3 contains current RA "Year Ahead" compliance reporting and demonstration obligations, which are subject to change as California considers broad changes to how reliability requirements are met including the possible establishment of a central buyer for all load serving entities.~~

~~Table 3: Resource Adequacy Requirements~~

~~Resource Adequacy Product~~	~~Year Ahead Demonstration Requirement~~	~~Compliance Obligation~~
~~Local~~	~~Year 1 & 2: by October 31st, must demonstrate capacity to meet 100% of monthly obligation~~ ~~Year 2: by October 31st, must~~	~~Obligation is based on 50% of SVCE's system coincident peak. Capacity must be procured for the Greater Bay Area and 7 Local~~

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	~~demonstrate capacity to meet 50% of monthly obligation~~	~~Zones. Obligation for quantity and location set annually.~~
~~System~~	~~Year 1: by October 31st, must demonstrate capacity to meet 50% of "summer" (May through September) needs~~	~~System RA needs are based on 15% monthly planning reserve above SVCE's expected monthly capacity forecast.~~
~~Flexible~~	~~Year 1: by October 31st, must demonstrate capacity to meet 50% of "summer" (May through September) needs~~	

~~Eligible RA capacity must meet the CAISO's resource requirements including an assigned Net Qualifying Capacity (MW), have an assigned resource identification number and cannot be counted by another load serving entity.~~

To adequately and effectively meet RA requirements, the CEO needs a broad authority to transact for terms of up to five years and with a broad set of suppliers, including counterparties not under a Master Agreement. ~~And, while credit risk is a significant risk related to energy transactions, it is not as significant a risk for RA products as the prices tend to be less volatile and suppliers are less likely to default on compliance related products. For this reason, many RA transactions are executed under a WSPP with less onerous credit terms than the EEI Master Agreement. For SVCE, the more significant risk associated with RA is that the product procured will not count towards a specific obligation (type or location) or the possibility of the establishment of a central buyer for RA which may strand or change the value of RA under contract. To mitigate such risk, SVCE will ladder RA procurement consistent with an RA Procurement Plan subject to CEO approval.~~ Table ~~4~~ 3 lists the CEO's authority for RA transactions, which may be delegated provided proper documentation is established by the CEO.

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Table ~~4~~3: Resource Adequacy Authority Delegated to the CEO by the Board

Product	Term Limit	Maturity Limit	Volume Limit	Counterparty Limit	Who
~~Local Capacity~~Resource Adequacy	Up to 60 months	72 months	As required to comply	Any counterparty	CEO
~~System Capacity~~	~~Up to 60 months~~	~~72 months~~	~~As required to comply~~	~~Any counterparty~~	~~CEO~~
~~Flexible Capacity~~	~~Up to 60 months~~	~~72 months~~	~~As required to comply~~	~~Any counterparty~~	~~CEO~~
~~All of the above~~	~~Over 60 months~~	~~As approved by the Board~~	~~As approved by the Board~~	~~Any counterparty~~	~~Board~~

6.5.4 Limits of Authority Delegated to Authorized Personnel by the CEO

The Front Office periodically prepares a needs assessment and develops a Portfolio Plan,

which defines the transactions required to meet SVCE's needs and to remain within the Tolerance Bands of Section 6.4. The CEO must approve the Portfolio Plan and may delegate some of his authority to Authorized Personnel (as determined according to the process described in Section 6.1).

Although the CEO may delegate some of his authority to Authorized Personnel, the Board limits the authority he can delegate as shown in ~~Table 5~~ Table 4 below:

Table ~~5~~4: Limits of Authority Delegated to Authorized Personnel by the CEO

Product	Term Limit	Notional Value Limit
Energy, Capacity, and CAISO Ancillary Services	Day Ahead and Real Time	As needed to meet SVCE's obligations with the CAISO
Energy	Balance of the month	$5 Million
	Prompt month	$7.5 Million
	Up to 12 months	$25 Million
Resource Adequacy Products, CRRs	Prompt month	As needed to meet SVCE's obligations
	Balance of compliance year	As needed to meet SVCE's obligations
	Up to 12 months	$15 Million
Environmental Products (Carbon Free and Renewable Energy Resources)	Up to 12 months	$15 Million

6.6 Conflict of Interest

All SVCE employees who are involved in any aspect of transacting for energy or energy-related resources are prohibited from investing in any company with whom SVCE transacts, including those with whom it has executed enabling agreements. Prior to engaging in evaluation of, negotiation with, transacting with, or oversight of a transaction or potential transaction with any company, all involved employees must ensure that they are divested in direct holdings with that company. The ban on investment and requirement to divest is regardless of whether the investment would require disclosure on the employee's FPPC Form 700.

SVCE employees will sign notice acknowledging policy regarding conflict of interest and report any existing or potential conflicts of interest (see Appendix A).

7 Risk Management Policy Governance

7.1 SVCE Board of Directors

The SVCE Board is responsible for adopting this Policy and reviewing it as needed every two calendar years. The Board also approves SVCE's annual budget, contracting authorities and delegates responsibilities for the management of SVCE's operations to its CEO.

7.2 Risk Oversight Committee

SVCE's CEO formed the Risk Oversight Committee (ROC) and is responsible to inform the ROC about any risk management issues and to provide assurance that this Policy is implemented. The CEO shall provide the ROC information and analysis that illustrate that all transactions are consistent with the risk tolerances and that risk management controls and practices are sufficient to monitor and manage risks that SVCE is exposed to.

The ROC shall meet at least once per calendar quarter, or as otherwise called to order by the CEO.

The ROC shall from time to time review the Energy Risk Management Guidelines defining in detail the internal controls, strategies and processes for managing market risks incurred through or attendant upon wholesale trading, retail marketing, long-term contracting, CRR trading and load and generation scheduling. The ROC shall receive and review information and reports regarding risk management, wholesale trading transactions, and the administration of supply contracts. The ROC will also review counterparty credit lines and cash reserves to ensure proper levels are maintained for credit, operations and liquidity. In addition, the ROC shall review any instances of non-compliance with any provisions of the Policy or Guidelines.

7.3 Internal Risk Oversight Committee

The CEO formed the Internal Risk Oversight Committee (IROC) to review in more detail any risk management issues that arise. The IROC comprises members of the Front, Middle, and Back Office and is used to coordinate any activities related to transacting. The IROC regularly reviews SVCE's risks and risk management strategies and assists the CEO to ensure that proper controls are in place. The IROC is responsible to develop, approve and update Energy Risk Management Guidelines that implement the Energy Risk Management Policy.

8 Appendix A: Notice of Conflict of Interest

To: [insert title]

Declaration of Conflict of Interest

I understand that I am obligated to give notice in writing to Silicon Valley Clean Energy of any interest or relationship that I may have in any counterparty that seeks to do business with Silicon Valley Clean Energy, and to identify any real or potential conflict of interest such counterparty has or may have with regard to any existing or potential contract or transaction with Silicon Valley Clean Energy, within 48-hours of becoming aware of the conflict of interest.

I would like to declare the following existing/potential conflict of interest situation arising from the discharge of my duties concerning Silicon Valley Clean Energy activities covered by the scope of the ERM:

a) Persons/companies with whom/which I have official dealings and/or private interests:

b) Brief description of my duties which involved the persons/companies mentioned in item a) above.

Position and Name: _____

Signature: _____

Date: _____

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Energy Risk Management Policy



Proposed:
November 10th, 2021

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1 General Provisions

1.1 Background and Purpose of Policy

Silicon Valley Clean Energy's (SVCE) mission is to reduce dependence on fossil fuels by providing carbon free, affordable, and reliable electricity and innovative programs for the SVCE community.

This Energy Risk Management Policy (Policy) has been developed to help ensure that SVCE achieves its mission and adheres to policies established by the SVCE Board of Directors (Board), power supply and related contract commitments, good utility practice, and all applicable laws and regulations. SVCE is not engaged in the power supply business for profit and is, therefore, precluded by this Policy from engaging in many of the risk-taking activities typical to an organization orientated solely toward profit maximization.

This Policy defines SVCE's general energy risk management framework and provides management with the authority to establish processes for monitoring, measuring, reporting, and controlling market and credit risks to which SVCE is exposed in its normal course of business.

1.2 Scope of Business and Related Market Risks

SVCE provides energy to retail customers in its service territory that entails business activities such as; bilateral purchases and sales of electricity under short-, medium- and long-term contracts; scheduling of load and generation of electricity into California Independent Systems Operator (CAISO) markets; retail marketing of electricity to consumers within its service territory; compliance with voluntary objectives and regulatory requirements as it relates to carbon free and renewable portfolio standard (RPS) compliant energy; participation in CAISO Congestion Revenue Rights ("CRRs") market; managing the balance of load and generation over short, medium and long term horizons; and compliance with California Public Utilities Commission (CPUC) Resource Adequacy (RA) requirements.

Examples of energy market risks include, but are not limited to, the following:

- Mark-to-Market Risk
- Market Price Risk
- Net Revenue Risk
- Counterparty Credit and Performance Risk
- Load and Generation Volumetric Risk
- Operational Risk
- Liquidity Risk
- Regulatory/Legislative Risk

This Policy focuses on the following:

- Risk Management Goals and Principles
- Definitions of Risks
- Internal Control Principles
- Risk Management Business Practices
- Authorized Transaction and Trading Limitations
- Risk Management Governance

This Policy does not address the following types of general business risk, which are treated separately in other official policies, ordinances, and regulations of SVCE: fire, accident and casualty; health, safety, and workers' compensation; cybersecurity, general liability; and other such typically insurable perils. The term "risk management," as used herein, is therefore understood to refer solely to energy market risks as herein defined, and not those other categories of risk.

1.3 Policy Administration

This Energy Risk Management Policy (Policy) is adopted by the SVCE Board of Directors and will be reviewed and updated as needed at least every two calendar years by SVCE's Board. The CEO is responsible for implementation of the Policy. The CEO is also responsible to develop Energy Risk Management Guidelines (Guidelines), which is required for staff to implement the Policy.

1.4 Policy Distribution

This Policy shall be distributed to all SVCE employees and third-party contractors who are engaged in the planning, procurement, sale and scheduling of electricity on SVCE's behalf and/or in other SVCE departments providing oversight and support for these activities.

1.5 Acknowledgement of ERM

All SVCE staff participating in any activity or transaction within the scope of the ERM shall sign, upon joining or upon any material revision of the ERM policy, that such SVCE representative has:

- Read the ERM;
- Understands the terms and agreements of said ERM;
- Will comply with said ERM;
- SVCE employees who are within the scope of the ERM understand that any violation of said ERM may subject the employee to discipline up to and including termination of employment;

2 Risk Management Goals

Although SVCE does not engage in risk-taking activities typical in a for-profit organization, certain risks are incidental to the normal power supply operations and hedging activities. SVCE's policy is to manage risk inherent with serving load, including the risks associated with normal cost-hedging activities, those associated with participation in wholesale markets in general and the CAISO in particular.

The goals of energy risk management shall be to:

1. assist in achieving the business objectives in the Strategic Plan, Integrated Resource Plan (IRP) and Cash Reserve Policy including retail rate stability and competitiveness and the accumulation of financial reserves;
2. avoid losses and excessive costs which would materially impact the financial condition of SVCE;
3. establish the parameters for energy procurement and sales activity to obtain the best possible price while ensuring compliance with Board-approved policies;
4. identify specific cost, regulatory and legislative risks that could adversely affect SVCE's ability to achieve its business objectives, and to the extent possible, quantify and measure performance against those risks;

5. assist in assuring that market activities and transactions are undertaken in compliance with established procurement authorities, applicable laws, regulations and orders;
6. encourage the development and maintenance of a corporate culture at SVCE in which the proper balance is struck between control and facilitation and in which professionalism, discipline, technical skills and analytical rigor come together to achieve SVCE objectives; and
7. manage business risks to acceptable levels consistent with retail rate-setting, resource procurement and cash reserve management.

SVCE manages its energy resources and transactions to provide its customers with low-cost renewable, carbon free and other energy while at the same time minimizing risks. The risk management principles that SVCE will use include:

1. Undue exposure to CAISO or bilateral energy market volatility for the purpose of potentially achieving lower costs but at the risk that costs may, in fact, be much higher, will not be accepted.
2. Procurement and hedging strategy will be determined by analytical methods supplemented by experienced judgement. SVCE will use that experienced judgement and its analytical tools to assess system cost drivers such as weather, short term energy prices, load variation and operational constraints to manage timing and quantity of purchases and sales of energy and related services, consistent with the limits identified in this Policy.
3. When actions are taken that are consistent with this Policy and for the combined goal of low costs and optimized risk, those actions are considered to be consistent with the objectives of this Policy.
4. SVCE will not engage in transactions, without proper authorization, whose purpose is not tied to managing costs and risks or are outside of the limits identified in this Policy.

3 Definition of Market Risks

The term "market risks," as used here, refers specifically to those categories of risk which relate to SVCE's participation in wholesale and retail markets as a Load Serving Entity (LSE) and its interests in long-term contracts. Market risks include market price risk, counterparty credit and performance risk, load and generation volumetric risk, operational risk, liquidity risk, and regulatory and legislative risk. These categories are defined and explained as follows.

3.1 Mark-to-Market Risk

Mark-to-Market risk is the risk that wholesale trading positions, long-term supply contracts and generation resources may move "out of the money," that is, become less valuable in comparison with similar positions, contracts, or resources obtainable at present prices. These same positions can also be "in the money" if they become more valuable in comparison to similar positions, contracts, or resources obtainable at present market prices. This valuation methodology is commonly referred to as "Mark-to-Market." If SVCE is "out of the money" on a substantial portion of its contracts, it may have to charge higher retail rates. This may erode SVCE's competitive position and market share if other market participants (e.g., Direct Access providers or PG&E) are able to procure power at a lower cost and offer lower retail electricity rates.

3.2 Market Price Risk

Market Price risk is the risk that market prices change, resulting in changes to energy procurement cost. For example, the cost for the unhedged portion of a supply portfolio (net open position) will increase when market prices increase. Conversely, if resources are in excess to needs and market prices fall, the revenue expected from the sale of the surplus resources will decrease. In addition, uncertain market price relationships (locational risk) affect SVCE's procurement costs.

A subcomponent of market price risk is market liquidity. Illiquid markets make it more difficult to buy or sell a commodity and can result in higher premiums on purchases or deeper discounts on sales.

Another dimension of market price risk is congestion risk. Congestion risks arise from the difference between the prices SVCE pays the CAISO to schedule its load and the prices SVCE receives from the CAISO for energy delivered by SVCE's suppliers.

3.3 Net Revenue Risk

Net Revenues are the total of all revenues received (from retail sales to customers and from the sale of any energy products that were surplus or unneeded) less the total costs (including the costs of long-term contracts, forward transactions, and spot market purchases plus all other operating costs). Net Revenue Risk is the risk that any of those factors—revenues or costs—changes (e.g. changes in market prices or retail sales volumes, or failures of counterparties). Net Revenue is the "bottom line" for SVCE as it determines the financial viability of the authority.

One of the main components of net revenue risk is on the retail revenue side, which is at risk when customers opt out from service by SVCE and return to PG&E, or if customers choose to find another supplier through direct access opportunities that may arise. In addition, when the Power Charge Indifference Adjustment (PCIA) is changed, it directly affects SVCE's bottom line if SVCE compensates by changing its retail rates.

3.4 Counterparty Credit and Performance Risk

Performance and credit risk refers to the inability or unwillingness of a counterparty to perform according to its contractual obligations or to extend credit. Failure to perform may arise if an energy supplier fails to deliver energy as agreed. There are four general performance and credit risk scenarios:

1. counterparties and wholesale suppliers may fail to deliver energy or environmental attributes, requiring SVCE to purchase replacement products elsewhere, possibly at a higher cost;
2. counterparties may fail to take delivery of energy or environmental attributes sold to them, necessitating a quick resale of the product elsewhere, possibly at a lower price;
3. counterparties may fail to pay for energy or environmental attributes delivered; and
4. counterparties and suppliers may refuse to extend credit to SVCE, possibly resulting in higher collateral posting costs impacting SVCE's cash and bank lines of credit.

An important subcategory of credit risk is concentration risk. When a portfolio of positions and resources is concentrated in one or a very few counterparties, sources, or locations, it becomes more likely that major losses will be sustained in the event of non-performance by a counterparty or supplier or as a result of price fluctuations at one location.

3.5 Load and Generation Volumetric Risk

Energy deliveries must be planned for based upon forecasted load adjusted for distribution line losses. SVCE forecasts load over the long and short term and enters into long- and short-term fixed-price energy contracts to hedge its load.

Load forecasting risks arises from inaccurate load forecasts and can result in the over or under procurement of energy and/or revenues that deviate from approved budgets. Energy delivery risk occurs if a generator fails to deliver expected or forecast energy. Variations in wind speed and cloud cover can also impact the amount of electricity generated by solar and wind resources, and occasional oversupply of power on the grid can lead to curtailment

of energy deliveries or reduce revenue as a result of low or negative prices at energy delivery points. Weather is an important variable that can result in higher or lower electricity usage due to heating and cooling needs.

In the CAISO markets this situation can result in both oversupply and undersupply of electricity relative to SVCE's load and the over or under scheduling of generation or load into the day ahead market relative to actual energy consumed or delivered in the real time market. Load and generation volumetric risk may result in unanticipated open positions and imbalance energy costs. Imbalance energy costs result from differences in the price or volume of generation or load scheduled into the day ahead market when compared to the price or volume of generation or load occurring in the real time market during that time period.

3.6 Operational Risk

Operational risk consists of the potential for failure to act effectively to plan, execute and control business activities. Operational risk includes the potential for:

1. organizational structure that is ineffective in addressing risk (i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, ineffective internal checks and balances, incomplete, inaccurate and untimely forecasts or reporting, failure to separate incompatible functions, etc.);
2. absence, shortage or loss of key personnel or lack of cross functional training;
3. lack or failure of facilities, equipment, systems and tools such as computers, software, communications links and data services;
4. exposure to litigation or sanctions resulting from violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting and analyzing contracts effectively, etc.; and
5. errors or omissions in the conduct of business, including failure to execute transactions, violation of guidelines and directives, etc.

3.7 Liquidity Risk

Liquidity Risk is the risk that SVCE will be unable to meet its financial obligations. This can be caused by unexpected financial events and/or inaccurate pro forma calculations, rate analysis, and debt analysis. Some unexpected financial events impacting liquidity could include:

1. breach of SVCE credit covenants or thresholds; SVCE has credit covenants included in its banking and several short-term energy contracts. Breach of credit covenants or thresholds could result in the withdrawal of SVCE's line of credit or trigger the requirement to post collateral;
2. calls for collateral from the CAISO or SVCE's counterparties based on terms of transacting agreements; and
3. from time-to-time SVCE may be the subject of legal or other claims arising from the normal course of business. Payment of a claim by SVCE could reduce SVCE's liquidity if the cause of loss is not covered by SVCE's insurance policies.

3.8 Regulatory/Legislative Risk

Regulatory risk encompasses market structure and operational risks associated with shifting state and federal regulatory policies, rules, and regulations that could negatively impact SVCE. Some examples are the potential increase of exit fees for customers served by Community Choice Aggregators such as SVCE that would result in higher electricity rates for

SVCE's customers, and the risk that the customers would select another supplier through an expanded Direct Access program.

Legislative risk is associated with actions by federal and state legislative bodies, such as any adverse changes or requirements that may infringe on SVCE's autonomy, increase its costs, impact its customer base, or otherwise negatively impact SVCE's ability to fulfill its mission.

4 Internal Control Principles

Internal controls shall be based on proven principles that meet or exceed the requirements of financial institutions and credit rating agencies and good utility practice. The required controls shall include all customary and usual business practices designed to prevent errors and improprieties, ensure accurate and timely reporting of results of operations and information pertinent to management, and facilitate attainment of business objectives. These controls are currently and shall remain fully integrated into all activities of the business and shall be consistent with stated objectives.

4.1 Segregation of duties

One of the main aspects of internal controls is the segregation of duties to ensure that the staff person that executes a transaction is not the same person that evaluates or settles the transaction. Appropriate segregation of duties is to be established and maintained throughout the system of controls over financial risks. Senior management must be diligent in ensuring that appropriate segregation of duties is adhered to within the context of organizational changes, while considering staffing limitations, SVCE's business model as a cost hedger, and the overall level of transactions with counterparties. Segregation of duties and functions between front, middle, and back-office activities is generally as follows:

- The Front Office is directly involved in resource planning, product procurement and sales transactions and implementation of strategies within authorized limits.
- The Middle Office's functions are related to risk management and counterparty credit. The primary responsibility is ensure that all products utilized and transaction activities are undertaken in compliance with current policy.
- The Back Office is comprised of those functions responsible for verification, validation accounting, processing, reconciling, and settling all transactions.

Controls over inputs and systems operations are of particular importance in ensuring the integrity of data used in risk control and management. In all cases, there will be an appropriate segregation of duties or oversight to reduce the risk of error and/or fraud.

To the maximum extent practicable given SVCE's business model and level of staffing, Front-Office activities will be functionally independent from Middle and BackOffice activities. As a result, the Front Office will generally neither perform nor supervise Middle-Office Risk Management activities, or Back Office financial accounting or settlements. The Director of Power Resources is responsible for ensuring the Front Office's ability to perform tasks in compliance with this Policy. This arrangement will provide independent and regular management oversight for both risk-taking and risk-control activities. It will also allow for a clear separation of duties between the Front-Office transacting and Middle Office risk-control functions.

To the maximum extent practicable given SVCE's business model and level of staffing, Middle Office activities will be functionally independent from all Front Office and Back Office activities. The Middle Office will have primary responsibility for risk management oversight

and policy development and compliance. If there are not adequate resources necessary to fully support a Middle Office, this function may be combined with another function, or be supported by qualified third party advisors, provided that appropriate segregation of duties or sufficient internal controls are maintained at all times.

To the maximum extent practicable given SVCE's business model and level of staffing, Back Office settlement activities will be functionally independent from all Front Office and Middle Office activities. The Back Office will have primary responsibility for all transaction confirmation, accounting, and reconciliation processes. If there are not adequate resources necessary to fully support a Back Office, this function may be combined with another function, or be supported by qualified third party advisors, provided that appropriate segregation of duties or sufficient internal controls are maintained at all times.

4.2 Additional Internal Controls

Besides segregation of duties, additional required operational control principles include the following, which the CEO shall implement by incorporating them into the ERM Guidelines and procedures:

1. Delegation of authority that is commensurate with responsibility and capability, and relevant training to ensure adequate knowledge to operate in and comply with rules associated with the markets in which they transact (e.g., CAISO). Contract origination, commercial approval, legal review, invoice validation, and transaction auditing shall be performed by separate staff or contractor for any single transaction. No single staff member shall perform all these functions on any transaction.
2. Defining authorized products and transactions (see Section 6.3).
3. Defining procurement authority for any transactions for which procurement authority has not already been explicitly granted as set forth in SVCE's Purchasing Policy and any Board Resolution delegating energy procurement authority (e.g. Resolution 2016-15 which delegates authority to the CEO to execute confirmation agreements with energy service providers with whom SVCE has executed Master Agreements).
4. Defining proper trade capture process for executing power supply contracts.
5. Complete and precise capture of transaction and other data, with standardization of electronic and hard copy documentation.
6. Meaningful summarization and accurate reporting of transactions and other activity at regular intervals.
7. Consultation with legal counsel on all legal issues related to this Policy.
8. Timely and accurate risk and performance measurement at regular intervals.
9. Regular compliance review to ensure that this Policy and the Guidelines are adhered to, with specific guidelines for resolving instances of noncompliance.
10. Active participation by senior management in risk management processes.

5 Risk Management Business Practices

5.1 Risk Measurement Metrics and Reporting

A vital element of this Policy is the regular identification, measurement, and communication of risk. To effectively communicate risk, all risk management activities must be monitored on a frequent basis using risk measurement methodologies that quantify the risks associated with SVCE's procurement-related business activities and performance relative to goals.

SVCE measures and updates its risks using a variety of tools that model programmatic financial projections, market exposure and risk metrics, as well as through short term budget updates.

SVCE seeks to minimize financial exposure to higher-volatility spot market wholesale electricity using rolling hedges and net open position percentage bands. Financial exposure creates budget uncertainty. To mitigate the financial exposure to short-time horizon price volatility, SVCE continually reduces its financial exposure by reducing the quantity of energy in either open long or short positions.

The following items are measured, monitored, and reported:

1. Reserve Requirement Targets – on no less than an annual basis, SVCE staff will monitor SVCE's reserves to ensure that they meet the targeted thresholds as outlined in SVCE's Cash Reserve Policy.
2. Mark-to-Market Valuation – marking to market is the process of determining the current value of contracted supply. A mark-to-market valuation shall be performed at least on a monthly basis.
3. Exposure Reporting – calculates the notional dollar and/or probabilistic-based risk exposure of open portfolio positions at current market prices. The exposure risk calculation shall be performed at least on a monthly basis.
4. Open Position Monitoring – on a monthly basis, SVCE shall calculate/monitor its open positions for all energy and capacity products.

Consistent with the above, the Middle Office will develop reports and provide feedback to the Risk Oversight Committee. Risk measurement methodologies shall be re-evaluated on a periodic basis to ensure SVCE adjusts its methods to reflect the evolving competitive landscape.

In addition to ensuring the portfolio is within the approved hedge bands, portfolio management decisions are supported by risk metrics from simulations of future market conditions, loads, and other material risk drivers for the portfolio. The following probabilistic risk metrics are regularly calculated and reported:

- Net Revenue at Risk: Potential adverse changes in net revenues for a given time period and confidence level.
- Reserve Requirements at Risk: Potential adverse change in reserves for a given time period and confidence level.
- Potential Future Exposure for counterparty credit risk: Maximum Mark-to-market counterparty exposures for a given time period and confidence level.
- Potential Collateral Exposure: Maximum of collateral that SVCE may have to post for a given time period and time horizon with a given counterparty.

Stress tests will used to understand the potential variability in SVCE's projected procurement costs, and resulting retail rate impacts and competitive positioning, associated with adverse scenarios of material risk drivers. The IROC will develop, and update as necessary, a set of plausible and forward-looking stress-tests based on SVCE's portfolio and expected market conditions. The stress test analysis will complement other probabilistic metrics used to manage portfolio risks and its results will be distributed on at least an annual basis to the ROC.

5.2 Mark-to-Market Risk

SVCE manages its mark-to-market risk by comparing the current value of any wholesale

trading positions and long-term supply contracts to the cost of the contracts. This is important if there are trading restrictions for entering into new transactions with certain counterparties based on the terms of the agreements and to counterparty credit limits. Being aware of the Mark-to-Market of the portfolio is important as it provides an indication of the competitiveness of the portfolio.

5.3 Market Price Risk

SVCE manages market price risk by determining its Load and Resource Balance which defines forecasted load, energy under contract and SVCE's open positions in various energy product types including renewable energy, carbon free energy, system power, and SVCE's procurement targets.

SVCE determines its NOP by comparing the forecasted use to supply resources on a monthly basis. The NOP is exposed to potentially volatile market prices. The quantity of energy SVCE will contract for in each year is guided by the NOP tolerances. Market price risk is determined by evaluating how costs could increase (or decrease) if market prices were to reach high (or low) values.

SVCE minimizes financial exposure to higher-volatility spot market wholesale electricity prices by hedging its NOP according to the NOP tolerance bands in Section 6.4. To reduce this exposure, SVCE's practice is to close its NOP (hedge at close to 100%) for the prompt

month and quarter. The relatively tight prompt year tolerance band provides a high level of budget certainty. However, SVCE will continue to have some exposure to spot market prices due to the load changes and the difference between forecasted and actual load. These differences result in a need to purchase or sell energy in the short-term markets.

In general, SVCE will seek to spread out its long-term purchases of renewable energy to diversify exposure to market conditions and reduce the risk of concentrating purchases in any one year.

For products generally purchased through short- and medium-term contracts, SVCE follows a similar strategy of diversifying contracting over the delivery horizon.

As predominantly a net buyer, SVCE manages its market liquidity risk through purchasing at different intervals and maintaining a diverse set of counterparties to transact with.

Congestion risk is managed through the contracting process with a preference for day ahead scheduling and energy delivery at the NP 15 trading hub and through resource assessment and selection. Once energy is procured SVCE manages congestion risks through the prudent management of Congestion Revenue Rights (CRRs). CRRs are financial instruments used to hedge against transmission congestion costs encountered in the CAISO day-ahead market. SVCE uses a third-party scheduling coordinator to manage its CRR portfolio. SVCE uses CRRs to reduce its exposure to congestion and other CAISO charges and will not use CRRs for speculative purposes.

5.4 Net Revenue Risk

SVCE manages net revenue risk by managing each of its contributing factors as described in other sections in this Policy—market price risk, load and generation volumetric risk, counterparty performance, etc. In addition, SVCE strives to provide competitively priced products that are valued by its customers to minimize opt out rates. Net revenue is monitored closely so that trend changes can be identified as early as possible and corrective action can be taken as appropriate.

5.5 Counterparty Credit and Performance Risk

SVCE evaluates and monitors the financial strength of service and energy providers. Generally, SVCE manages its exposure to energy suppliers through a preference for counterparties with Investment Grade Credit ratings as determined by Moody’s or Standard and Poor’s and through the use of security requirements in the form of cash and letters of credit. SVCE measures its mark-to-market counterparty credit exposure consistent with industry best practices. Additionally, SVCE manages counterparty credit risk by monitoring and controlling collateral, letters of credit and other forms of credit calls on the agency as well as paying bills in a timely fashion to avoid defaulting on any term of an agreement.

5.6 Load and Generation Volumetric Risk

SVCE manages energy delivery risks by ensuring that contracts include appropriate contractual penalties for non-delivery, acquiring energy from a geographically and technologically diverse portfolio of generating assets with a range of generation profiles.

SVCE manages load forecasting and related weather risks by contracting with qualified data management and scheduling coordinators who together provide the systems and data necessary to forecast and schedule load using good utility practice.

SVCE's load scheduling strategy, as executed by its scheduling coordinator, ensures that price risk in the day ahead and real time CAISO markets is managed effectively and is consistent with good utility practice.

SVCE has contracted for long-term electricity resources including large hydroelectricity, renewable energy and storage to meet its RPS and clean goals. For many of these contracts, SVCE has scheduling coordination responsibilities and intends to work with Central Coast Community Energy (CCCE) to manage these resources.

SVCE's generation scheduling strategy, as executed by its scheduling coordinator and in coordination with CCCE when necessary, ensures that the resources are scheduled to produce needed PCC1 renewable energy certificates; manage curtailment risk; meet the regulatory requirements for Resource Adequacy; and optimize energy value either in the day-ahead or real time market. To effectively manage these resources, SVCE will delegate limited authority to its scheduling coordinator within the guidelines of the board-approved operating agreement. The CEO will approve an operating plan for management of each of its Power Purchase Agreements.

5.7 Operational Risk

Operational risks are managed through:

- Adherence to this Policy and oversight of procurement activity;
- Conformity to Employee Handbook;
- Staff resources, expertise and/or training reinforcing a culture of compliance;
- Ongoing and timely internal and external audits; and
- Cross-training amongst staff
- Authorized traders and others involved in any phase of transacting are prohibited to own stock in a current or potential counterparty to avoid a conflict of interest

5.8 Liquidity Risk

SVCE manages liquidity risk through adherence to its loan and power purchase agreement credit covenants, limiting commitments to provide security consistent with the Guidelines, ensuring it has adequate loan facilities, prudent cash and investment management, and adherence to its Cash Reserve Policy. SVCE monitors its liquidity (defined as unrestricted cash, investments and unused bank lines of credit) no less than weekly. SVCE utilizes scenario and sensitivity analyses while preparing budget, rate, and pro forma analyses in order to identify potential financial outcomes and ensure sufficient liquidity under adverse conditions.

5.9 Regulatory/Legislative Risk

SVCE manages its regulatory and legislative risk through active participation in working groups and advocacy coalitions such as the California Community Choice Association. SVCE regularly participates in regulatory rulemaking proceedings and legislative affairs to protect SVCE's interests.

5.10 Reporting

Reporting of critical information to relevant parties is a key component of energy risk management. Periodic reports will be provided to the ROC that shall provide sufficient

details on SVCE's transactions, NOP, market exposure, credit exposure, counterparty credit ratings, transaction compliance, and other relevant data. The frequency and content of the reports for each oversight body shall be prescribed in the Energy Risk Management Guidelines.

Compliance exceptions are actions which violate the limits, and/or the procedures developed and approved by the ROC. For example, the risks associated with the portfolio or a specific transaction within the portfolio may fall outside of any established risk limit at a given point in time.

In the event a compliance exception occurs, the CEO is responsible for notifying the ROC within 24 hours via email after it is identified and ensure that the Front Office prepares a report (Exception Report) for the ROC at its next meeting. The Report shall identify the issue or violation, and discuss the alternative remedial actions, document the action taken in response, and describe the steps that will be taken to prevent a reoccurrence of the event.

6 Authorized Transaction and Trading Limitations

6.1 Trader Authorization Process

The Front Office shall request that the Middle Office begin the trader authorization process. The Middle Office shall verify that the trader's background and experience is sufficient to transact on behalf of SVCE. Before authorizing personnel to transact, the Middle Office shall:

- Require that trader affirm that they are not currently under investigation for market manipulation;
- Require that trader affirm that they have not been previously investigated for market manipulation;
- Verify that trader has read and understands SVCE's ERM Policy and Guidelines; and
- Determine that the trader has sufficient understanding and experience of the energy markets in which SVCE participates.

The Middle Office shall maintain a list of the authorized trading personnel as part of the ERM Guidelines.

6.2 Approved Markets

Approved markets in which SVCE authorized traders can participate are as follows:

- California Independent System Operator (CAISO);
- Western Electricity Coordinating Council (WECC); and
- California Air Resources Board (CARB) emissions/carbon auctions

6.3 Approved Transactions

Authorized transactions which SVCE authorized traders can utilize must be consistent with this Policy. Transactions must be directly related to the procurement and/or administration of:

- electric energy,
- reserve capacity,
- transmission and distribution service,
- ancillary services,
- congestion revenue rights (CRRs),
- renewable energy,
- renewable energy certificates (RECs),
- basis transactions,
- greenhouse gas emissions allowances,
- tolling agreements, and
- bilateral purchases of energy products.

Prohibited transactions are those transactions that are not related to serving retail electric load and/or reducing financial exposure. Speculative buying and selling of energy products is prohibited. Speculation is defined as buying energy in excess of forecasted load plus reasonable planning reserves or selling energy or environmental attributes that are not yet owned by SVCE. In no event shall speculative transactions be permitted. Any financial derivatives transaction including, but not limited to futures, swaps, options, and swaptions are also prohibited.

6.4 Tolerance Bands

Hedging its load obligation is a key function for SVCE. The primary responsibility of the Front Office is to manage the energy portfolio by purchasing energy to hedge the cost of SVCE's load obligation and managing SVCE's portfolio of power resources to optimize value and load obligations. As described in Section 5.3 (Market Price Risk), SVCE ladders its energy purchases over time to access the market at different times. Every six months, the Front Office produces a Portfolio Management Plan that must be approved by the CEO. The Portfolio Management Plan must describe the current portfolio position, expected generation and variability, the recommended hedging transactions, the portfolio position after the transactions, and how the portfolio will remain within the Tolerance Bands in Table 1.

Energy Hedging

SVCE will maintain Net Open Position (NOP) portfolio hedge levels within the tolerances outlined in Table 1 below:

Table 1 Calendar Year Energy NOP Tolerance Bands

Period*	Minimum Tolerance	Maximum Tolerance
Prompt Quarter	85%	110%
Current Balance of Year	80%	110%
Year 2	70%	90%
Year 3	55%	80%
Year 4	50%	80%
Year 5	50%	80%

*For example, if the current year calendar year is 2021, then Year 2 is 2022.

Resource Adequacy

SVCE must comply with the regulatory requirements for procurement of capacity products for Resource Adequacy (RA) needs.

SVCE endeavors to purchase RA products over time to meet its obligation and to diversify its purchases between suppliers and market conditions.

Renewable Portfolio Standard and Carbon-free

With respect to purchases to meet the Renewable Portfolio Standard (RPS), SVCE is guided by its Strategic Plan, which states that purchases should be staggered to accommodate regulatory uncertainty, changes in load and supply price risks and that the RPS portfolio should be diversified with respect to technologies.

6.5 Authorized Trading Limits

6.5.1 Transacting Authority Retained by the Board

The Board retains the authority to approve:

- All transactions with terms of over 12 months unless it has explicitly delegated authority to the CEO;
- All transactions with terms of over 5 years; and
- Master Agreements under which the CEO is delegated authority to transact

6.5.2 Authority Delegated to the CEO by the Board

Under the Board-approved Purchasing Policy, the CEO is delegated the authority to approve and execute contracts for Energy Procurement for terms of less than or equal to 12 months, which the CEO shall timely report to the Board. In addition, under Resolution 2019-03, the Board delegates to the CEO the authority to enter into Confirmations for terms not greater than 60 months and limited to purchases of Product consistent with forecasted load and within the Energy Hedge Tolerance Bands (as defined in the ERM Policy).

Table 2 below lists the authorized trading limits to transact on behalf of SVCE for all non-resource adequacy related products. If the CEO delegates some of his authority, he must document any such delegations in the Energy Risk Management Guidelines.

Table 2: Authority Delegated to the CEO by the Board

Product	Term Limit	Maturity Limit	Volume Limit	Counterparty Limits	Who
Energy, Capacity, and CAISO Ancillary Services	Day Ahead and Real Time	N/A	As needed to meet SVCE's expected load obligations with the CAISO	Any counterparty	CEO
Energy, Capacity, CRRs, and Environmental Products	Up to 12 months	18 months	As needed to meet SVCE's expected load needs (per Purchasing Policy)	Any counterparty	CEO
	Up to 60 months	72 months	As needed to meet SVCE's expected load needs	Board-approved Master Agreements	CEO
	Over 60 months	As approved by Board	As approved by the Board	As approved by the Board	Board

6.5.3 Resource Adequacy Authority Delegated to the CEO by the Board

The CEO has the authority to meet resource adequacy requirements based on CPUC and CAISO guidelines. Failure to meet California's RA compliance obligations may subject SVCE to hefty penalties.

To adequately and effectively meet RA requirements, the CEO needs a broad authority to transact for terms of up to five years and with a broad set of suppliers, including counterparties not under a Master Agreement. Table 3 lists the CEO's authority for RA transactions, which may be delegated provided proper documentation is established by the CEO.

Table 3: Resource Adequacy Authority Delegated to the CEO by the Board

Product	Term Limit	Maturity Limit	Volume Limit	Counterparty Limit	Who
Resource Adequacy	Up to 60 months	72 months	As required to comply	Any counterparty	CEO

6.5.4 Limits of Authority Delegated to Authorized Personnel by the CEO

The Front Office periodically prepares a needs assessment and develops a Portfolio Plan, which defines the transactions required to meet SVCE's needs and to remain within the Tolerance Bands of Section 6.4. The CEO must approve the Portfolio Plan and may delegate some of his authority to Authorized Personnel (as determined according to the process described in Section 6.1).

Although the CEO may delegate some of his authority to Authorized Personnel, the Board limits the authority he can delegate as shown in Table 4 below:

Table 4: Limits of Authority Delegated to Authorized Personnel by the CEO

Product	Term Limit	Notional Value Limit
Energy, Capacity, and CAISO Ancillary Services	Day Ahead and Real Time	As needed to meet SVCE's obligations with the CAISO
Energy	Balance of the month	$5 Million
	Prompt month	$7.5 Million
	Up to 12 months	$25 Million
Resource Adequacy Products, CRRs	Prompt month	As needed to meet SVCE's obligations
	Balance of compliance year	As needed to meet SVCE's obligations
	Up to 12 months	$15 Million
Environmental Products (Carbon Free and Renewable Energy Resources)	Up to 12 months	$15 Million

6.6 Conflict of Interest

All SVCE employees who are involved in any aspect of transacting for energy or energy-related resources are prohibited from investing in any company with whom SVCE transacts, including those with whom it has executed enabling agreements. Prior to engaging in evaluation of, negotiation with, transacting with, or oversight of a transaction or potential transaction with any company, all involved employees must ensure that they are divested in direct holdings with that company. The ban on investment and requirement to divest is regardless of whether the investment would require disclosure on the employee's FPPC Form 700.

SVCE employees will sign notice acknowledging policy regarding conflict of interest and report any existing or potential conflicts of interest (see Appendix A).

7 Risk Management Policy Governance

7.1 SVCE Board of Directors

The SVCE Board is responsible for adopting this Policy and reviewing it as needed every two calendar years. The Board also approves SVCE's annual budget, contracting authorities and delegates responsibilities for the management of SVCE's operations to its CEO.

7.2 Risk Oversight Committee

SVCE's CEO formed the Risk Oversight Committee (ROC) and is responsible to inform the ROC about any risk management issues and to provide assurance that this Policy is implemented. The CEO shall provide the ROC information and analysis that illustrate that all transactions are consistent with the risk tolerances and that risk management controls and practices are sufficient to monitor and manage risks that SVCE is exposed to.

The ROC shall meet at least once per calendar quarter, or as otherwise called to order by the CEO.

The ROC shall from time to time review the Energy Risk Management Guidelines defining in detail the internal controls, strategies and processes for managing market risks incurred through or attendant upon wholesale trading, retail marketing, long-term contracting, CRR trading and load and generation scheduling. The ROC shall receive and review information and reports regarding risk management, wholesale trading transactions, and the administration of supply contracts. The ROC will also review counterparty credit lines and cash reserves to ensure proper levels are maintained for credit, operations and liquidity. In addition, the ROC shall review any instances of non-compliance with any provisions of the Policy or Guidelines.

7.3 Internal Risk Oversight Committee

The CEO formed the Internal Risk Oversight Committee (IROC) to review in more detail any risk management issues that arise. The IROC comprises members of the Front, Middle, and Back Office and is used to coordinate any activities related to transacting. The IROC regularly reviews SVCE's risks and risk management strategies and assists the CEO to ensure that proper controls are in place. The IROC is responsible to develop, approve and update Energy Risk Management Guidelines that implement the Energy Risk Management Policy.

8 Appendix A: Notice of Conflict of Interest

To: [insert title]

Declaration of Conflict of Interest

I understand that I am obligated to give notice in writing to Silicon Valley Clean Energy of any interest or relationship that I may have in any counterparty that seeks to do business with Silicon Valley Clean Energy, and to identify any real or potential conflict of interest such counterparty has or may have with regard to any existing or potential contract or transaction with Silicon Valley Clean Energy, within 48-hours of becoming aware of the conflict of interest.

I would like to declare the following existing/potential conflict of interest situation arising from the discharge of my duties concerning Silicon Valley Clean Energy activities covered by the scope of the ERM:

a) Persons/companies with whom/which I have official dealings and/or private interests:

b) Brief description of my duties which involved the persons/companies mentioned in item a) above.

Position and Name: _____

Signature:

_____

Date: _____

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2021-25

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY AMENDING THE AUTHORITY'S ENERGY RISK MANAGEMENT POLICY

THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the Silicon Valley Clean Energy Authority ("SVCE") was formed on March 31, 2016, pursuant to a Joint Powers Agreement to promote, develop, conduct, operate, and manage energy programs in Santa Clara County;

WHEREAS, launch of service for Phase I occurred in April 2017, and launch of service for the remaining Phases occurred in July 2017;

WHEREAS, SVCE first adopted an Energy Risk Management Policy in February 2017, which allowed SVCE to transact in the California Independent System Operator (CAISO) congestion market;

WHEREAS, On May 10, 2017, the Board approved an updated and expanded Energy Risk Management Policy ("Policy") to incorporate other provisions to address key issues such as trading authority, credit risk and hedging;

WHEREAS, On January 9, 2019, the Board approved further revisions to the Policy to clarify the purpose of the Policy, simplify the document by eliminating operational items, and provide clear delegation of authority within the Policy;

WHEREAS, by Resolution No. 2019-03 the Board delegated the authority to the CEO to execute confirmation agreements pursuant to Board-approved Master Agreements with several electricity suppliers, including (a) granting the Chief Executive Officer ("CEO") authority to enter into confirmations for terms not greater than 60 months and (b) limiting the CEO's transaction authority to purchases of product consistent with forecasted load and within the Energy Net Open Position Tolerance Bands as defined in the Policy and further directed by that Policy;

WHEREAS, by Resolution No. 2019-08 the Board delegated authority to the CEO to execute a Cost-Sharing And Reimbursement Agreement ("Cost Sharing Agreement") between five community choice aggregators (CCAs) including SVCE, Peninsula Clean Energy Authority, the City of San Jose, East Bay Community Energy Authority and Monterey Bay Community Power Authority; and to execute an Addendum for Resource Adequacy (RA) Services with the Alliance for Cooperative Energy Services Power Marketing LLC (ACES). Under the Cost Sharing Agreement and ACES Addendum, the five CCAs will receive aggregated resource adequacy management, procurement and regulatory compliance services in an effort to improve buying power and better meet California's RA compliance requirements;

WHEREAS, On June 12, 2019, the Board approved further revisions to the Policy to clarify authority delegated to the CEO under Board-approved Master Agreements, to delegate expanded authority to the CEO to transact RA products with non-Master Agreement counterparties for up to 60 months and to limit CEO's authority to set a maximum term limit for final delivery from date of execution;

WHEREAS, Staff has provided to the Board, and the Board has reviewed, the attached revisions to the Policy that further strengthen risk management controls, clarify existing policy and, updates it for current energy procurement activities;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The Board hereby amends the Energy Risk Management Policy as provided for in Exhibit A.

ADOPTED AND APPROVED this 10th day of November 2021, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Gibbons				
City of Cupertino	Director Sinks				
City of Gilroy	Director Hilton				
City of Los Altos	Director Fligor				
Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Director Rennie				
City of Milpitas	Director Chua				
City of Monte Sereno	Director Ellahie				
City of Morgan Hill	Director Martinez Beltran				
City of Mountain View	Director Abe-Koga				
County of Santa Clara	Director Ellenberg				
City of Saratoga	Director Walia				
City of Sunnyvale	Director Larsson				

_____

Chair

ATTEST:

_____

Dorothy Roberts, Interim Board Clerk

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1f

Item 1f:	**Authorize the Chief Executive Officer to Execute a Coordinated Operations Agreement Between Central Coast Community Energy and Silicon Valley Clean Energy Authority to Provide for the Scheduling and Operational Coordination for the Jointly Procured Renewable Resources, in Substantial Form and Any Necessary Ancillary Agreements and Documents**
From:	Girish Balachandran, CEO
Prepared by:	Monica Padilla, Director of Power Resources Bob Tang, Power Supply Project Manager
Date:	11/10/2021

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy Authority (SVCE) Board authorize the Chief Executive Officer (CEO) to execute the attached Coordinated Operations Agreement (COA) in substantial form between SVCE and Central Coast Community Energy (3CE), and any necessary ancillary agreements and documents for the operations of jointly procured power purchase agreements (PPAs) for long-term renewable resources.

Execution of the COA is a key component in the process of bringing contracted power purchase agreements (PPAs) into operating resources providing carbon free electricity, renewable resources, and capacity to SVCE's customers.

EXECUTIVE COMMITTEE RECOMMENDATION

At the October 22, 2021 Executive Committee meeting, Staff recommended the Committee approve the COA to the Board and the delegation of authority to the CEO to execute the COA and any necessary ancillary agreements when finalized.

The Committee voted unanimously to recommend the COA to the Board and the delegation of authority to the CEO to execute the COA and any necessary ancillary agreements when finalized.

BACKGROUND

3CE and SVCE ("agencies") have issued three joint requests for offers (RFOs) for long term PPAs to meet their goals for renewable and clean energy procurement, starting in 2017. To date, thirteen PPAs have been approved and executed, totaling almost 725 MW of renewable generation and approximately 170 MW of energy storage for SVCE. The cost commitments of these agreements exceed $1,600,000,000.

Of the the thirteen PPAs, twelve are jointly signed with 3CE for which six of them are a structure called "Buyer's Share" whereby SVCE and 3CE will receive their respective shares of the output from the same resource in accordance with their project percentage shares. Therefore, under "Buyer's Share" PPAs, the two agencies must coordinate the operations of the same resource including developing one set of instructions for how to operate the resources in the California Independent System Operator (CAISO) market.

For the other six PPAs, they are under a structure called "Separate/Non-Buyer's Share" whereby SVCE and 3CE have their individual generating resources from the same supplier and thus do not share the same resource.

Although there is no obligation to coordinate the operation of resources under Non-Buyer's Share PPAs, SVCE and 3CE do intend to operate their respective resources in a coordinated fashion under the Non-Buyer's Share PPAs in accordance with the original intent of jointly procuring these resources and share risks and benefits of Non-Buyer's Share resources under certain conditions.

The COA will outline the governance and decision-making process, responsibilities, and financial true-up mechanism under certain conditions to operate all twelve jointly procured resources in a coordinated fashion.

ANALYSIS & DISCUSSION

Over the next nine quarters SVCE and 3CE will bring all twelve jointly procured PPAs from contract to operations. See tables 1 & 2 below for the expected commercial online dates and the relevant information regarding these resources.

Table 1 – Expected Commercial Online Dates

2021 - Q4	Slate Solar + Storage
2022 - Q1	Coso & Csa Diablo Geothermal
2022 - Q2	Big Beau Solar + Storage
2022 - Q3	Rabbitbrush Solar + Storage
2022 - Q4	Yellow Pine Solar + Storage & Atlas Solar
2023 - Q1	Mountain View and Cameron Crest Wind
2023 - Q2, Q3	Angela & Aratina Solar + Storage
2023 - Q3, Q4	Victory Pass & San Luis West Solar + Storage

Table 2 – SVCE/3CE Joint PPA Details

PPA #	Project	Scheduling Coordinator	Expected COD	Term (Years)	Location	SVCE % Share	3CE % Share	PPA Split Type
1	Slate Solar + Storage	Buyer	Nov-Dec 21	17	King County	58%	42%	Separate
2	Big Beau Solar + Storage	Buyer	Dec 21-Apr 22	20	Kern County	55%	45%	Separate
3	Ormat Geothermal	Seller	Mar-22	10	Mono County	50%	50%	Buyer's Share
4	Coso Geothermal	Seller	Jan-21	15	Inyo County	40%	60%	Buyer's Share
5	Rabbitbrush Solar + Storage	Buyer	Aug-21	15	Kern County	40%	60%	Separate
6	Yellow Pine Solar + Storage	Seller	Dec-21	20	Clark County, NV	40%	60%	Buyer's Share
7	Atlas Solar	Seller	Dec-21	10	La Paz County, AZ	25%	75%	Separate
8	AES Mountain View Wind	Seller	Jan-21	20	Riverside County	50%	50%	Buyer's Share

9	Angela Solar + Storage	Buyer	Mar-21	15	Tulare County	50%	50%	Buyer's Share
10	Aratina Solar + Storage	Buyer	Jun-21	20	Kern County	40%	60%	Separate
11	Victory Pass Solar + Storage	Buyer	Sep-21	15	Kern County	50%	50%	Buyer's Share
12	Origis San Luis West Solar + Storage	Buyer	Dec-21	15	Riverside County	50%	50%	Separate

There are two types of PPA structure:

Buyer's Share – Under the Buyer's Share structure, there is only one resource to be shared between SVCE and 3CE in accordance with project percentage shares. The risks and benefits are exactly in accordance with project percentage shares and SVCE and 3CE must coordinate the operation of the resource.

Non-Buyer's Share – Under the Non Buyer's Share structure, SVCE and 3CE have their individual resources. There is no sharing of risks and benefits and therefore risks and benefits accrued to each entity may not be exactly in accordance with project percentage shares due to (i) SVCE and 3CE resources may start operations on different dates, (ii) SVCE and 3CE may have different forced outage rates, (iii) SVCE and 3CE resources may be subject to uneven CAISO curtailments despite employing the same bidding strategy and (iv) potentially other reasons beyond control of SVCE and 3CE.

As the original intent of joint procurement was to share risks, benefits and jointly operate these resources, the COA will enable the Buyer's Share and the Non-Buyer's Share resources to operate in a coordinated fashion and rebalance if applicable, the risks and benefits accrued to each entity in accordance with project percentage shares.

The framework under the COA has the following key elements:

- It establishes a decision-making structure under Joint Project Operating Committee (JPOC) of the two agencies CEOs, or their designated staff, to study, approve and implement resource bidding strategies in a coordinated fashion;
- It provides the timely oversight thru JPOC of operations of the resources in a coordinated fashion;
- It enables timely communication with resource Scheduling Coordinator (SC) and resource operators in a coordinated fashion;
- It enables prompt resolution in case of operational/market emergencies in a coordinated fashion;
- It establishes a dispute resolution process in the event of a dispute between SVCE and 3CE;
- It establishes a financial true-up mechanism to rebalance the risks/benefits between SVCE and 3CE in accordance with project percentage shares for Non-Buyer's Share resources under specific agreed upon circumstances beyond SVCE and 3CE's control, e.g. different on-line dates, uneven CAISO curtailments, different forced outage rates.

It is noted that COA does not preclude SVCE to exercise independent judgement with respect to SVCE's Non-Buyer's Share resources as long as SVCE provides a 30-day advanced notice to 3CE and vice versa.

Agenda Item: 1f **Agenda Date: 11/10/2021**

STRATEGIC PLAN

The COA supports SVCE's Strategic Plan Goal #5, Acquire clean and reliable electricity in a cost effective, equitable and sustainable manner and Goal #6, Manage and optimize power supply resources to meet affordability, GHG reduction and reliability objectives. The COA supports those goals by bringing jointly procured resources into operations in a coordinated fashion and enabling the sharing of risks/benefits as originally contemplated in the joint procurement paradigm.

ALTERNATIVE

An alternative is to operate the jointly procured resources without an explicit coordination agreement. However, this alternative is not preferred as the scheduling and operation of these resources involves sophisticated and complex bidding strategies in the CAISO market paradigm. It is infeasible and impractical to operate the jointly procured resources in a coordinated and seamless fashion without a well-thought out decision making process that minimizes unnecessary disputes/disagreements and avoids unnecessary costs.

FISCAL IMPACT

The COA does not introduce additional costs other than the dedication of staff time to participate in the jointly resource management activities contemplated in the agreement that is required in any event even in the absence of COA. The COA does contemplate that on an annual basis, there might be a financial true-up to rebalance the risks/benefits for the Non-Buyer's Share resources. Staff anticipates that such true-ups to be modest as they only occur under limited circumstances. The costs of financial true-ups will be budgeted in the power resources budget commencing FY 2023.

ATTACHMENTS

1. Coordinated Operations Agreement

DRAFT V.4
4 NOVEMBER 2021

COORDINATED OPERATIONS AGREEMENT

BETWEEN

CENTRAL COAST COMMUNITY ENERGY

AND

SILICON VALLEY CLEAN ENERGY AUTHORITY

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COORDINATED OPERATIONS AGREEMENT

This COORDINATED OPERATIONS AGREEMENT ("**Agreement**") dated as of _____, 2021 (the "**Effective Date**") is entered into by and between Central Coast Community Energy, a California joint powers authority ("**3CE**") and Silicon Valley Clean Energy Authority, a California joint powers authority ("**SVCE**"). 3CE and SVCE are each individually referred to herein as a "**Party**" and collectively as the "**Parties**".

RECITALS

WHEREAS, the Parties have jointly negotiated and entered into several long-term renewable energy and/or energy storage purchase and sale agreements (each a "**PPA**" and collectively, the "**PPAs**"), and may enter into additional PPAs from time to time;

WHEREAS, the Parties are California public agencies which seek to obtain the benefits of each of their respective PPAs to economically meet the needs of their customers and comply with applicable laws and regulations;

WHEREAS, under each of the PPAs, each Party is a "**Buyer**" (as defined therein);

WHEREAS, under some, but not all, of the PPAs, the Buyer is designated as the Scheduling Coordinator, and in those instances it is necessary for the Parties to coordinate in the hiring and oversight of the Scheduling Coordinator;

WHEREAS, the Parties seek to establish a Management Team in order to facilitate the efficient and effective implementation and administration of the PPAs;

WHEREAS, the Parties wish to provide for additional details, including cost sharing, communications, dispute resolution, confidentiality, etc.; and

WHEREAS, each of the Parties intends to observe the provisions of this Agreement in good faith and shall cooperate with the other Party in order to achieve the full benefits of joint administration and implementation of the PPAs for their customers.

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

ARTICLE 1
DEFINITIONS

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

"**3CE Joint Powers Agreement**" means that certain Joint Powers Agreement dated February 21, 2017, as amended from time to time, under which 3CE is organized as a Joint Powers Authority in accordance with the Joint Powers Act.

"**Agreement**" has the meaning set forth in the Preamble, and includes any Exhibits, schedules, and any written supplements hereto.

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

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

"**Buyer's Share PPA**" means a PPA where each Party is entitled to a percentage of the output of the generating facility and/or battery energy storage system. The Buyer's Share PPAs are set forth in Exhibit A.

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

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

"**Economic True-Up Protocol**" has the meaning set forth in Section 5.1.

"**Effective Date**" has the meaning set forth in the Preamble.

"**Joint Powers Act**" means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.).

"**Non-Buyer's Share PPA**" means a PPA that is not a Buyer's Share PPA, and which is set forth in Exhibit B.

"**Notice**" shall, unless otherwise specified in the Agreement, mean written communications given by a Party pursuant to Article 8 of this Agreement.

"**Prudent Operating Practice**" means (a) the applicable practices, methods and acts required by or consistent with applicable Laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric utility and independent power producer industry during the relevant time period with respect to grid-interconnected, utility-scale generating facilities in the Western United States, or (b) any of the practices, methods and acts which, in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the industry with respect to grid-interconnected, utility-scale generating facilities in the Western United States. Prudent Operating Practice includes compliance with applicable Laws, applicable reliability criteria, and the criteria, rules and standards promulgated in the National Electric Safety Code and the National Electrical Code, as they may be amended or superseded from time to time, including the criteria, rules and standards of any successor organizations.

"**Party**" has the meaning set forth in the Preamble.

"**Resource**" means any "Facility", however described, under a Buyer's Share PPA or a Non-Buyer's Share PPA.

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

"**SVCE Joint Powers Agreement**" means that certain Joint Powers Agreement dated March 31, 2016, as amended from time to time, under which SVCE is organized as a Joint Powers Authority in accordance with the Joint Powers Act.

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

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

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

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

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

(e) a reference to a document or agreement, including this Agreement shall mean such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation, or modification of this Agreement, but disregarding any amendment, supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;

(f) a reference to a Person includes that Person's successors and permitted assigns;

(g) the terms "include" and "including" mean "include or including (as applicable) without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

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

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

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

(k) the expression "and/or" when used as a conjunction shall connote "any or all of";

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

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

ARTICLE 2
TERM

2.1. Term. The term of this Agreement shall commence on the Effective Date and shall remain in effect until terminated by either Party upon ninety (90) days' prior Notice; provided, that neither Party may terminate this Agreement (except upon an Event of Default of the other Party) until the Delivery Term (as defined in the applicable PPA) under all Buyer's Share PPAs has concluded, subject to any early termination provisions and any Delivery Term extension provisions set forth in such PPAs. The termination of this Agreement shall not affect or excuse the performance of either Party under any provision of this Agreement that by its terms survives any such termination and applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination.

ARTICLE 3
AGREEMENT

3.1. Purpose. The purpose of this Agreement is to set forth the terms and conditions under which the Parties shall coordinate the implementation and administration of the PPAs, including retention and oversight of the Scheduling Coordinator, and provide for additional details, including cost sharing, communications, dispute resolution, confidentiality, and other matters of mutual interest with respect to the PPAs.

3.2. Amendment of PPAs. Nothing in this Agreement is intended to amend any of the PPAs, and nothing in this Agreement shall constrain either Party from amending any of such Party's PPAs at any time. Notwithstanding the foregoing, each Party agrees to use reasonable efforts to provide thirty (30) days' notice to the other Party of any intended amendments or termination of any PPA that is subject to this Agreement. The Parties also agree to use reasonable efforts to coordinate on the review and approval of any financing related documents (e.g., consents to assignment, estoppels, etc.) presented in connection with the PPAs that are subject to this Agreement.

3.3. Resale of Product Under PPAs. In the event that either Party seeks to resell any portion of the Product (as defined in the applicable PPA) under such Party's PPA, such Party shall, where practicable, provide the other Party a reasonable opportunity to purchase such Product on comparable terms and conditions.

3.4. Adding and Removing Resources From the Scope of this Agreement. Neither Party has the right to unilaterally remove its Buyer's Share PPA from Exhibit A. Either Party can withdraw its Non-Buyer's Share PPA from this Agreement on thirty (30) days' prior Notice to the other Party, subject to

payment of any amounts owed to the other Party in connection with such Non-Buyer's Share PPA and reasonable cooperation in making any necessary administrative changes pursuant to this Agreement.

3.5. Updating Exhibits. Except for Exhibit A (Resource Schedule For Buyer's Share PPAs), which shall only be amended pursuant to a written document executed by both Parties, all other Exhibits in this Agreement shall be automatically updated without further action upon approval by both Representatives and delivery of copies of the updated Exhibit to the Notice address for each Party, the SC, and any other required notice parties.

ARTICLE 4
MANAGEMENT TEAM

4.1. Management Team.

(a) The Parties hereby agree to establish a management team (the "**Management Team**") to facilitate the efficient and effective implementation and administration of the PPAs and the other provisions of this Agreement..

(b) The Management Team shall be comprised of one Representative for each Party. "**Representative**" means, with respect to each Party, such Party's Chief Executive Officer or such person as is designated by the Chief Executive Officer. Each Representative shall have the authority to act for the Party represented with respect to matters pertaining to this Agreement. Within thirty (30) days after the Effective Date, each Party shall provide notice in accordance with Article 8 of such Party's Representative and an alternate representative (to act in the absence of the Representative).

4.2. Management Team.

(a) Lead Manager.

(i) The lead manager of the Management Team ("**Lead Manager**") shall be one of the Representatives, who shall serve a term of one (1) calendar year.

(ii) The Lead Manager is authorized to provide instructions to the Scheduling Coordinator with respect to the PPAs on behalf of both Parties.

(iii) The Lead Manager shall consult with the other Representative at least monthly or as required to perform the Management Team obligations under this Agreement.

(b) Actions. All actions of the Management Team shall be undertaken pursuant to unanimous agreement of the Representatives; provided, that either Party may unilaterally withdraw its Non-Buyer's Share PPA from Exhibit B pursuant to Section 3.4.

4.3. Management Team Responsibilities.

(a) The Management Team shall take all action required of it in connection with the PPAs in a timely manner consistent with the PPAs, other agreements between the Parties related to the PPAs (such as the Scheduling Coordinator agreement), and as provided in this Agreement, including taking such actions or implementing such measures as may be necessary or desirable for the utilization, maintenance, or preservation of the rights and interests of the Parties under the PPAs.

(b) At the direction of the Parties, the Management Team shall review, discuss and attempt to resolve any disputes under a Buyer's Share PPA between (x) the Parties and (y) a PPA Seller. Provided, that neither Party shall be obligated to obtain the consent of the other Party to enter into an amendment or a settlement agreement with a PPA Seller to resolve a dispute with a PPA Seller.

(c) The Management Team shall also:

(i) Review at least annually the activities undertaken hereunder to ensure that such activities are consistent with the spirit and intent of this Agreement;

(ii) Review any unresolved issues which may arise hereunder and endeavor to resolve the issues;

(iii) Review the frequency of the schedule for the economic true-up and the materiality threshold, and where appropriate make needed changes, which will be reflected in Exhibit E;

(iv) Ensure that a Resource-Specific Template, a form of which is attached as Exhibit C, is completed for each Resource and shall review, or cause to be reviewed, such completed templates annually or as needed to ensure that the information remains accurate and complete;

(v) Ensure that the Parties have established scheduling and dispatch operations and economic criteria governing the Resources, which shall be set forth in a separate document to be treated confidentially, and which shall be deemed to be Exhibit D (Scheduling and Dispatch Operations and Economic Criteria) to this Agreement;

(vi) Ensure that Exhibit D (Scheduling and Dispatch Operations and Economic Criteria) is reviewed on a regular basis, and updated as needed to incorporate past experience and adjust for Resource performance, changes to the CAISO Tariff, and anticipated market conditions;

(vii) Ensure that Exhibit H (Notices) is updated on a timely basis to reflect current contact information and changes in membership of the Management Team;

(viii) Propose amendments to this Agreement, from time to time, as appropriate, provided that no such amendment shall be effective unless approved by the Parties in writing accordance with Section 11.2; and

(ix) Do such other things and carry out such duties as specifically required or authorized by this Agreement.

4.4. Change in Representative. Parties shall promptly give Notice concurrently to the other Party of any changes in the designation of its Representative on the Management Team.

ARTICLE 5
ECONOMIC TRUE-UP

5.1. Economic True-Up Protocol. The Parties agree that all Non-Buyer's Share PPAs shall be subject to an economic true-up mechanism as set forth in Exhibit E (the "**Economic True-Up Protocol**"). Upon request of either Party, the Parties shall discuss in good faith proposed modifications to the Economic True-Up Protocol, provided that neither Party shall be obligated to accept or agree to any such proposed modifications.

5.2. Payment. Unless otherwise provided in Exhibit E, or as otherwise agreed by the Parties in writing, payments owed to a Party pursuant to the Economic True-Up Protocol shall be made within thirty (30) days of receipt of an invoice delivered pursuant to Article 8 of this Agreement. Notwithstanding the foregoing, should a Party require governing Board approval to issue payment owed pursuant to the Economic True-Up Protocol, such approval shall be sought at the next regularly scheduled meeting of the subject Board and due within thirty (30) days of such Board approval.

5.3. Discontinuation of the Economic True-Up Protocol. Subject to Notice to the other Party, either Party has the right to suspend the Economic True-Up Protocol on either a prospective basis, or as to amounts that have previously been determined pursuant to Exhibit E.

ARTICLE 6
EVENTS OF DEFAULT; REMEDIES

6.1. Events of Default. An "**Event of Default**" shall mean, with respect to a Party (a "**Defaulting Party**"), the occurrence of any of the following:

(a) the failure to make, when due, any undisputed payment required pursuant to this Agreement if such failure is not remedied within thirty (30) days after Notice;

(b) the failure to perform any material covenant or obligation set forth in this Agreement if such failure is not remedied within thirty (30) days after Notice; provided, that if such material covenant or obligation is not capable or remedy or cure within such thirty (30) day period, the Defaulting Party shall be entitled to up to an addition ninety (90) days to for such cure provided that the Defaulting Party continues to diligently pursue such cure; and

(c) such Party becomes Bankrupt.

6.2. Early Termination. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party (the "**Non-Defaulting Party**") shall have the right to terminate this Agreement upon Notice, which shall be effective immediately.

ARTICLE 7
LIABILITY

7.1. No Liability of Parties, Their Directors, Officers, Etc. The Parties agree that neither the Parties, nor any of their past, present or future officers, employees, board members, agents, attorneys or advisors (collectively, the "**Released Parties**") shall be liable to any other of the Released Parties for any and all claims, demands, liabilities, obligations, losses, damages (whether direct, indirect or consequential), penalties, actions, loss of profits, judgments, orders, suits, costs, expenses (including attorneys' fees and expenses) or disbursements of any kind or nature whatsoever in law, equity or otherwise suffered by any Released Party as a result of the action or inaction or performance or non-performance by the Released Parties under this Agreement, except to the extent due to gross negligence or willful misconduct of the other Released Party. Each Party shall release each of the other Released Parties from any claim or liability that such Party may have cause to assert as a result of any actions or inactions or performance or non-performance by any of the other Released Parties under this Agreement (excluding gross negligence and willful misconduct, which, unless otherwise agreed to by the Parties, are both to be determined and established by a court of competent jurisdiction in a final, non-appealable order).

ARTICLE 8
NOTICES

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

8.2. Acceptable Means of Delivering Notice. Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including electronic mail or other electronic means) at the time indicated by the time stamp upon delivery and, if after 5 pm, on the next Business Day; or (d) if delivered in person, upon receipt by the receiving Party.

ARTICLE 9
ASSIGNMENT

9.1. General Prohibition on Assignments. No Party may assign this Agreement, or its rights or obligations under this Agreement, without the prior written consent of the other Party.

ARTICLE 10
GOVERNING LAW AND DISPUTE RESOLUTION

10.1. Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced, and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. The Parties agree that any suit, action, or other legal proceeding by or against any Party with respect to or arising out of this Agreement shall be brought in the federal or state courts located in the State of California in a location to be mutually chosen by all Parties, or in the absence of mutual agreement, the County of San Francisco.

10.2. Dispute Resolution. In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a Notice from either Party identifying such dispute, the Parties shall meet, negotiate, and attempt, in good faith, to resolve the dispute quickly and informally without significant legal costs. If the Parties are unable to resolve a dispute arising hereunder within thirty (30) days after Notice of the dispute, the Parties may pursue all remedies available to them at Law in or equity.

ARTICLE 11
MISCELLANEOUS

11.1 Entire Agreement; Integration; Exhibits. This Agreement, together with the Exhibits attached hereto constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes only. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission, or other event of negotiation, drafting or execution hereof.

11.2 Amendments. This Agreement may only be amended, modified, or supplemented by a written document executed by duly authorized representatives of all Parties; *provided*, this Agreement may

not be amended by electronic mail communications. Notwithstanding the foregoing, the Agreement allows for certain Exhibits to be updated pursuant to the procedure in Section 3.5 without the requirement of an executed amendment.

11.3 No Waiver. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

11.4 Third Party Beneficiaries. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).

11.5 No Recourse to Members. The Parties are each organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and are each a public entity separate from their constituent members. Each Party will solely be responsible for all of such Party's debts, obligations and liabilities accruing and arising out of this Agreement. Each Party agrees that it shall have no rights and shall not make any claims, take any actions or assert any remedies against any of the other Party's constituent members, or the officers, directors, advisors, contractors, consultants or employees of the other Party or the other Party's constituent members, in connection with this Agreement.

11.6 Severability. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

11.7 Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.

11.8 Electronic Delivery. This Agreement may be duly executed and delivered by a Party by electronic format (including portable document format (.pdf)). Delivery of an executed counterpart in .pdf electronic version shall be binding as if delivered in the original. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law.

11.9 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

11.10 Further Assurances. Each of the Parties hereto agrees to provide such information, execute, and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[Signatures on following page]

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

CENTRAL COAST COMMUNITY ENERGY, a California joint powers authority

Sign:_____

Print:_____

Title:_____

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

Sign:_____

Print:_____

Title:_____

Approved as to form:

Sign:_____

Print:_____

Title:_____

EXHIBIT A

RESOURCE SCHEDULE FOR BUYER'S SHARE PPAS

Each of the following PPAs is a "Buyer's Share PPA" and collectively, the "Buyer's Share PPAs"

a. **Victory Pass Project**

i. Renewable Power Purchase Agreement between **Victory Pass I, LLC**, a Delaware limited liability company, and Central Coast Community Energy, a California joint powers authority, dated **May 12, 2021**

ii. Renewable Power Purchase Agreement between **Victory Pass I, LLC**, a Delaware limited liability company, and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **May 12, 2021**

b. **Angela Solar Project**

i. Renewable Power Purchase Agreement between **Angiola East, LLC**, a Delaware limited liability company, and Central Coast Community Energy, a California joint powers authority, dated **March 10, 2021**

ii. Renewable Power Purchase Agreement between **Angiola East, LLC**, a Delaware limited liability company, and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **March 10, 2021**

c. **Mountain View Wind**

i. Renewable Power Purchase Agreement between **AES North America Development, LLC**, a Delaware limited liability company, and Central Coast Community Energy, a California joint powers authority, dated **April 21, 2021**

ii. Renewable Power Purchase Agreement between **AES North America Development, LLC**, a Delaware limited liability company, and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **April 21, 2021**

d. **Coso Geothermal Project**

i. Renewable Power Purchase Agreement between **Coso Geothermal Power Holdings, LLC**, a Delaware limited liability company, and Central Coast Community Energy, a California joint powers authority, dated **April 8, 2020**

ii. Renewable Power Purchase Agreement between **Coso Geothermal Power Holdings, LLC**, a Delaware limited liability company, and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **April 8, 2020**

e. **Mammoth Casa Diablo IV Geothermal Project**

i. Renewable Power Purchase Agreement between **ORNI 50 LLC** and Central Coast Community Energy, a California joint powers authority, dated **January 8, 2020**

ii. Renewable Power Purchase Agreement between **ORNI 50 LLC** and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **January 8, 2020**

f. **Yellow Pine Energy Center II**

i. Renewable Power Purchase Agreement between **Yellow Pine Energy Center II, LLC**, a Delaware limited liability company, and Central Coast Community Energy, a California joint powers authority, dated **May 14, 2020**

ii. Renewable Power Purchase Agreement between **Yellow Pine Energy Center I, LLC**, a Delaware limited liability company, and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **May 14, 2020**

EXHIBIT B

RESOURCE SCHEDULE FOR NON-BUYER'S SHARE PPAS

Each of the following PPAs is a "Non-Buyer's Share PPA" and collectively, the "Non-Buyer's Share PPAs"

a. **Aratina Solar Center 1A**

i. Renewable Power Purchase Agreement between **64NB 8me LLC** and Central Coast Community Energy, a California joint powers authority, dated **June 11, 2020**

b. **Aratina Solar Center 1B**

i. Renewable Power Purchase Agreement between **91MC 8me LLC** and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **June 11, 2020**

c. **Atlas Solar Project**

i. Renewable Power Purchase Agreement between **Atlas Solar III, LLC** and Central Coast Community Energy, a California joint powers authority, dated **January 13, 2021**

ii. Renewable Power Purchase Agreement between **Atlas Solar III, LLC** and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **January 13, 2021**

d. **BigBeau Solar**

i. Renewable Power Purchase Agreement between **BigBeau Solar, LLC**, a Delaware limited liability company and Central Coast Community Energy, a California joint powers authority, dated **October 25, 2018**

ii. Renewable Power Purchase Agreement between **BigBeau Solar, LLC**, a Delaware limited liability company and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **October 25, 2018**

e. **Rabbitbrush 1 Solar + Storage Project**

i. Renewable Power Purchase Agreement between **Rabbitbrush Solar, LLC** and Central Coast Community Energy, a California joint powers authority, dated **April 8, 2020**

f. **Rabbitbrush 2 Solar + Storage Project**

i. Renewable Power Purchase Agreement between **Rabbitbrush Solar, LLC** and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **April 8, 2020**

g. **RE Slate 1**

i. A&R Renewable Power Purchase Agreement between **RE Slate 1 LLC,** a Delaware limited liability company and Central Coast Community Energy, a California joint powers authority, dated **February 14, 2020**

ii. A&R Renewable Power Purchase Agreement between **RE Slate 1 LLC,** a Delaware limited liability company and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **February 14, 2020**

h. **San Luis West**

i. Renewable Power Purchase Agreement between San Luis West Solar, LLC, a Delaware limited liability company and Central Coast Community Energy, a California joint powers authority, dated **June 25, 2021**

ii. Renewable Power Purchase Agreement between San Luis West Solar, LLC, a Delaware limited liability company and Silicon Valley Clean Energy Authority, a California joint powers authority, dated **June 25, 2021**

EXHIBIT C

RESOURCE-SPECIFIC TEMPLATES

Section 1 Project Information

Project Name		
Technology type	[*E.g.*, Photovoltaic/BESS]	
Share of project	[*E.g.*, 3CE XX%]	[*E.g.*, SVCE YY%]
Joint schedule strategy	[*E.g.*, Yes ☒ No ☐]	
MCC bucket	Choose an item.	
Co-located resource?	Yes ☒ (complete section 2) No ☐ (complete section 3)	
RA attributes	Flexible ☒ (Add flexible RA tables) Local ☐	
RA contract type	Firm ☐ Contingent Firm ☐ Other ☒	
Required to replace RA capacity?	Yes ☐ No ☐	
Contract expiration	Click or tap to enter a date.	

Section 2 Multiple Resources

Resource ID						
Actual COD	Click or tap to enter a date.					
Expected RA start date	Click or tap to enter a date.					
Technology Type						
Resource NQC (MW)	2023	2024	2025	2026	2027	2028
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

Resource ID						
Actual COD	Click or tap to enter a date.					
Expected RA start date	Click or tap to enter a date.					
Technology Type						
Resource NQC (MW)	2023	2024	2025	2026	2027	2028
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

Resource ID				
RA share (MW)	2023		2024	
	3CE	*SVCE*	*3CE*	*SVCE*
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Resource ID				
RA share (MW)	2023		2024	
	3CE	*SVCE*	*3CE*	*SVCE*
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Note: If flexible, add tables for Effective Flexible Capacity (EFC) and EFC break out by CCA.

Section 3 Single Resource

Resource ID						
Expected COD	Click or tap to enter a date.					
Actual COD	Click or tap to enter a date.					
Expected RA start date	Click or tap to enter a date.					
Technology Type						
Resource NQC (MW)	2023	2024	2025	2026	2027	2028
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

Resource ID				
RA share (MW)	2023		2024	
	3CE	*SVCE*	*3CE*	*SVCE*
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Section 4 Interconnection

Total interconnection quantity	
Dedicated interconnection quantity	
Does the capacity of resources exceed total Interconnection Quantity	Yes ☐ (complete this section) No ☐ (skip rest of section)
Master Aggregate Capability Constraint	Yes ☐ No ☐
Sub Aggregate Capability Constraint	Yes ☐ No ☐

Section 5 Planned Outage Restrictions

Resource ID	
	No planned outages scheduled during months checked below
January	☐
February	☐
March	☐
April	☐
May	☐
June	☐
July	☐

August	☐
September	☐
October	☐
November	☐
December	☐

EXHIBIT D

SCHEDULING AND DISPATCH OPERATIONS AND ECONOMIC CRITERIA

EXHIBIT E

ECONOMIC TRUE-UP PROTOCOL

Intent of the Economic True-Up Protocol:

The spirit of the economic true-up is to share risk for unanticipated and uncontrollable events with Non-Buyer's Share Resources that are being operated in a coordinated manner between the Parties.

The intent of the economic true-up is to share the unmitigable risk of the physical generating resource, persistent market economic curtailments, or other such risks approved by the Management Team when the two Parties are otherwise coordinating on a Non-Buyer Share resource.

Primary examples of this risk are (1) an extended outage (planned or unplanned) at the Resource that materially impacts one Party more than the other Party or (2) one Party receives inconsistent dispatch or economic curtailments for a Resource from the CAISO market that financially harms one Party more than the other Party.

Principles:

1. Economic true-up applies to Non-Buyer's Share Resources that are being bid into the market and operated in a similar fashion between the Parties;
2. The economic true-up is intended to share the risk of unanticipated and unmitigable resource physical and resource curtailment risks; and
3. The economic true-up shall be based upon a formula settlement developed in accordance with, subject to, and shall transfer the agreed upon economic benefits from one Party to the other Party pursuant to, Article 5.

EXHIBIT F

RESERVED

EXHIBIT G

COST-SHARING PROTOCOL

The Parties may engage the services of consultants, purchase software tools, and obtain other services and products (collectively, the "**Additional Services**"), as reasonably necessary to assist with or otherwise optimize the operations of the Resources listed in Exhibits A and B. The Parties agree to share the costs of such Additional Services in accordance with this Exhibit G. Unless otherwise agreed by the Parties, the costs of Additional Services shall be shared equally, on a fifty-fifty basis.

EXHIBIT H

NOTICES

All Notices:

3CE Representative:

Attn: _____

Email: _____

Phone: _____

3CE Alternative Representative:

Attn: _____

Email: _____

Phone: _____

SVCE Representative:

Attn: _____

Email: _____

Phone: _____

SVCE Alternative Representative:

Attn: _____

Email: _____

Phone: _____

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1g

Item 1g:	**Approve Program Funding Recommendations from 2020 PG&E Carbon-Free Allocation Savings**
From:	Girish Balachandran, CEO
Prepared by:	Pam Leonard, Communications Manager Don Bray, Director of Account Services & Community Relations
Date:	11/10/2021

RECOMMENDATION

Staff recommends that Silicon Valley Clean Energy (SVCE) Board of Directors approves spending $600,000 from the 2020 PG&E carbon-free allocation savings on an EV charger fund for multifamily properties and a portable battery program for qualified Medical Baseline customers.

EXECUTIVE COMMITTEE RECOMMENDATION

This item was discussed at the Oct. 22 Executive Committee meeting and the committee voted to approve the recommendation.

BACKGROUND

As a result of the 2018 Power Charge Indifference Adjustment proceeding, the California Public Utilities Commission directed PG&E to allocate carbon-free attributes from its hydropower and nuclear energy sources at no additional cost to CCAs since our customers are already paying for it. The nuclear portion of this allocation saved SVCE $600,000 in 2020.

During the October 2020 board meeting, the board authorized the acceptance of the allocation for 2021 – 2023. Staff committed to providing the board with a recommendation on how to best utilize the potential savings, including consideration of possible funding for the following:

- Resiliency programs
- Equity programs
- Investment in local resources
- Workforce training
- Building additional financial reserves

Staff has worked to further evaluate where the funding could offer additional benefits to the community. Staff also consulted with the Member Agency Working Group and with community advocates on recommended funding areas.

ANALYSIS & DISCUSSION

For the 2020 savings of $600,000, two program concepts have been identified, and can serve as pilot opportunities that may lead to scaling the programs with additional savings from the 2021 carbon-free allocation.

For the first program, staff recommends that $400,000 goes towards funding the installation of EV chargers at multi-family properties. The existing EV Tech Assist program, which offers free technical support to install EV chargers at multi-family dwellings, has shown that funding remains a top barrier to EV charger adoption at

these properties. The existing program has also created a pipeline of properties that would be ready to commit to installing charging if they are able to be connected with available funding support. The program may pay for a percentage of the installation costs for chargers, similar to how CALeVIP program funding is structured. The $400k in funding could support approximately 10 sites with a combo of Level 1 and Level 2 chargers. Staff is evaluating program design options to determine incentive levels, technology types and eligibility.

The remaining $200,000 would be dedicated to a program that will provide approximately 50 portable batteries for free to qualified medical baseline customers who have historically been at risk of Public Safety Power Shutoffs or live in other power outage or wildfire threat areas. Peninsula Clean Energy and MCE have both implemented similar programs, which were highly utilized and successful. SVCE would plan to partner with a regional entity to assist with administering the program and distributing batteries to qualified customers. These relatively low-cost devices could potentially save the lives of customers who rely on electricity to power medical devices, which is becoming increasingly important as PG&E's enhanced safety line measures are leading to more frequent outages for customers living in mountain areas.

We expect more savings to accrue from the allocation of carbon-free attributes to SVCE. As these savings are realized, staff will propose additional programs or expand existing programs.

STRATEGIC PLAN

The two proposed programs align with the following SVCE strategic plan goals:

- Goal #7 – Work with the community to plan and track achieving energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030
- Goal #8 – Coordinate development of decarbonization strategy, lead design of local policy and programs, and support program deployment
- Goal #10 – Empower customers with the awareness, knowledge and resources needed to make effective clean energy choices

ALTERNATIVE

If the board does not vote to approve the allocation savings to go towards these two programs, staff can revisit the program ideas and propose alternatives.

FISCAL IMPACT

No incremental fiscal impact. Per the Board's direction at the October 2020 meeting, the $600,000 savings has already been allocated to the Decarbonization and Grid Innovation programs budget in the approved SVCE FY 2021-2022 board-adopted budget.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1h

Item 1h:	**Authorize the Chief Executive Officer to Extend the Contract Terms and Spending Under Innovation Onramp Participant Agreement with UtilityAPI, Inc. for Data Hive**
From:	Girish Balachandran, CEO
Prepared by:	Rebecca Fang, Data Analyst
Date:	11/10/2021

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy Authority Board ("SVCE Board") authorize the Chief Executive Officer ("CEO") to extend the contract terms with UtilityAPI, Inc. ("UAPI") for hosting, maintaining and supporting the Innovation Onramp Data Hive pilot by adding $27,000 to the total cost of the pilot (from the currently authorized $352,500 to a not-to-exceed amount of $379,500) and extending the termination date from November 15, 2021 to February 15, 2022.

BACKGROUND

In December 2018, the SVCE Board adopted the Decarbonization Strategy and Programs Roadmap (abbv. "Roadmap") to achieve its mission to reduce dependence on fossil fuels by providing carbon-free, affordable, and reliable electricity and innovative programs for the community. The Roadmap budget includes funding for the Innovation Onramp program, which is designed to leverage our unique position to engage and support the innovation ecosystem in addressing key market barriers to achieving deep decarbonization in SVCE service territory and beyond. In June 2019, the SVCE Board approved grant funding for a flagship pilot which had been proposed by UAPI. This pilot, later named "Data Hive", has deployed a data exchange platform for SVCE service territory that allows third parties to request and download customer utility bill and usage data.

ANALYSIS & DISCUSSION

The Data Hive opened for public use in March 2020 with the goal of demonstrating the potential of free, authorized access to standardized and automated energy usage data in accelerating the deployment of clean energy projects, empowering customer choice and supporting local businesses. Interest in the Data Hive was high at launch and throughout the summer, with 60 3rd-party registrations in the first several months. Today, there are over 180 companies registered to use the Data Hive.

Transactional activity on the Data Hive for the spring and summer of 2020 remained fairly low – extending lockdowns and worsening economic conditions seemed to affect consumer interest in clean energy projects (see reference for solar installers[1]). As the pilot approached its original termination date of mid-September 2020, staff and UAPI implemented a no-cost term extension with a usage-based monthly fee to give the clean energy market more time to recover and use Data Hive.

[1] See recent Solar Energy Industries Association (SEIA) report on solar installations: https://www.seia.org/researchresources/solar-market-insight-report-2020-q4

In Q3 of 2020, the market for clean energy projects began to show some recovery[2] and usage of the Data Hive increased. Additionally, SVCE's other programs (e.g. GridShift: EV Charging pilot and FutureFit Assist: EV Charging) began to use the Data Hive to help our 3rd party administrators easily access customer data.

In February 2021, the pilot term was extended to November 15, 2021 to allow time to fully vet the efficacy of Data Hive. Since then, Data Hive has received positive feedback from SVCE's 3rd party program partners. For the GridShift: EV Charging program, Data Hive was successfully integrated into the GridShift app such that the entire customer enrollment process is on-app, significantly reducing program administration costs. Interviews with 3rd parties indicated strong support for key features of the platform such as: streamlined 3rd party registration process, streamlined customer consent using one-time passcodes, and scope of data.

The above reasons have led to the decision to pursue a full-scale, multi-year Data Hive program. To allow time to negotiate a long-term contract with UAPI, which would be brought to the Board for approval in a future meeting, staff recommends extending the pilot term through February 15, 2022.

Staff Request to Extend the Contract Terms & Budget

The June 2019 request to the Board for spending authority of $279,000 was based on UAPI's pilot proposal. The subsequent extension that was approved in February 2021 utilized UAPI's standard pricing model for utility partners ($0.40 per meter per year), adding $73,500 to the total cost of the Data Hive pilot and approximately 8 months to the pilot term. The requested extension will use the same standard pricing model and add $27,000 to the total cost of the Data Hive pilot (now $379,500) and add 3 months to the pilot term.

STRATEGIC PLAN

The proposal supports SVCE's updated 2021-2022 Strategic Plan Goal 8, which is to "coordinate development of decarbonization strategy, lead design of local policy and programs, and support program deployment."

ALTERNATIVE

The primary alternative to the Staff recommendation is to not extend the Data Hive pilot term and allow the pilot to end once the current funding runs out in November 2021. The Data Hive would be out of service during the time that SVCE is negotiating the long-term contract with UAPI for the full-time Data Hive program. Staff does not recommend this alternative because it would result in an interruption of service for the Data Hive and its users (3rd parties, SVCE customers, and SVCE programs).

FISCAL IMPACT

The staff proposal has no incremental fiscal impact. Through the annual budget process, the Board approved 2% of annual operating revenues for programs. The Board further approved allocating $600,000 of the programs budget per fiscal year from FY19 through FY22 to implement SVCE's two innovation programs, Innovation Onramp and Innovation Partners. This extension to the Data Hive pilot with UAPI falls within the Board-approved budget for programs and the funding allocation for innovation.

ATTACHMENTS

1. Fourth Amendment to Agreement with UtilityAPI, Inc.
2. Agreement with UtilityAPI, Inc. and First, Second and Third Amendments

[2] See SEIA report or a National Renewable Energy Laboratory update: https://www.nrel.gov/docs/fy21osti/78625.pdf

FOURTH AMENDMENT TO AGREEMENT WITH UTILITY API, INC

WHEREAS, the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency ("Authority"), and UTILITY API, INC entered into that certain agreement entitled ENERGY DATA EXCHANGE PLATFORM PILOT**,** effective on June 12, 2019, hereinafter referred to as "Original Agreement"; and

WHEREAS, Authority and UTILITY API, INC have determined it is in their mutual interest to amend certain terms of the Original Agreement.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES AGREE AS FOLLOWS:

1. TERM section of Original Agreement shall be amended to read as follows:

The term of this Agreement shall commence on June 12, 2019 and shall terminate on February 15, 2022 ("Term"), unless terminated earlier as set forth herein.

2. COMPENSATION TO PARTICIPANT section of Original Agreement shall be amended to read as follows:

Participant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed three hundred and seventy-nine thousand, five hundred dollars ($379,500.00).

3. EXHIBIT B SCHEDULE OF PERFORMANCE section of Original Agreement shall be amended to read as follows:

Milestone 10: Launch and maintain platform / Promotion activities & Ongoing support	February 2022

Note – As of November 2021, all other deliverables have been completed.

4. EXHIBIT C COMPENSATION section of Original Agreement shall be amended to read as follows:

The compensation to be paid to Participant under this Agreement for all services described in Exhibit "A" shall not exceed a total of three hundred and seventy-nine thousand, five hundred dollars ($379,500.00), as set forth below. Any work performed for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority. No reimbursable expenses are contemplated as a part of this Agreement.

Deliverable 10: Launch and maintain platform / Promotion activities & Ongoing support

Note – As of November 2021, all other deliverables have been completed.

$9,000 each month, not to exceed $27,000 in aggregate

Original + Amendment 1 + Amendment 2 + Amendment 3	
$279,000+$0+$0+$73,000	
Total - not to exceed	$352,500
Amendment 4	
Deliverables 10	$27,000
Total - not to exceed	**$379,500**

5. This Amendment shall be effective on November 11, 2021.

6. Except as expressly modified herein, all of the provisions of the Original Agreement shall remain in full force and effect. In the case of any inconsistencies between the Original Agreement and this Amendment, the terms of this Amendment shall control.

7. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the dates set forth besides their signatures below.

RECOMMENDED FOR APPROVAL

_____
Don Bray, Director of Account Services & Community Relations

RECOMMENDED FOR APPROVAL

_____
Amrit Singh, Director of Finance and Administration

CONSULTANT NAME
UTILITY API

By: _____
Name: _____
Title: _____
Date: _____

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

By: _____
Name: Girish Balachandran
Title: Chief Executive Officer
Date: _____

APPROVED AS TO FORM:

_____
Counsel for Authority

ATTEST:

_____
Authority Clerk

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AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY AND UTILITYAPI, INC. FOR ENERGY DATA EXCHANGE PLATFORM PILOT

THIS AGREEMENT, is entered into this 12th day of June, 2019, by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency, ("Authority"), and UtilityAPI, Inc, a Delaware Corporation whose address is 1212 Broadway, 16th floor, Oakland, CA 94618 (hereinafter referred to as "Participant") (collectively referred to as the “Parties”).

RECITALS:

A. Authority is an independent public agency duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”) with the power to conduct its business and enter into agreements.

B. Authority has launched an innovation pilot partnership program called Innovation Onramp in order to facilitate and support innovative research and the evaluation, testing, and implementation of innovative, emerging technologies and ideas, with the goal of accelerating decarbonization.

C. Participant has submitted a pilot project proposal to the Innovation Onramp program, pursuant to which Participant proposes to provide a drop-in data exchange platform that third parties can use to request and download customer utility bill and usage data. (the “Project”).

D. Participant possesses the skill, experience, ability, background, training and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein.

E. Authority and Participant desire to enter into an agreement to carry out the Project upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. TERM

The term of this Agreement shall commence on June 12, 2019, and shall terminate on July 1, 2020 or a cap of 20,000 data transactions (“Term”), unless terminated earlier as set forth herein.

2. SERVICES TO BE PERFORMED

Participant shall perform each and every service set forth in Exhibit "A" pursuant to the schedule of performance set forth in Exhibit "B," both of which are attached hereto and incorporated herein by this reference.

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3. **COMPENSATION TO PARTICIPANT**

Participant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed two hundred and seventy-nine thousand dollars ($279,000.00) based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

Participant and Authority agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE**

Participant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area and agrees that all services shall be performed by qualified and experienced personnel.

6. **INDEPENDENT PARTIES**

Authority and Participant intend that the relationship between them created by this Agreement is that of an independent contractor. The manner and means of conducting the work are under the control of Participant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No civil service status or other right of employment will be acquired by virtue of Participant's services. None of the benefits provided by Authority to its employees, including but not limited to, unemployment insurance, workers' compensation plans, vacation and sick leave are available from Authority to Participant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Participant. Payments of the above items, if required, are the responsibility of Participant.

7. **NO RECOURSE AGAINST CONSTITUENT MEMBERS OF AUTHORITY**

Authority is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. Authority shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Contractor shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Authority's constituent members in connection with this Agreement.

8. **NON-DISCRIMINATION**

Participant agrees that it shall not harass or discriminate against a job applicant, an Authority employee, or Participant's employee or subcontractor on the basis of race, religious creed, color, national origin, ancestry, handicap, disability, marital status, pregnancy, sex, age, sexual orientation, or any other protected class. Participant agrees that any and all violations of this provision shall constitute a material breach of this Agreement.

9. **HOLD HARMLESS AND INDEMNIFICATION**

A. General Indemnification. Participant shall, to the fullest extent allowed by law and without limitation of the provisions of this Agreement related to insurance, with respect

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to all services performed in connection with the Agreement, indemnify, defend, and hold harmless the Authority and its members, officers, officials, agents, employees and volunteers from and against any and all liability, claims, actions, causes of action, demands, damages, losses, costs, and expenses of any nature whatsoever ("Claims"), including any injury to or death of any person or damage to property or other liability of any nature, whether physical, emotional, consequential or otherwise, arising out of, pertaining to, or related to the performance of this Agreement by Participant or Participant's employees, officers, officials, agents or independent contractors. Such costs and expenses shall include reasonable attorneys' fees of counsel of Authority's choice, expert fees and all other costs and fees of litigation.

B. Intellectual Property Indemnification. Participant hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the Project and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as "IP Rights"), except as otherwise expressly provided by this Agreement. Participant warrants that the Equipment, the Project, and any related services to be provided pursuant to this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Participant shall indemnify, defend, and hold Authority, its members, officers, employees, and volunteers, harmless from and against any Claims by a third party that the Equipment, the Project, or any related services to be provided pursuant to this Agreement infringe or violate any third-part's IP Rights, provided any such right is enforceable in the United States. Such costs and expenses shall include reasonable attorneys' fees of counsel of Authority's choice, expert fees and all other costs and fees of litigation.

C. The acceptance of the services by Authority shall not operate as a waiver of these rights of indemnification. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Claim.

D. The provisions of this Section shall survive the completion of the Project or termination of this Agreement.

10. **INSURANCE**:

A. General Requirements. On or before the commencement of the Term of this Agreement, Participant shall furnish Authority with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with the requirements listed in Exhibit "D," which is attached hereto and incorporated herein by this reference. Such insurance and certificates, which do not limit Participant's indemnification obligations under this Agreement, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the Authority by certified mail, Attention: Chief Executive Officer." Participant shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to Authority and licensed to do insurance business in the State of California. Endorsements naming the Authority as additional insured shall be submitted with the insurance certificates.

B. Subrogation Waiver. Participant agrees that in the event of loss due to any of the perils for which he/she has agreed to provide comprehensive general and automotive liability insurance, Participant shall look solely to his/her/its insurance for recovery. Participant hereby grants to Authority, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Participant or Authority with respect to the services of Participant herein, a waiver of any right to subrogation which any such insurer of Participant may acquire against Authority by virtue of the payment of any loss under such insurance.

C. Failure to secure or maintain insurance. If Participant at any time during the Term should fail to secure or maintain the foregoing insurance, Authority shall be permitted to obtain such insurance in the Participant's name or as an agent of the Participant and shall be compensated by the Participant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. Additional Insured. Authority, its members, officers, employees and volunteers shall be named as additional insureds under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. Sufficiency of Insurance. The insurance limits required by Authority are not represented as being sufficient to protect Participant. Participant is advised to confer with Participant's insurance broker to determine adequate coverage for Participant.

F. Maximum Coverage and Limits. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum Insurance coverage requirements and/or limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in this Agreement, or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

G. Subcontractors. Participant shall require all subcontractors to procure and maintain insurance policies subject to the requirements of Exhibit “D.” Failure of Participant to verify existence of subcontractor’s insurance shall not relieve Participant from any claim arising from subcontractor’s work on behalf of Participant.

11. CONFLICT OF INTEREST

Participant warrants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it will not employ any person having such an interest. Participant agrees to advise Authority immediately if any conflict arises and understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Participant to make certain governmental decisions or serve in a staff Authority, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. PROHIBITION AGAINST TRANSFERS

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The Parties agree that the expertise and experience of Participant are material considerations for this Agreement. Participant shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of Authority. Any attempt to do so without such consent shall be null and void, and any assignee, sublessee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. Consent to one assignment will not be deemed to be consent to any subsequent assignment. However, claims for money by Participant from Authority under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to Authority by Participant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Participant, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if Participant is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Participant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. SUBCONTRACTOR APPROVAL

Unless prior written consent from Authority is obtained, only those persons and subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement.

In the event that Participant employs subcontractors, such subcontractors shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance in substantial conformity to the insurance carried by Participant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

Participant agrees to include within their subcontract(s) with any and all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Participant shall agree to be bound to Participant and Authority in the same manner and to the same extent as Participant is bound to Authority under this Agreement. Subcontractors shall agree to include these same provisions within any sub-subcontract. Participant shall provide a copy of the Indemnity and Insurance provisions of this Agreement to any subcontractor. Participant shall require all subcontractors to provide valid certificates of insurance and the required endorsements prior to commencement of any work and will provide proof of compliance to Authority.

14. REPORTS

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Participant pursuant to or in connection with this Agreement, shall be the exclusive property of Authority. Participant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to Authority the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of Authority, and all publication rights are reserved to Authority. Participant may retain a copy of any Report furnished to the Authority pursuant to this Agreement.

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B. All Reports prepared by Participant may be used by Authority in execution or implementation of: (1) The original Project for which Participant was hired; (2) Completion of the original Project by others; (3) Subsequent additions to the original Project; and/or (4) Other Authority projects as Authority deems appropriate in its sole discretion.

C. Participant shall, at such time and in such form as Authority may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports required to be provided by this Agreement shall be printed on recycled paper. All Reports shall be copied on both sides of the paper except for one original, which shall be single sided. All Reports shall also be provided in electronic format, both in the original file format (e.g., Microsoft Word) and in PDF format.

E. No Report, information or other data given to or prepared or assembled by Participant pursuant to this Agreement shall be made available to any individual or organization by Participant without prior approval by Authority.

15. **RECORDS**

Participant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by Authority that relate to the performance of services under this Agreement, in sufficient detail to permit an evaluation of the services and costs. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Participant shall provide free access to such books and records to the representatives of Authority or its designees at all proper times, and gives Authority the right to examine and audit same, and to make transcripts therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a minimum period of five (5) years after Participant receives final payment from Authority for all services required under this agreement.

If supplemental examination or audit of the records is necessary due to concerns raised by Authority's preliminary examination or audit of records, and the Authority's supplemental examination or audit of the records discloses a failure to adhere to appropriate internal financial controls, or other breach of contract or failure to act in good faith, then Participant shall reimburse Authority for all reasonable costs and expenses associated with the supplemental examination or audit.

16. **PARTY REPRESENTATIVES**

Aimee Bailey, Director of Decarbonization and Grid Innovation shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. Lynne Wander, Chief Operating Officer shall represent Participant in all matters pertaining to the services to be performed under this Agreement.

17. **CONFIDENTIAL INFORMATION**

A. Participant shall maintain in confidence and not disclose to any third party or use in any manner not required or authorized under this Agreement any and all Confidential Information held by Authority or provided to Participant by Authority.

B. The term “Confidential Information” includes all information, documents, and materials owned by Authority or Participant, including technical, financial, business, or utility customers’ personal information which is not available to the general public, as well as information derived from such information, which is furnished or made available

to Participant. Information received by Participant shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of Participant; (ii) it is already in the possession of Participant and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of Authority and without breach of this Agreement; (iv) it is independently developed by Participant; or (v) it is disclosed pursuant to a requirement of law, a duly empowered government agency, or a court of competent jurisdiction after due notice and an adequate opportunity to intervene is given to Authority, unless such notice is prohibited.

C. As practicable, Authority shall mark Confidential Information with the words "Confidential" or "Confidential Material" or with words of similar import, or, if that is not possible, Authority shall notify the Participant (for example, by cover e-mail transmitting an electronic document) that the material is Confidential Information. Authority's failure, for whatever reason, to mark or notify Participant at the time the material is produced shall not take the material out of the coverage of this Agreement.

D. Participant will direct its employees, contractors, consultants, and representatives who have access to any Confidential Information to comply with the terms of this Section.

E. Upon termination or expiration of this Agreement, Participant shall, at Authority's direction, either return or destroy all such Confidential Information and shall so certify in writing, provided, however, any Confidential Information (i) found in drafts, notes, studies, and other documents prepared by or for Authority or its representatives, or (ii) found in electronic format as part of Participant's off-site or on-site data storage/archival process system, will be held by Participant and kept subject to the terms of this provision or destroyed at Participant's option. The obligations of this provision will survive termination or expiration of this Agreement.

18. DATA SECURITY

If, pursuant to this Agreement, Authority shares with Participant personal information as defined in California Civil Code Section 1798.81.5(d) about a California resident ("Personal Information"), Participant shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform Authority immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. Participant shall not use Personal Information for direct marketing purposes without Authority's express written consent. For purposes of this provision, security procedures are "reasonable and appropriate" when they (i) adequately address all reasonable foreseeable threats to Personal Information, (ii) are appropriate to the quantity, sensitivity, and type of Personal Information accessed and the way that information will be accessed, and (iii) comply with all laws, regulations, and government rules or directives applicable to the Participant in connection with its access of Personal Information.

19. NOTICES

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided.

All notices, demands, requests, or approvals shall be addressed as follows:

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TO AUTHORITY:
333 W. El Camino Real
Suite 290
Sunnyvale, CA 94087
Attention: Aimee Bailey

TO PARTICIPANT:
Lynne Wander, Chief Operating Officer
UtilityAPI, Inc
1212 Broadway, Floor 16
Oakland, CA 94607

20. **TERMINATION**

In the event either Party fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, that Party shall be deemed in default in the performance of this Agreement ("Defaulting Party"). If the Defaulting Party fails to cure the default within 30 days of receipt of notice from the non-Defaulting Party, and in addition to any other remedy available to the non-Defaulting Party by law, the non-Defaulting Party may terminate the Agreement by giving the Defaulting Party written notice thereof, which shall be effective immediately. Each Party shall also have the option, at its sole discretion and without cause, of terminating this Agreement by giving thirty (30) calendar days' prior written notice to the other Party as provided herein. Upon receipt of any notice of termination by the Authority, Participant shall immediately discontinue performance.

Authority shall pay Participant for services satisfactorily performed up to the effective date of termination. If the termination is for cause, Authority may deduct from such payment the amount of actual damage, if any, sustained by Authority due to Participant's failure to perform its material obligations under this Agreement. Upon termination, Participant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Participant or given to Participant, in connection with this Agreement. Such materials shall become the property of Authority.

21. **COMPLIANCE**

Participant shall keep informed of and comply with all applicable local, state and federal laws. Participant shall procure all applicable permits and licenses, pay all applicable charges and fees, and give all notices as may be required by law in the performance of services under this Agreement.

22. **CONFLICT OF LAW**

This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the Superior Court of the County of Santa Clara, State of California.

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23. **ADVERTISEMENT**

Participant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters, cards, news releases, annual reports, product packaging, print literature, websites, or other media of any kind pertaining to the services performed under this Agreement or using the name, trade name, trademarks, or service marks of or owned by Authority, unless prior written approval has been secured from Authority to do otherwise. Participant shall not represent, directly or indirectly, that any product or service has been approved or endorsed by Authority without prior written consent.

24. **WAIVER**

A waiver by Authority of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

25. **INTEGRATED CONTRACT**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both Authority and Participant. In the event of a conflict between the terms of this Agreement and the exhibits hereto or Participant's proposal (if any), the Agreement shall control. In the case of any conflict between the exhibits hereto and Participant's proposal, the exhibits shall control.

26. **AUTHORITY**

The individual(s) executing this Agreement represent and warrant that they have the legal Authority and authority to do so on behalf of their respective legal entities.

27. **INSERTED PROVISIONS**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either party.

28. **CAPTIONS AND TERMS**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed as of the date set forth above.

RECOMMENDED FOR APPROVAL

DocuSigned by:
Aimee Bailey
7BC1D044BEEF49B...

Aimee Bailey
Director of Decarbonization and Grid Innovation Programs

PARTICIPANT
UtilityAPI

DocuSigned by:
By: Lynne Wander
D58833D04580408...
Name: Lynne Wander
Title: Chief Operating Officer
Date: 7/22/2019

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

DocuSigned by:
By: Girish Balachandran
5CA04B9AC4C24C3...
Name: Girish Balachandran
Title: Chief Executive Officer
Date: 7/22/2019

APPROVED AS TO FORM:

DocuSigned by:
Gregory W. Stepanicich
9E728D9E914F493...
Counsel for Authority

ATTEST:

DocuSigned by:
Andrea Pizano
D0029733BB994BA...
Authority Clerk

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Exhibit A
Scope of Services

The project is to deploy a data exchange platform for SVCE service territory, which would allow third parties to use to request and download customer utility bill and usage data. The overarching goal of the pilot is to demonstrate the potential of free, authorized access to standardized and automated energy usage data in accelerating the deployment of clean energy projects, while empowering customer choice and supporting local businesses. For the pilot, UtilityAPI will manage third party registration, data access authorizations, historical and ongoing data collection, and data cleaning and standardization to realize the data exchange platform. The platform includes an easy-to-use dashboard for small and local businesses, and a fully documented API for enterprise and app integration. On the back end, structured data stores and S3 buckets will be isolated for each utility and will not share resources, so only SVCE customer data is stored in a particular S3 bucket and structured data store.

Set-up:

Milestone 1: Pull in data from Calpine and successfully parse it into the structured storage format.

Milestone 2: Customers can authenticate themselves to load the dashboard and authorize

Milestone 3: Customers can see scope of authorizations, and revoke

Milestone 4: Changes are made to UtilityAPI settings page that allows third-parties to pull data

Milestone 5: SVCE-branded third party registration page

Milestone 6: Ready for Beta program

Milestone 7: Ready for launch

Launch, Operations & Support:

End of setup through a 6-month term:

Task 1: Launch & maintain platform
Task 2: Promotion activities
Marketing by SVCE
Marketing by UtilityAPI

Task 3: Ongoing support, including biweekly reporting and check in

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Exhibit B
Schedule of Performance

Participant shall perform the services so as to complete each Project Deliverable according to the schedule set forth below. The time to complete each Deliverable may be increased or decreased by mutual written agreement of the Project Representatives for both Participant and Authority, so long as all work is completed within the Term of the Agreement.

Project Deliverables	Completion Date
Milestone 1: Pull in data from Calpine and successfully parse it into the structured storage format. This includes setting up a firewall rule to whitelist access to only Calpine/SVCE/UtilityAPI IPs, and deleting stale data in the SFTP server as part of the sync script.	August 15, 2019
Milestone 2: Customers can authenticate themselves to load the dashboard and authorize	September 30, 2019
Milestone 3: Customers can see scope of authorizations, and revoke	September 30, 2019
Milestone 4: Changes are made to UtilityAPI settings page that allows third-parties to pull data	October 15, 2019
Milestone 5: SVCE-branded third party registration	October 31, 2019
Milestone 6: Ready for Beta program	October 31, 2019
Milestone 7: Ready for launch	January 1, 2020
Launch, Operations & Support, Task 1 / Launch and maintain platform	Monthly for 6-month term starting at platform launch and beginning of software license
Launch, Operations & Support, Tasks 2 & 3 / Promotion activities & Ongoing support	Monthly for 6-month term starting at platform launch and beginning of software license

DocuSign Envelope ID: A592005D-9393-4E3D-8864-16CEDD6984D2

Exhibit C
Compensation

The compensation to be paid to Participant under this Agreement for all services described in Exhibit "A" shall not exceed a total of two hundred and seventy-nine thousand dollars ($279,000), as set forth below. Any work performed for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority. No reimbursable expenses are contemplated as a part of this Agreement.

Participant shall perform the categories of work and complete the Deliverables as outlined and budgeted below. Authority's Party Representative may approve in writing the transfer of budget amounts between any of the Deliverables below, provided that the total does not exceed the not-to-exceed amount above.

Project Deliverables	Completion Amount
Deliverable 1: Pull in data from Calpine and successfully parse it into the structured storage format. This includes setting up a firewall rule to whitelist access to only Calpine/SVCE/UtilityAPI IPs and deleting stale data in the SFTP server as part of the sync script.	$26,000
Deliverable 2: Customers can authenticate themselves to load the dashboard and authorize	$13,000
Deliverable 3: Customers can see scope of authorizations, and revoke	$13,000
Deliverable 4: Changes are made to UtilityAPI settings page that allows third-parties to pull data	$26,000
Deliverable 5: SVCE-branded third party registration	$13,000
Deliverable 6: Ready for Beta program	$13,000
Deliverable 7: Ready for launch	$13,000
Deliverable 8: Launch, Operations & Support, Task 1 / Launch and maintain platform	$22,500 each month, not to exceed $135,000 in aggregate over 6-month term
Deliverable 9: Launch, Operations & Support, Tasks 2 & 3 / Promotion activities & Ongoing support	$4,500 each month, not to exceed $27,000 in aggregate over 6-month term
Total	**$279,000**

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Invoicing

In order to request payment, Participant shall submit invoices to the Authority upon completion of each Deliverable, describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed).

Advances

Upon written request by Participant, the Authority may, in its sole discretion, distribute to Participant an advance or advances meeting the following requirements:

1. Participant demonstrates that such advance(s) is required up front in order to undertake the Deliverable.
2. Participant submits invoices and receipts supporting the expenditures of an advance within 60 days of the payment by Authority. If complete invoices and receipts are not provided within 60 days, no further advances will be given.
3. At no time shall the total of all advances exceed 25% of the total amount of compensation.
4. No advance shall be provided for the final 10% of the total amount of compensation.

Additional Services

Participant shall provide additional services outside of the services identified in Exhibit A only by advance written authorization from Authority's Chief Executive Officer prior to commencement of any additional services. Participant shall submit, at the Chief Executive Officer's request, a detailed written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation.

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Exhibit D
Insurance Requirements and Proof of Insurance

Proof of insurance coverage described below is attached to this Exhibit, with Authority named as additional insured.

Participant shall maintain the following minimum insurance coverage:

A. **COVERAGE**:

(1) **Workers' Compensation**: Statutory coverage as required by the State of California.

(2) **Commercial General Liability:** Commercial general liability coverage with minimum limits of $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury and property damage. ISO occurrence Form CG 0001 or equivalent is required.

(3) **Automotive**: Comprehensive automotive liability coverage with minimum limits of $1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 or equivalent is required.

(4) **Professional Liability**: Professional liability insurance which includes coverage for the professional acts, errors and omissions of Participant in the amount of at least $1,000,000.

(5) **Cyber Coverage**: Cyber Coverage with an aggregate limit of liability of one million dollars ($1,000,000.00).

B. **ACCEPTABILITY OF INSURER:** All insurance coverage shall be provided through carriers with AM Best's Key Rating Guide ratings of A-:VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all subcontractors of the Participant retained to perform the services under this Agreement will obtain and maintain, in full force and effect during the Term of this Agreement, identical insurance coverage.

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FIRST AMENDMENT TO AGREEMENT WITH UTILITYAPI, INC

WHEREAS, the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency ("Authority"), and UTILITYAPI, INC entered into that certain agreement entitled ENERGY DATA EXCHANGE PLATFORM PILOT**,** effective on June 12, 2019, hereinafter referred to as "Original Agreement"; and

WHEREAS, Authority and UTILITYAPI, INC have determined it is in their mutual interest to amend certain terms of the Original Agreement.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES AGREE AS FOLLOWS:

1. TERM section of Original Agreement shall be amended to read as follows:

The term of this Agreement shall commence on June 12, 2019 and shall terminate on September 30, 2020 or a cap of 20,000 data transactions ("Term"), unless terminated earlier as set forth herein.

2. This Amendment shall be effective on May 5, 2020.

3. Except as expressly modified herein, all of the provisions of the Original Agreement shall remain in full force and effect. In the case of any inconsistencies between the Original Agreement and this Amendment, the terms of this Amendment shall control.

4. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the dates set forth besides their signatures below.

RECOMMENDED FOR APPROVAL

DocuSigned by:
Aimee Bailey
7BC1D044BEEF49B...

Aimee Bailey, Director of Decarbonization and Grid Innovation Programs

RECOMMENDED FOR APPROVAL

DocuSigned by:
Don Eckert
10C84C9C59134BD...

Don Eckert, Director of Finance and Administration

CONSULTANT NAME
UTILITYAPI, INC

By: DocuSigned by: Lynne Wander
Name: Lynne Wander
Title: Chief Operating Officer
Date: 5/6/2020

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

By: DocuSigned by: Girish Balachandran
Name: Girish Balachandran
Title: Chief Executive Officer
Date: 5/6/2020

DocuSign Envelope ID: B9B77574-406B-4CFD-AA22-5B9507188136

SECOND AMENDMENT TO AGREEMENT WITH UTILITYAPI, INC

WHEREAS, the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency ("Authority"), and UTILITYAPI, INC entered into that certain agreement entitled ENERGY DATA EXCHANGE PLATFORM PILOT**,** effective on June 12, 2019, hereinafter referred to as "Original Agreement"; and

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES AGREE AS FOLLOWS:

1. TERM of Original Agreement shall be amended to read as follows:

The term of this Agreement shall commence on June 12, 2019 and shall terminate on July 15, 2021 or once payment for services performed pursuant to this Agreement reach the not-to-exceed total amount of compensation based on the rates and terms set forth in Exhibit "C" ("Term"), unless terminated earlier as set forth herein.

2. EXHIBIT A SCOPE OF SERVICES of Original Agreement shall be amended to read as follows:

Launch, Operations & Support:
End of setup through an up to 16 month term:

Task 1: Launch & maintain platform
Task 2: Promotion activities

Marketing by SVCE
Marketing by UtilityAPI

Task 3: Ongoing support, including biweekly reporting and check in

3. EXHIBIT B SCHEDULE OF PERFORMANCE of Original Agreement shall be amended to read as follows:

Launch, Operations & Support, Task 1 / Launch and maintain platform	Monthly for an up to 16-month term starting at platform launch and beginning of software license
Launch, Operations & Support, Tasks 2 & 3 / Promotion activities & Ongoing support	Monthly for an up to 16-month term starting at platform launch and beginning of software license

4. EXHIBIT C COMPENSATION of Original Agreement shall be amended to read as follows:

Deliverable 8: Launch, Operations & Support, Task 1 /Launch and maintain platform

For the first four months of a public-facing platform: $22,500 each month, not to exceed $90,000 in aggregate

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For all subsequent months of a public-facing platform: $0 each month for any months in which the total number of Unique Account Holders Served is below 90; $7,500 each month for any months in which the total number of Unique Account Holders Served is 90 or more, not to exceed $31,500 in aggregate

Months 1-4
$22,500 per month

Months 5-16
$0 per month if there are fewer than 90 Unique Account Holders Served* for that month
$7,500 per month if there are at least 90 Unique Account Holders Served* for that month

Total Deliverable 8 payments are not to exceed $121,500 in aggregate

For the purposes of the Agreement, 'Unique Account Holders Served'** shall be defined as the number of distinct email addresses associated with an authorization or collection of data in the billing month. Multiple data pulls in a month, data pulls encompassing multiple meters, and data pulls across multiple accounts supporting the same email address will count as only one Unique Account Holder Served for that month; each billing month will reset and the email address can be counted again as a Unique Account Holder Served in a preceding month if any of these actions recur in that month.*

Deliverable 9: Launch, Operations & Support, Tasks 2 & 3 /Promotion activities & Ongoing support

$4,500 each month, not to exceed $72,000 in aggregate

5. This Amendment shall be effective on September 21, 2020.

6. Except as expressly modified herein, all of the provisions of the Original Agreement shall remain in full force and effect. In the case of any inconsistencies between the Original Agreement and this Amendment, the terms of this Amendment shall control.

7. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the dates set forth besides their signatures below.

RECOMMENDED FOR APPROVAL

DocuSigned by:
Don Bray
25AB666D5413484...

Don Bray, Director of Account Services & Community Relations

DocuSign Envelope ID: B9B77574-406B-4CFD-AA22-5B9507188136

CONSULTANT NAME
UTILITYAPI, INC

By: DocuSigned by: Lynne Wander D59833D64586468...
Name: Lynne Wander
Title: Chief Operating Officer
Date: 9/22/2020

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Name: Girish Balachandran
Title: Chief Executive Officer
Date: 9/22/2020

DocuSign Envelope ID: A65A004F-2E3D-4819-B821-A8D46667F0CD

THIRD AMENDMENT TO AGREEMENT WITH UTILITYAPI, INC

WHEREAS, the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency ("Authority"), and UTILITYAPI, INC entered into that certain agreement entitled ENERGY DATA EXCHANGE PLATFORM PILOT**,** effective on June 12, 2019, hereinafter referred to as "Original Agreement"; and

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES AGREE AS FOLLOWS:

1. TERM of Original Agreement shall be amended to read as follows:

The term of this Agreement shall commence on June 12, 2019 and shall terminate on November 15, 2021 ("Term"), unless terminated earlier as set forth herein.

2. COMPENSATION TO PARTICIPANT of Original Agreement shall be amended to read as follows:

Participant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed three hundred and fifty-two thousand, five hundred dollars ($352,500.00) based on the rates and terms set forth in Exhibit "C", which is attached hereto and incorporated herein by this reference.

3. EXHIBIT A SCOPE OF SERVICES of Original Agreement shall be amended to read as follows:

Launch, Operations & Support:
End of setup through a 20 month term:

Task 1: Launch & maintain platform
Task 2: Promotion activities

Marketing by SVCE
Marketing by UtilityAPI

Task 3: Ongoing support, including biweekly reporting and check in

4. EXHIBIT B SCHEDULE OF PERFORMANCE of Original Agreement shall be amended to read as follows:

Launch, Operations & Support, Task 1 / Launch and maintain platform	Monthly for a 20 month term starting at platform launch and beginning of software license
Launch, Operations & Support, Tasks 2 & 3 / Promotion activities & Ongoing support	Monthly for a 20 month term starting at platform launch and beginning of software license

DocuSign Envelope ID: A65A004F-2E3D-4819-B821-A8D46667F0CD

5. EXHIBIT C COMPENSATION of Original Agreement shall be amended to read as follows:

The compensation to be paid to Participant under this Agreement for all services described in Exhibit "A" shall not exceed a total of three hundred and fifty-two thousand, five hundred dollars ($352,500), as set forth below. Any work performed for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority. No reimbursable expenses are contemplated as a part of this Agreement.

Deliverable 8: Launch, Operations & Support, Task 1 /Launch and maintain platform
Months 1-4
$22,500 per month

Months 5-11
$0 per month if there are fewer than 90 Unique Account Holders Served* for that month
$7,500 per month if there are at least 90 Unique Account Holders Served* for that month

Months 12-20
$4,500 per month

Total Deliverable 8 payments are not to exceed $145,500 in aggregate (total spend months 1-20)

For the purposes of the Agreement, 'Unique Account Holders Served'** shall be defined as the number of distinct email addresses associated with an authorization or collection of data in the billing month. Multiple data pulls in a month, data pulls encompassing multiple meters, and data pulls across multiple accounts supporting the same email address will count as only one Unique Account Holder Served for that month; each billing month will reset and the email address can be counted again as a Unique Account Holder Served in a preceding month if any of these actions recur in that month.*

Deliverable 9: Launch, Operations & Support, Tasks 2 & 3 /Promotion activities & Ongoing support

$4,500 each month, not to exceed $90,000 in aggregate

Original+ Amendment 1+ Amendment 2	
$279,000+$0+$0	$279,000
Total - not to exceed	
Amendment 3	
Total - not to exceed	$73,500
New Total	
Deliverables 1-7	$117,000
Deliverables 8	$145,500
Deliverables 9	$90,000
Total - not to exceed	**$352,500**

6. This Amendment shall be effective on February 11, 2021.

7. Except as expressly modified herein, all of the provisions of the Original Agreement shall remain in full force and effect. In the case of any inconsistencies between the Original Agreement and this Amendment, the terms of this Amendment shall control.

8. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the dates set forth besides their signatures below.

RECOMMENDED FOR APPROVAL

DocuSigned by:
Don Bray
25AB666D5413484...
Don Bray, Director of Account Services & Community Relations

RECOMMENDED FOR APPROVAL

DocuSigned by:
Amrit Singh
A88F1DF92E8F467...
Amrit Singh, Chief Financial Officer/Director of Administrative Services

CONSULTANT NAME
UTILITYAPI, INC

DocuSigned by:
By: Lynne Wander
D59833D64586468...
Name: Lynne Wander
Title: Chief Operating Officer
Date: 2/16/2021

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

DocuSigned by:
By: Girish Balachandran
5CA64B9AC4C24C3...
Name: Girish Balachandran
Title: Chief Executive Officer
Date: 2/17/2021

APPROVED AS TO FORM:

DocuSigned by:
Gregory W. Stepanicich
9E728D9E914F493...
Counsel for Authority

ATTEST:

DocuSigned by:
Andrea Pizano
8BC3564ACEAB48D...
Authority Clerk

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1i

Item 1i:	**Adopt Resolution 2021-26 Authorizing Public Meetings to Continue to Be Held Via Teleconferencing Pursuant to Government Code Section 54953(e) and Making Findings**
From:	Trisha Ortiz, Assistant General Counsel
Prepared by:	Trisha Ortiz, Assistant General Counsel
Date:	11/10/2021

RECOMMENDATION

General Counsel recommends that the Board adopt the attached Resolution 2021-26 authorizing public meetings to continue to be held via teleconferencing pursuant to Government Code Section 54953(e) and making findings

COMMITTEE RECOMMENDATION

There is no Committee recommendation.

BACKGROUND

Pursuant to Government Code Section 54953(b)(3) legislative bodies may meet by "teleconference" only if the agenda lists each location a member remotely accesses a meeting from, the agenda is posted at all remote locations, and the public may access any of the remote locations. Additionally, a quorum of the legislative body must be within the legislative body's jurisdiction.

Due to the COVID-19 pandemic, the Governor issued Executive Order N-29-20, suspending certain sections of the Brown Act. Pursuant to the Executive Order, legislative bodies no longer needed to list the location of each remote attendee, post agendas at each remote location, or allow the public to access each location. Further, a quorum of the legislative body does not need to be within the legislative body's jurisdiction. After several extensions, Executive Order N-29-20 expired on September 30, 2021.

On September 16, 2021 Governor Newsom signed AB 361, new legislation that amends the Brown Act to allow local agencies to meet remotely during Governor declared emergencies under certain conditions. AB 361 authorizes local agencies to continue meeting remotely without following the Brown Act's standard teleconferencing provisions if the meeting is held during a state of emergency proclaimed by the Governor and either of the following applies: (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the agency has already determined or is determining whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

Due to the rise in COVID-19 cases caused by the Delta Variant, on September 21, 2021, the Santa Clara County Health Officer issued a recommendation that public bodies meet remotely due to the increased protection provided by social distancing. The Health Officer cited "unique characteristics" of government meetings that lead to increased risk of transmission, including the gathering of people from across communities, the need for everybody to participate (including those who are immunocompromised or unvaccinated), and difficulty ensuring compliance with vaccination and safety recommendations.

Agenda Item: 1i **Agenda Date: 11/10/2021**

On October 13, 2021, the Board adopted its Resolution 2021-23 to authorize public meetings to be held via teleconferencing pursuant to Government Code section 54953(e).

Within thirty days after the first teleconferenced meeting held under AB 361, and every thirty days thereafter, in order to continue meeting by teleconference, the local agency's legislative body must find that it has reconsidered the circumstances of the state of emergency and that either: (1) The state of emergency continues to directly impact the ability of the members to meet safely in person; or (2) State or local officials continue to impose or recommend measures to promote social distancing.

STRATEGIC PLAN

SVCE's Board-adopted Strategic Plan identifies engaging the public as a goal of SVCE and remote meetings will better engage the public as long as COVID-19 is a threat to public health.

FISCAL IMPACT

Continuing to conduct remote public Board of Directors and Standing Committee meetings will not increase the cost of meetings.

ANALYSIS & DISCUSSION

The attached Resolution makes the periodic findings necessary to continue holding meetings under Government Code Section 54953(3). Specifically, the attached Resolution makes findings that the Board has reconsidered the circumstances of the COVID-19 state of emergency and that local officials continue to recommend measures to promote social distancing. The resolution applies to both the Board of Directors and its Committees.

Staff will continue to monitor the situation and will return to the Board every 30 days or as needed with additional recommendations related to the conduct of public meetings.

ATTACHMENTS

1. Resolution 2021-26 Reconsidering Circumstances Of The COVID-19 State Of Emergency And Making Findings In Connection Therewith To Authorize Public Meetings To Be Held Via Teleconferencing Pursuant To Government Code Section 54953(E)

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2021-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY RECONSIDERING CIRCUMSTANCES OF THE COVID-19 STATE OF EMERGENCY AND MAKING FINDINGS IN CONNECTION THEREWITH TO AUTHORIZE PUBLIC MEETINGS TO BE HELD VIA TELECONFERENCING PURSUANT TO GOVERNMENT CODE SECTION 54953(e)

WHEREAS, the Silicon Valley Clean Energy Authority ("Authority") was formed on March 31, 2016 pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in Santa Clara County; and

WHEREAS, the Board of Directors ("the Board") of Silicon Valley Clean Energy ("SVCE") is committed to public access and participation in its meetings while balancing the need to conduct public meetings in a manner that reduces the likelihood of exposure to COVID-19; and

WHEREAS, all meetings of the Board of Directors and the other legislative bodies of SVCE are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Board and other legislative bodies conduct their business; and

WHEREAS, pursuant to Assembly Bill 361 legislative bodies of local agencies may hold public meetings via teleconferencing pursuant to Government Code Section 54953(e), without complying with the requirements of Government Code Section 54953(b)(3), if the legislative body complies with certain enumerated requirements in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, on March 4, 2020, Governor Newsom declared a declared a State

of Emergency in response to the COVID-19 pandemic (the "Emergency") which remains in effect; and

WHEREAS, the Santa Clara Public Health Officer recommends that public bodies meet remotely to the extent possible, specifically including use of newly enacted AB 361.

WHEREAS, due to the ongoing COVID-19 pandemic and the need to promote social distancing to reduce the likelihood of exposure to COVID-19, the Board determined that meetings of the SVCE legislative bodies may be held via teleconferencing pursuant to Government Code Section 54953(e).

WHEREAS, to continue meeting pursuant to Government Code Section 54953(e), an agency must make periodic findings that: (1) the body has reconsidered the circumstances of the declared emergency; and (2) that any of the following circumstances exist: (a) the state of emergency continues to directly impact the ability of the members to meet safely in person, or (b) state or local officials continue to impose or recommend measures to promote social distancing.

NOW THEREFORE, the Board of Directors of the Silicon Valley Clean Energy Authority does hereby resolve, determine, and order as follows:

Section 1. The Recitals provided above are true and correct and are hereby incorporated by reference.

Section 2. The Board has reconsidered the circumstances of the COVID-19 state of emergency and local officials continue to recommend measures to promote social distancing.

Section 3. The Board and other legislative bodies of SVCE may continue to conduct their meetings pursuant to Government Code section 54953(e).

Section 4. Staff is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution. Such action includes returning to the Board within 30 days and every 30 days thereafter to make the findings required by Section 54953(e)(3).

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 10th day of November 2021, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Gibbons				
City of Cupertino	Director Sinks				
City of Gilroy	Director Hilton				
City of Los Altos	Director Fligor				

Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Director Rennie				
City of Milpitas	Director Chua				
City of Monte Sereno	Director Ellahie				
City of Morgan Hill	Director Martinez Beltran				
City of Mountain View	Director Abe-Koga				
County of Santa Clara	Director Ellenberg				
City of Saratoga	Director Walia				
City of Sunnyvale	Director Larsson				

_____

Chair

ATTEST:

_____

Dorothy Roberts, Interim Board Clerk

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1j

Item 1j:	**Approve Scholarship Funds for 2022 Empower SV Short-Film Competition**
From:	Don Bray, Director of Account Services & Community Relations
Prepared by:	Matt Lundy, Community Outreach Fellow
Date:	11/10/2021

RECOMMENDATION

Approve the allocation of $20,000 from the marketing budget for scholarship prizes to be awarded in the proposed '2022 Empower SV Short-Film Competition'.

BACKGROUND

Each year, SVCE hosts a scholarship competition to engage high school students in the agency's mission and to learn about how they can explore local solutions to climate change. The first two competitions were e-bike building contests, known as Bike to the Future, which were in-person events with a strong emphasis on STEM education. However, the 2020 contest was canceled due to the coronavirus pandemic.

In 2021, an entirely virtual short-film contest was created to meet the same goals of the annual scholarship competition, and the new format greatly expanded participation from students interested in a broader range of topics. We received interest from 95 students, and 23 of these went on to submit a film for the competition. These contestants formed 10 teams whose varied submissions were judged by a panel of community members, including SVCE board members. A video highlighting these diverse and thought-provoking films is available here.

The format of a film competition was successful in that it was accessible and engaging to a broad range of students, generated community excitement and involvement, and incorporated the SVCE mission. With such a range of benefits, another iteration of the film competition is proposed for this school year, building off of last year's climate resilience theme and focused on broader clean energy topics.

ANALYSIS & DISCUSSION

Both the success of the 2020-2021 scholarship competition and the ongoing effects of the COVID-19 pandemic point towards another film competition as a suitable option for this year's scholarship competition. With varying COVID-19 restrictions still in place in most communities, continuing with another virtual event will allow anyone who wishes to participate to do so freely and without worry to health. A virtual option should also continue to allow a wider range of participants in terms of skills and interests.

In the proposed 2022 competition, high school students in the SVCE service territory, as individuals or small teams, will submit a short-film (four to six minutes) depicting an aspect (or several) of the clean energy future SVCE is striving to help bring to fruition, a future with less greenhouse gas emissions and more climate solutions. This competition will not only introduce students to concepts such as clean energy technology and climate solutions, but it will allow SVCE to better understand our communities' strengths and focal points of concern regarding our mission.

The proposed Empower SV Short-Film Competition would be administered from February 2022 to May 2022. The competition would begin with a virtual kick-off event, in which staff would introduce participants to SVCE's goals and core themes of clean energy. A panel of judges will select the main prize and honorable mention winners. All submissions and winners would be showcased on the SVCE website and promoted in conjunction with a virtual (or hybrid, COVID-19 concerns allowing) 'film festival' event to be held at the conclusion of the competition.

Staff recommends an allocation of $20,000 for scholarships under this program. Rather than ranking top winners, designating four categories of equal scholarship amounts ($3,000 each) would reward different contributions and skillsets encouraged by the competition. Adding four honorable mention prizes of $2,000 each will increase the number and diversity of solutions awarded. Staff anticipates that these scholarship prizes will be successful in incentivizing student participation and acknowledging the time and creative effort spent on developing the short-films. Main prizes will include the following:

- The Energy Impact Award (one $3,000 prize) will honor the film that describes a solution likely to have a high impact in clean energy adoption at the community level. An emphasis will be placed on solutions that are both implementable and replicable.
- The Energy Innovation Award (one $3,000 prize) will recognize a creative and unique approach to clean energy. This award recognizes innovative solutions that deal with clean energy, including those that may go beyond the purely technological. Such solutions may consider social effects, like policy or human wellbeing, or other effects of clean energy in addition to the underlying science.
- The Creative Presentation Award (one $3,000 prize) rewards creative storytelling and communication of a clean energy solution. This award encourages creative artistic expression and a diversity of approaches to film production, such as a music video or animated film.
- The Community Enthusiasm Award (one $3,000 prize) will denote achievement in showcasing widespread and meaningful participation from the community. This award will incentivize solutions that receive broad support or implementation, such as school- or neighborhood-wide projects.

The Honorable Mention Awards (four at $2,000 each) would recognize short-films that did not win any of the main prize categories, but nevertheless demonstrated strong clean energy solutions and/or creative communications.

The event and scholarship awards are a great opportunity to communicate SVCE's dedication to reinvesting in the communities it serves, especially given the financial hardships and lingering impacts of COVID-19 experienced by many customers.

STRATEGIC PLAN

This event aligns with customer and community goals in SVCE's board-adopted Strategic Plan, specifically with Goal 10 – Empower customers with the awareness, knowledge and resources needed to make effective clean energy choices. The competition will build grassroots awareness and knowledge about clean energy's role in decarbonization and community development.

ALTERNATIVE

Approve a general allocation of $20,000 for a 2022 scholarship program. If the Empower SV Short-Film Competition is not approved by the SVCE Board as a scholarship program for 2022, staff will explore other prize options, modify award categories, or explore alternative student scholarship competition ideas.

FISCAL IMPACT

Agenda Item: 1j **Agenda Date: 11/10/2021**

No incremental fiscal impact. The $20,000 in scholarship funds will be allocated from the board-approved Account Services & Community Relations marketing budget.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1k

Item 1k:	**Executive Committee Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Liz Gibbons, Chair of the Executive Committee
Date:	11/10/2021

At the October 22, 2021 Executive Committee meeting, the committee heard from Director of Power Resources Monica Padilla who explained that SVCE's Risk Management Policy must be reviewed every two years. SVCE hired Ascend Analytics to help in this effort and representative Carlos Blanco made a presentation and explained the recommended policy changes. The Executive Committee voted to recommend the revised policy for the Board's consideration in November.

CEO Girish Balachandran gave an overview of upcoming items to be presented to the Executive Committee and to the Board of Directors. He also gave an update on California electricity system policy and operations.

Manager of Decarbonization and Grid Innovation Programs Justin Zagunis provided an update on "Doubling Down" on Decarbonization. He reviewed future steps to achieve the goals mentioned in the presentation. Staff will bring this item back to the Committee for further discussion.

Director of Power Resources Monica Padilla gave a presentation to seek the Executive Committee's direction to ask that the Board recommend Delegating Authority to the CEO to enter into a Coordinated Operating Agreement with Central Coast Community Energy for the Coordination of Operations of Power Purchase. The Executive Committee voted to recommend this for the Board's consideration in November.

The Executive Committee voted to recommend Board approval of the Program Proposal of $600,000 in 2020 savings from PG&E Carbon Free Attributes at the November Board.

Materials from the October 22, 2021 meeting can be found here: SVCE Executive Committee Meeting Materials, 10/22/21

The next meeting of the Executive Committee will be November 17, 2021 at 2:00 p.m.; materials will be posted no later than 72 hours in advance of the meeting.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1l

Item 1l:	**Finance and Administration Committee Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Rob Rennie, Chair of the Finance and Administration Committee Bryan Mekechuk, Vice Chair of the Finance and Administration Committee
Date:	11/10/2021

No report as the Finance and Administration Committee has not met since August 2, 2021.

The next meeting of the Finance and Administration Committee will be December 16, 2021; materials will be posted no later than 72 hours in advance of the meeting.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1m

Item 1m:	**Audit Committee Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Bryan Mekechuk, Chair of the Audit Committee
Date:	11/10/2021

No report as the Audit Committee has not met since August 18, 2021.

The next meeting of the Audit Committee will be for a yet to be determined date in early 2022; materials will be posted no later than 72 hours in advance of the meeting.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1n

Item 1n:	**California Community Power Report**
To:	Silicon Valley Clean Energy Board of Directors
From:	Girish Balachandran, CEO
Date:	11/10/2021

Per direction from the SVCE Board on December 9, 2020 for the CEO to provide a report of the ongoing activities of California Community Power (CC Power) after each of its meetings, this is to report CC Power held a Special Meeting on Friday, October 8, 2021 and its regular board meeting on Wednesday, October 20, 2021.

Attached is a summary report from Interim General Manager Timothy Haines; materials from this Special meeting can be found here on the CC Power website: CC Power Meeting, 10/8/21

Attached is also a summary from General Manager Timothy Haines; materials from the regular board meeting can be found here on the CC Power website: CC Power Meeting, 10/20/21

The next meeting of the board will be November 10, 2021 at 1:00 p.m.; meeting materials can be found on the CC Power website: https://cacommunitypower.org/meetings/

ATTACHMENTS:
CA Community Power Board Special Meeting Summary from Interim General Manager Timothy Haines, October 8, 2021

CA Community Power Board Meeting Summary from Interim General Manager Timothy Haines, October 20, 2021

California Community Power

70 Garden Court, Suite 300, Monterey, CA 93940 | cacommunitypower.org

TO: CC Power Board of Directors **DATE:** 10/8/21

FROM: Tim Haines – Interim General Manager

SUBJECT: Report on CC Power Board of Directors Meeting – 10/8/21

The CC Power Board of Directors held a Special Meeting on Friday, 10/8/21, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: https://cacommunitypower.org

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None

- **Public Comment.** Mr. Rathi Lai, Critical Impact Consulting, encouraged the Board to ensure meaningful engagement with the environmental justice community in the development of CC Power policies.

- **Consider and Possibly Approve Resolution 21-10-01 Determination that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the Proclaimed State of Emergency**

  Brittany Iles, General Counsel's office, explained that recently passed AB 361 authorizes CC Power to continue to conduct its meetings telephonically or virtually with conditions. The Board adopted the proposed resolution allowing the meeting to proceed. This determination will remain in effect for 30 days.

- **Consider and Possibly Approve Resolution 21-10-02 Notice of Intent to Bring Tumbleweed LDS Project Contracts to CC Power Board for Approval No Earlier Than Sixty Days Subsequent to this Notice**

  Monica Padilla, Director of Power Resources, Silicon Valley Clean Energy, delivered a presentation on the background on the RFO, evaluation, negotiation and contracting process for LS Power Tumbleweed project. The presentation provides considerable detail and is posted on the CC Power website at the above link.

  Ms. Padilla noted that the LDS procurement is mandated by CPUC Decision 21-06-035. She reviewed the procurement requirements by participating member and the expected contribution toward those mandates provided by the Tumbleweed project.

Mr. Kevin Fox with Keyes & Fox explained the individual contracts associated with the project and the overall joint contracting structure. Mr. Tony Braun provided a summary of the CC Power and Participating Member Board approval process.

Following the presentation, the Chair opened the discussion up to the Board. The Board expressed universal support for the project, appreciation for Participating Member and CC Power staff and consultants, and recognized this as a major milestone for the Membership and CC Power. Board Member Sears requested clarification regarding CPUC regulatory uncertainty.

Members of the public spoke in support of the project. Representatives of labor, environmental and environmental justice organizations also encouraged the CC Power Board to adopt policy guidelines for future projects.

The Board approved the resolution unanimously.

- The Chair adjourned the meeting.

California Community Power

70 Garden Court, Suite 300, Monterey, CA 93940 | cacommunitypower.org

TO: CC Power Board of Directors **DATE:** 10/20/21

FROM: Tim Haines – Interim General Manager

SUBJECT: Report on CC Power Board of Directors Meeting – October 20, 2021

The CC Power Board of Directors held its normally scheduled meeting on Wednesday, October 20, 2021, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: https://cacommunitypower.org

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** No matters were brought up.

- **Public Comment.** No public comment was provided.

- **Consent Calendar** - The Board unanimously approved the following items:
  - Minutes of the September 15, 2021Regular Board Meeting
  - Minutes of the 10/8/21 Special Board meeting
  - Resolution 21-10-13 Reconsideration of the Determination that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the Proclaimed State of Emergency

- **Board Chair's Report**. There was no Chair report.

- **General Manager's Report.** *Long Duration Storage & Firm Clean Resources Updates* – Interim GM Haines presented reviewed the Long Duration Storage project review and approval timeline. Mr. Haines informed the Board that on October 22 confidential redline versions of the contracts will be provided and final documents are expected after October 29. Mr. Haines also pointed out that additional LDS Project Agreements are expected to follow and will use the same approval process. In the Firm Clean Resources discussion, the Interim GM noted the FCR Request for Offers will be released on October 22 and will include the Board's Workforce, Environmental and Environmental Justice policy, the joint contracting approach and lessons learned from the Long Duration Storage Project.

- **Consider and Possibly Approve Resolution 21-10-14 Appointment of Treasurer/Controller and Designation of Officer to Receive Service on Behalf of CC Power.** Interim GM Haines explained that pursuant to statute and the Joint Powers Agreement CC Power must appoint a Treasurer and Controller. Staff

recommends Tom Habashi, 3CE Chief Executive Officer to replace the original Treasurer/Controller who has resigned from 3CE. Mr. Haines explained that Board Member Habashi will be supported by himself and the Maher Accountancy. The resolution also designates Interim GM Haines to receive service on behalf of the Board.

- **Introduction of the 2022 Budget** – Interim GM Haines presented 2022 budget material to the Board. The presentation provided an overview of the 2021 budget and the steps to be taken to arrive at a budget at the December Board meeting.

- **Discussion of Any Individual Member Items** – No items were presented.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 2

Item 2:	**CEO Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Girish Balachandran, CEO
Date:	11/10/2021

REPORT

SVCE Staff Update

Hannah Gustafson joined SVCE September 20, 2021, as Senior Energy Services Specialist. Most recently, Hannah served as a senior researcher at the California Center for Sustainable Communities in the Institute of the Environment and Sustainability at UCLA, where she developed data-driven tools for energy and climate planning. In collaboration with BayREN, Hannah led the expansion of the Bay Area Energy Atlas. Hannah holds both an MA in Urban and Regional Planning and a BA in Geography/Environmental Studies from the University of California, Los Angeles.

Matt Lundy joined SVCE September 1, 2021, as a Community Outreach Fellow through the Climate Corps. Matt brings experience in community climate advocacy and science communication to his role at SVCE. He is a member of the Climate Action Plan Working Group for Morgan Hill and occasionally freelances as a science writer covering physics, space, and climate change. Matt holds a BA in Astrophysics and Philosophy from UC Berkeley, and a MSc in Science Communication from Dublin City University.

CEO Agreements Executed

The following agreements have been executed by the CEO, consistent with the authority delegated by the Board:

1) EBCE, Agreement, Data Analytics Consulting Services, NTE $19,000
2) E3, Amendment, General Consulting Services, expiration extended to 3/31/2022
3) Ascend Analytics, Amendment, expiration extended to 3/31/2022
4) Flynn Resources Consulting, Amendment, expiration extended to 3/31/2022
5) MRW, Agreement, IRP Development Services, NTE $50,000

CEO Power Supply Agreements Executed

Counterparty Name	Execution/Effective Date	Transaction Type	Product	Start Date	End Date	Notional Value
East Bay Community Energy	10/6/2021	Sale	Resource Adequacy	5/1/2022	5/30/2022	$275,000
East Bay Community Energy	10/6/2021	Purchase	Resource Adequacy	5/1/2022	5/30/2022	$22,500
East Bay Community Energy	10/6/2021	Purchase	Resource Adequacy	7/1/2022	7/31/2022	$30,000

Central Coast Community Energy	10/5/2021	Sale	Resource Adequacy	1/1/2022	12/31/2022	$1,469,000
EDF Trading	10/19/2021	Sale	Resource Adequacy	1/1/2022	12/31/2022	$384,000
EDF Trading	10/19/2021	Purchase	Resource Adequacy	1/1/2022	12/31/2022	$384,000
PG&E	10/26/2021	Purchase	Resource Adequacy	8/1/2022	8/31/2022	$551,040
Peninsula Clean Energy	10/26/2021	Sale	Resource Adequacy	3/1/2022	3/31/2022	$24,500
Central Coast Community Energy	9/30/2021	Purchase	Non-Renewable Carbon Free	10/1/2021	12/31/2021	$570,000
Morgan Stanley	9/29/2021	Purchase	Non-Renewable Carbon Free	5/1/2022	10/31/2022	$408,100
Morgan Stanley	9/29/2021	Purchase	Resource Adequacy	5/1/2022	10/31/2022	$2,925,000
Morgan Stanley	10/1/2021	Purchase	Renewable Energy PCC-1	10/1/2021	12/31/2021	$700,000
Morgan Stanley	10/1/2021	Purchase	Renewable Energy PCC-1	10/1/2021	12/31/2021	$328.750
Exelon	10/8/2021	Purchase	Hedge Energy	1/1/2022	12/31/2022	$8,785,586.70
TransAlta	10/18/2021	Purchase	Hedge Energy	1/1/2022	3/31/2022	$3,975,258.75
Morgan Stanley	10/18/2021	Purchase	Hedge Energy	1/1/2023	12/31/2023	$12,045,000

These agreements are included in the Board packet as Appendix A.

Presentations & Relevant Meetings Attended by CEO

- Participated in CalCCA Monthly board, executive, and legislative meetings;
- Long-Duration Storage Super-JPA and RFO: Updates to various CCAs, CPUC, CAISO and legislative staff
- CC Power Special Board Meeting, October 8th, Regular Board Meeting, October 20th, reports included on the Consent Calendar
- Participated on a panel for UC Berkeley's Haas School of Business Annual Research Briefing, October 26th

CEO Presentation

CEO Girish Balachandran will make a presentation discussing items upcoming to the Board. The presentation for this item is posted to the SVCE website.

ATTACHMENTS

1. Decarb & Grid Innovation Programs Update, October 2021
2. Account Services & Community Relations Update, October 2021
3. Regulatory and Legislative Update, October 2021

DECARBONIZATION & GRID INNOVATION PROGRAMS UPDATE

NOVEMBER HIGHLIGHTS

SILICON VALLEY CLEAN ENERGY



Advancing Reach Codes for 2022

Following up on the success of our inaugural reach code initiative, SVCE is kicking off Reach Codes 2.0! To ensure continuity, jurisdictions will need to adopt or re-up their reach codes by September 2022. SVCE will begin conducting outreach with each member agency in December 2021.



SVTEC Meeting with US Department of Energy

SVCE hosted the Silicon Valley Transportation Electrification Clearinghouse (SVTEC) meeting on September 29, 2021. The meeting was attended by 30 participants from different companies, agencies and nonprofits. Representatives from the US Department of Energy presented on federal support for EV charging infrastructure, and SVCE and PCE spearheaded the conversation on 2022 EV reach code development.



Induction Cooktop Promotion with eHub

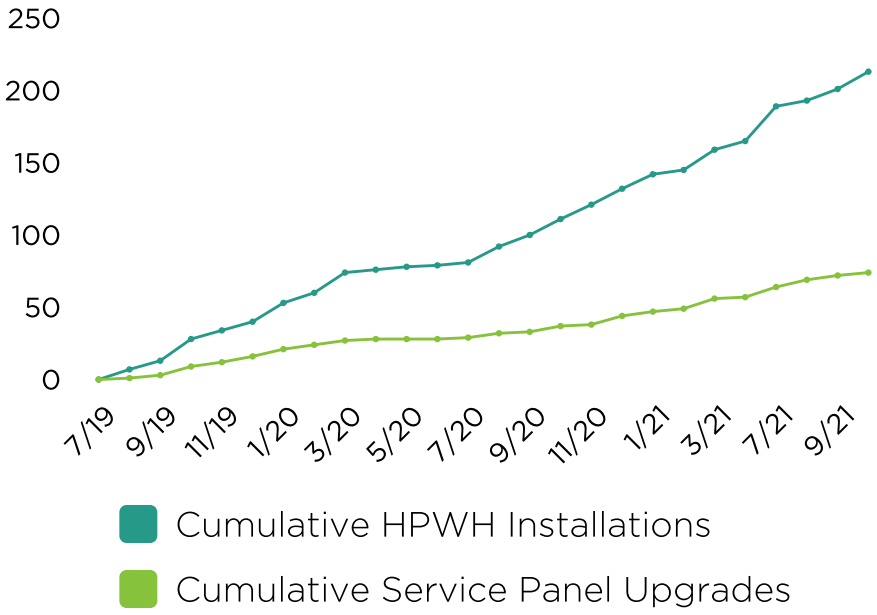
SVCE offers rebates on efficient electric appliances to customers through eHub. This summer, SVCE provided $50 off air purifiers, portable batteries and evaporative coolers to help customers in the case of extreme weather or potential power emergencies. Starting November 1, 2021, SVCE is offering $50 off portable induction cooktops at the Appliances Assistant for customers to try out induction cooking.

ONGOING METRICS NOVEMBER 2021

Heat Pump Water Heater

Provide incentives for electric heat pump water heaters and service panel upgrades to residents using gas or electric resistance heaters

Funding: $1.15M
Goal: 220 HPWH by 2022

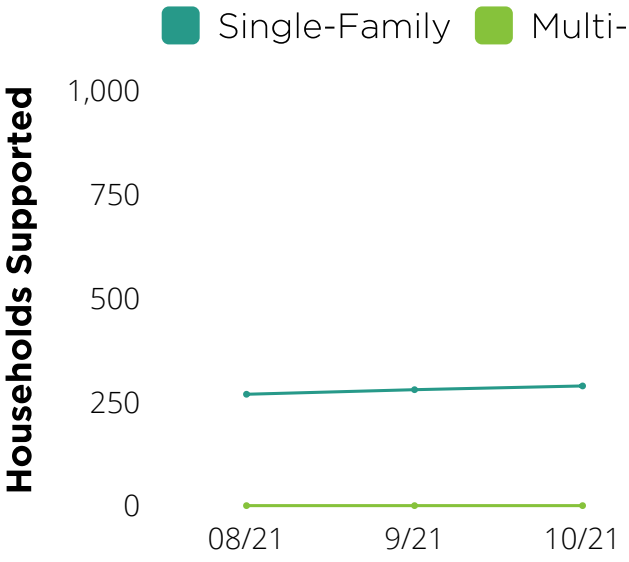


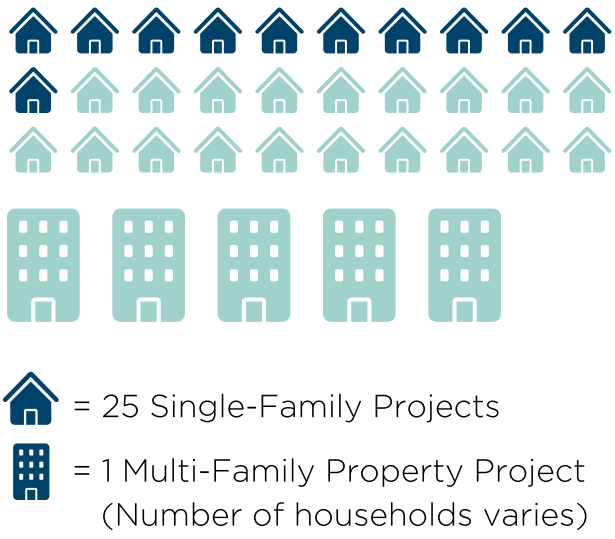


Lights On Silicon Valley

Provide incentives for enrolling solar and battery systems in the SVCE grid services program

Funding: ≤ $7.4M
Goal: 750 Single-Family + 5 Multi-Family Projects Completed by 2023





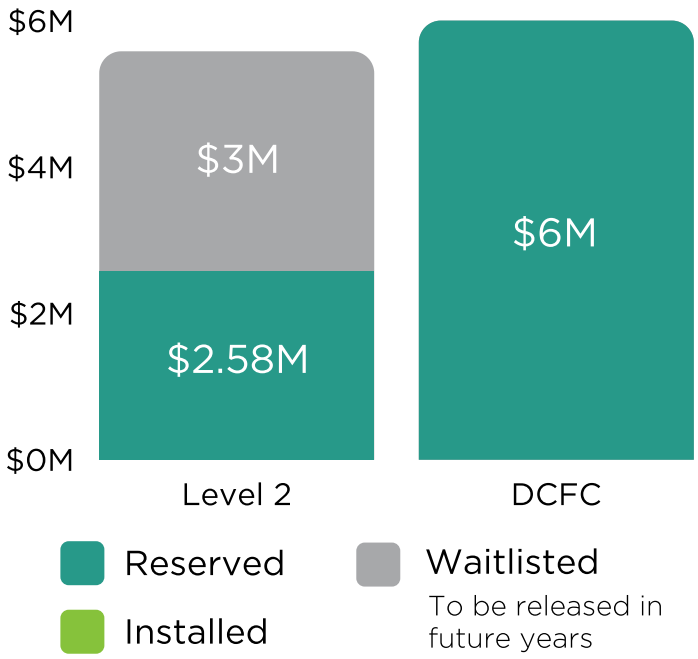
ONGOING METRICS NOVEMBER 2021

CALeVIP

Provide incentives for electric vehicle (EV) chargers as part of a regional program

Funding: $11.58M

Goal: 1K Level 2 + 85 DC Fast Chargers by 2023





= 25 Level 2 Installations

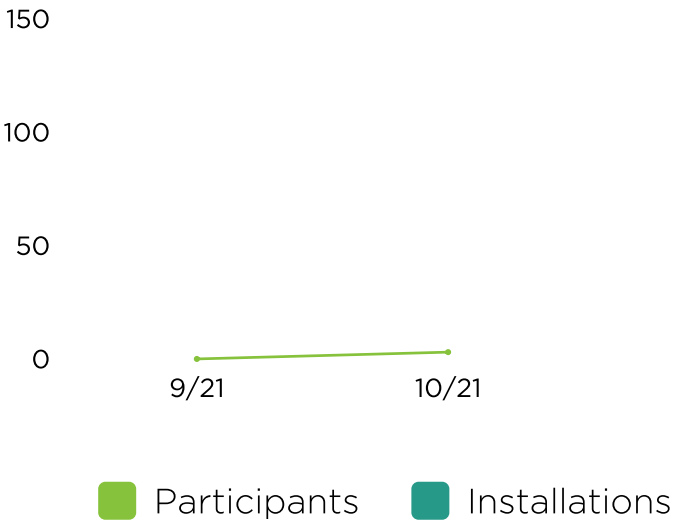
= 5 DCFC Installations

FutureFit Fundamentals

Provide financial relief to contractors by expanding their knowledge of electrification technologies

Funding: $1.5M

Goal: 150 Participants (Phase 1)





= 5 Participants Complete Course

PROGRAMS AT A GLANCE NOVEMBER 2021

Click for More Information

Active | In Development | Complete

POWER SUPPLY

- C&I Clean Power Offerings

BUILT ENVIRONMENT

- Reach Codes
- All-Electric Showcase Grants
- FutureFit Heat Pump Water Heater
- Streamlining Community-Wide Electrification
- Building Decarb Joint Action Plan
- Resilience at Community Facilities
- FutureFit Fundamentals
- CRCR Bill Relief
- FutureFit Homes & Buildings
- Regional Coordination
- Accessible Financing
- Local Policy to Decarbonize Existing Buildings
- Feasibility Assessment - Natural Gas Phase Out By 2045

MOBILITY

- EV Infrastructure Strategy & Plan
- CA Electric Vehicle Infrastructure Project (CALeVIP)
- Priority Zone DCFC
- MUD Technical Assistance
- Fleet Electrification Grants
- SV Transportation Electrification Clearinghouse (SVTEC)
- Regional Recognition

GRID INTEGRATION

- Virtual Power Plant

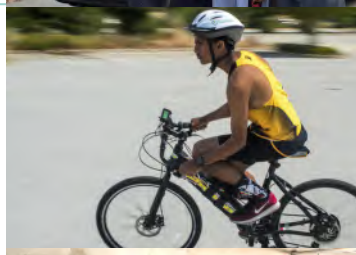
EDUCATION OUTREACH

- Customer Resource Center (eHub)
- Community Engagement Grants

INNOVATION

- Innovation Partners
- Innovation Onramp
  - UtilityAPI
  - EVmatch
  - Ecology Action
  - Extensible Energy / Community Energy Labs
  - ev.energy
  - Span.IO
  - Outthink
  - Electron
  - Stanford
  - NeoCharge
  - XeroHome






1. Outreach Events & Sponsorships

SVCE is supporting and engaging in events, meetings and conferences allowing us to continue sharing information and resources with the community and broader industry stakeholders.

Date	Time	Description	Location
November 6	1:45 – 3:30 PM	Saratoga State of the City - *tabling*	Saratoga Community Center
November 18	6:00 – 7:30 PM	BayREN Home+ Los Altos - *presentation*	Virtual
December 4	4:30 – 6:30 PM	Ice Rink Tree Lighting – *sponsoring & tabling*	Downtown Sunnyvale



Regional Home Energy 101 & Virtual Fair – October 26, 2021

SILICON VALLEY CLEAN ENERGY

2. Customer Participation

	Participation Rate	Overall Participation Rate
Residential	96.31%	96.32%
Commercial	96.33%	

SILICON VALLEY CLEAN ENERGY

3. Member Agency Working Group October Update

The October MAWG meeting scheduled for October 28, 2021 was canceled due to a scheduling conflict with the annual Urban Sustainability Directors Network conference held at the same time.

The November MAWG meeting will take place on November 18, 2021.

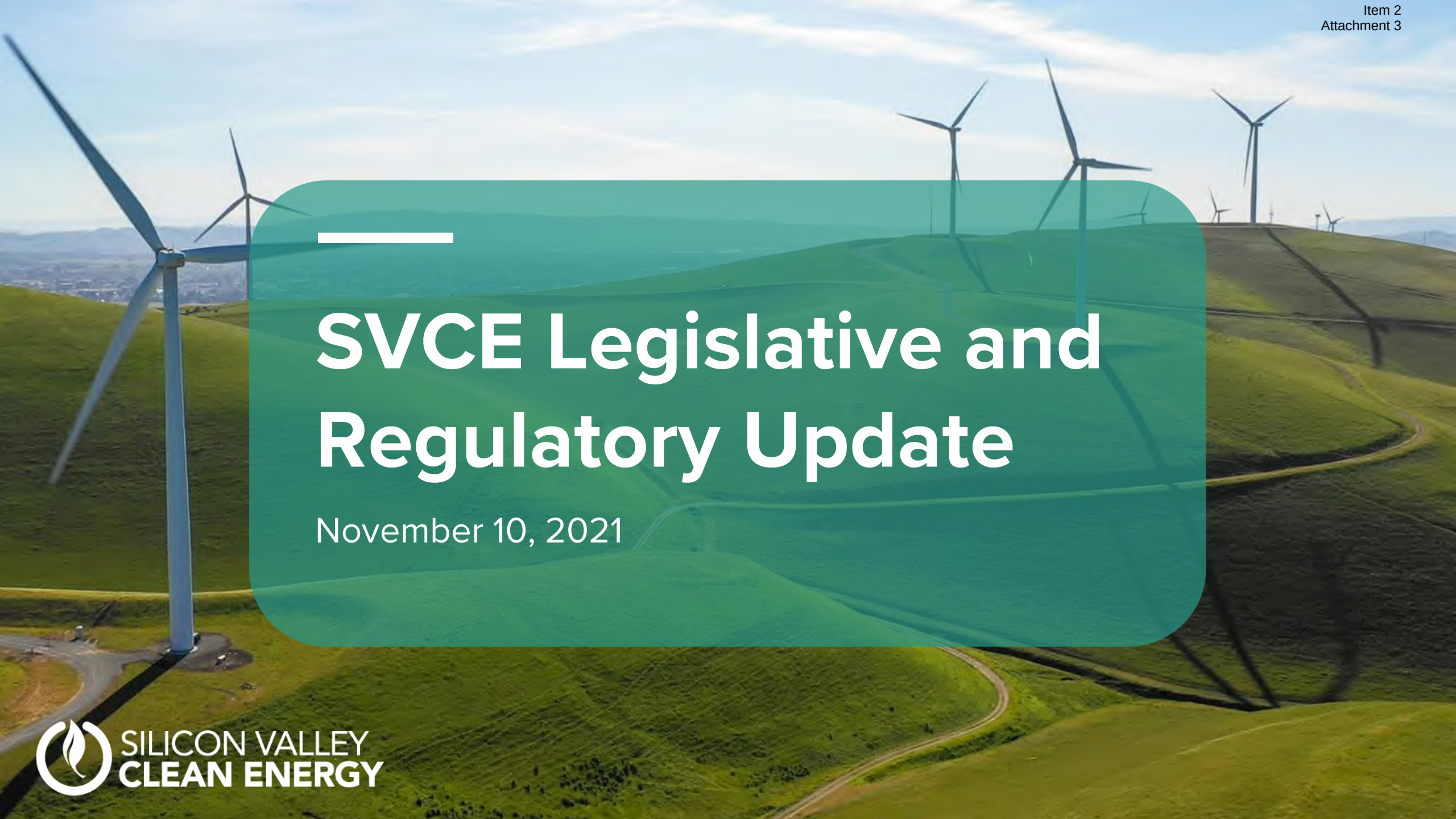
5. Latest SVCE News

- SV Clean Energy Heat Pump Water Heater Rebate Program Reaches New Milestone, *Press Release, 10-20-21*
- California Community Power Releases Request for Offers Seeking 200 MW of Firm Clean Resources, *Press Release, 10-26-21*



6. Media

- Guest opinion: Examining myths about switching from gas to electric, *The Almanac, 10-03-21*
- No Endorsement In Contested Santa Clara County Supervisorial Race, *San Jose Spotlight, 10-19-21*
- Sunnyvale Community Briefs, Program Heats Up, *The Mercury News, 10-24-2021*



SVCE Legislative and Regulatory Update

November 10, 2021

SILICON VALLEY CLEAN ENERGY

Policy Updates

Regulatory Update:

1. Power Charge Indifference Adjustment (PCIA)
2. Electricity Planning and Procurement
    1. Integrated Resource Planning (IRP)
    2. Resource Adequacy (RA)
3. Bill Debt Relief
    1. Arrearage Management Program (AMP)
    2. California Arrearage Payment Program (CAPP)
    3. Percentage of Income Payment Plan (PIPP)

Legislative Update:

1. State budget clean energy investments and COVID utility support



Regulatory Update

PCIA: Implementation of the WG3 decision is underway

The Power Charge Indifference Adjustment (PCIA) is the CPUC-authorized mechanism for PG&E to recover uneconomic or legacy procurement costs via a fee that is charged to CCA customers.

Implementing the new PCIA rules

May 2021: CPUC adopted a decision addressing CCA access to legacy energy resources, which authorizes RPS resource allocations beginning in 2023.

Summer/Fall 2021: Staff is working with CalCCA to develop a process for allocating RPS resources to CCAs.

- September 2021: A workshop was held to discuss allocation terms and conditions.

Next Steps: Utilities will inform CCAs of RPS allocation shares in early 2022.

Electricity Planning and Procurement: New rules imposed and more changes expected

Procurement obligations continue to evolve throughout 2021 and 2022

Newsom's Emergency Proclamation

- Orders energy agencies to ensure energy supply meets demand in extreme events

New Procurement Mandates

- LSEs must procure 11,500 MW of new electricity by 2026
- SVCE responsible for 237 MW
- CPUC is proposing procuring 2000 – 3000 MW statewide to meet reliability needs 2022 and 2023

New Reliability Rules in Development

- CPUC is restructuring its Resource Adequacy program

IRP: CPUC considering additional measures to enhance summer reliability during 2022-23

Integrate Resource Planning (IRP) is a two-year process to ensure that the electricity sector is on track to meet its portion of the State's GHG reduction and reliability goals.

Proposed mandate for CCAs and other load serving entities

- October 2021: CPUC issued a proposed decision on 2022-2023 summer reliability, which
  - Orders PG&E to procure demand and supply-side resources of 900 – 1,350 MW to meet summer reliability needs.
  - Expands use of a central procurement entity to procure reliability resources located in local areas.
  - Encourages accelerated online dates for procurement ordered by previous mandates.
  - Expands the Emergency Load Reduction Program (ELRP), where customers reduce usage during times of high grid stress, to residential customers and increases the incentive from $1 to $2/kWh to increase participation
  - Establishes a new smart thermostat program to encourage reduced energy usage during critical times.

Next steps: Comments on the proposed decision are due on November 10th and is scheduled to be adopted on December 2nd.

Resource Adequacy (RA) Program: RA Program reform is underway

RA is a program developed to ensure that there will be sufficient resources available to serve electric demand under most conditions.

Resource Adequacy reform

September/October 2021: RA reform workshops began. SVCE is participating in the process via CalCCA. Workshops are considering:

- Structural elements of a revised RA program
- A methodology for counting resources
- A methodology for determining need for RA and ways to allocate to LSEs

Next steps: A final restructuring plan for the RA Program is expected in Q2 2022.

Bill debt relief: the State adopts three programs to support customer debt

Implementation of all three programs is underway

- Customer bill debt and disconnections remail a top priority for the Governor and state energy agencies.
- In 2021, three different programs were established to address customer bill debt and avoid future disconnections
  1. Arrearage Management Program
  2. California Arrearage Payment Program
  3. Percentage of Income Payment Program

Arrearage Management Program (AMP)

The AMP forgives past-due balances to avoid disconnection.

AMP implementation

June 2021: CPUC adopted the AMP which requires CCAs and utilities to forgive up to $8,000 in past due balances over a 12-month period.

Summer 2021: SVCE has issued targeted, directed direct-mail notices for AMP to qualified CARE/FERA residential customers. These letters were translated to Spanish, Vietnamese, and Chinese.

# of SVCE customers eligible for CAPP	Percentage of total SVCE customers
945	33%

California Arrearage Payment Program (CAPP)

CAPP issues payments to customers who've accumulated bill debt due to the pandemic.

Bill Debt Relief funding allocation

June 2021: The 2021 California state budget allocated $1 billion to establish the CAPP

July 2021: The California Department of Community Services and Development (CSD) began administering the CAPP

August/September 2021: CSD coordinated with utilities and CCAs on identifying customers and accumulated debt by LSE.

- SVCE staff is working closely with PG&E on identifying customers.

Next Steps: The payments are expected to be issued to customers by early 2022.

Percentage of Income Payment Plan (PIPP)

The PIPP is a pilot program which sets bill payment amounts at an affordable percentage of a customer's monthly income.

PIPP implementation

October 2021: CPUC adopts the PIPP pilot

- Program size: 15,000 customers
- Eligibility: CARE customers located in zip codes with the highest rates of recurring disconnections, or have been disconnected 2+ times during prior to the moratorium
- Duration: 48 months
- Bill caps: Set at 4% of household income updated annually to reflect current income guidelines

Next steps: Staff is assessing whether SVCE has eligible customers to participate in the pilot.



Legislative Update

State Budget Includes Investments in Clean Energy and COVID Utility Support

Success on electric utility support funding and structure, more work on Long-Duration Storage and some parts of EV program.

Program	Funding in FY 21-22
Unpaid Electric Utility Bill Support	$1 billion
Transmission Planning, Off-shore Wind, Pre-commercial long duration storage projects	$406 million
Climate Resilience	$1.2 billion
EV Purchases – Clean Car 4 All, Clean Vehicle Rebate, electric bikes, ZEV transit, market development, manufacturing, and heavy-duty ZEV and infrastructure	$2.7 billion

Next Steps: SVCE staff is currently identifying funding opportunities to advance our clean energy programs.



SILICON VALLEY CLEAN ENERGY

Staff Report – Item 3

Item 3:	**"Doubling Down" on Decarbonization Programs (Discussion)**
From:	Girish Balachandran, CEO
Prepared by:	Justin Zagunis, Manager of Decarbonization and Grid Innovation Programs
Date:	11/10/2021

RECOMMENDATION

Staff recommends that the Board of Directors ("Board") provide feedback on the following items:

1. Thinking about program efforts through the lens of enabling policy as a key approach for rapid, comprehensive, and cost-effective decarbonization
2. The set of five specific program concepts identified to be prioritized with staff and funding resources

Getting this directional feedback will help staff in preparation of a presentation to the Board in Q1 2022 that will seek approval on programs to allocate additional funding and staff energy towards. No action is requested of the Board at this time.

BACKGROUND

In August 2021, the Board provided feedback on the FY 2021-22 proposed operating budget indicating an interest in "doubling down" on decarbonization program efforts in the context of the need for urgent climate action and the forecasted reserves in the FY 2021-22 budget. Staff has since reviewed learnings from SVCE programs over the past several years, considered the critical role that SVCE and its cities can play in achieving full decarbonization, and engaged with various stakeholders to get input on the material presented in this item.

EXECUTIVE COMMITTEE REVIEW

The Executive Committee met October 22, 2021, for a discussion on the material presented in this item. Based on the committee's input, staff made some adjustments to the presentation and are bringing this item to the full Board for additional directional feedback.

ANALYSIS & DISCUSSION

SVCE staff will address the analysis in the form of a presentation to the Board. Staff is seeking discussion and feedback by the Board.

STRATEGIC PLAN

The proposal supports the 6th Focus Area approved by the Board in September 2021 to "grow the organization to expand our strategic efforts on climate change and decarbonization." It also supports SVCE's updated 2021-2022 Strategic Plan Goal 8, which is to "coordinate development of decarbonization and resilience strategy, lead design of local policy and programs, and support program deployment."

ALTERNATIVE

Staff is open to feedback and suggestions from the Board.

FISCAL IMPACT

Agenda Item: 3 **Agenda Date: 11/10/2021**

This item has no fiscal impact, as no action will result. When staff brings the next iteration to the Board in Q1 2022 for approval, more details on how the programs impact the budget will be available.

ATTACHMENTS

The presentation for this item is posted to the SVCE website.

SILICON VALLEY CLEAN ENERGY

Silicon Valley Clean Energy Board of Directors Meeting

November 10, 2021

Appendix A

Power Resource Contracts Executed by CEO

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WSPP RESOURCE ADEQUACY CONFIRMATION

This Confirmation confirms the transaction between Silicon Valley Clean Energy Authority, a California joint powers authority ("Seller") and East Bay Community Energy Authority, a California joint powers authority municipality ("Purchaser"), and each individually a "Party" and together the "Parties", dated as of October 6, 2021 (the "Effective Date"), by which Seller agrees to sell and deliver, and Purchaser agrees to purchase and receive, the Product (the "Transaction"). This Transaction is governed by the WSPP Agreement dated July 28, 2020 (the "WSPP Agreement"). The WSPP Agreement and this Confirmation, including any applicable appendices, exhibits or amendments thereto, shall be collectively referred to herein as the "Agreement" and will constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the WSPP Agreement are defined in the Tariff.

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are in Appendix B. Appendices A, B, C, and D are incorporated into this Confirmation.

☐ Firm RA Product:

Seller shall provide Purchaser with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

☒ Contingent Firm RA Product:

Seller shall provide Purchaser with Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Purchaser that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

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ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

(a) For each Showing Month of the Delivery Period, Seller shall sell and deliver to Purchaser, and Purchaser shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for the Delivery Period is firm and will not be excused for any reason.

(b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and Product for Purchaser, as further specified in Appendix B, all in compliance with this Confirmation.

(c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable Showing Month, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Purchaser for each Showing Month of the Delivery Period. The total amount of Product identified and confirmed for such Showing Month shall equal the Expected Contract Quantity.

(d) Seller shall sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B, including the Resource Category and, if applicable, the Flexible Capacity Category. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Purchaser with the specific information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.

(e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any Showing Month, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Purchaser's instructions, including Purchaser's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Purchaser has elected to submit the Product from the Shown Unit in

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its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any Showing Month in such amount as instructed by Purchaser for the applicable Showing Month. Seller will not have failed to deliver the Expected Contract Quantity if Purchaser fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) The Shown Unit(s) must not have characteristics that would trigger the need for Purchaser or Seller to file an advice letter or other request for authorization with the CPUC or for Purchaser to make a compliance filing pursuant to California Public Utilities Code Section 380.

2.2 Reductions in Contract Quantity

(a) If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each Showing Month may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable Showing Month; provided, (i) Seller notifies Purchaser by the Notification Deadline applicable to that Showing Month of the amount of Product from the Unit that Purchaser may include in Purchaser's Compliance Showings applicable to that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plansin accordance with the Tariff.

(b) In the event Seller is unable to provide the Contract Quantity for any portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Showing Month from Replacement Units, provided Seller provides and identifiessuch Replacement Units in accordance with Section 2.3.

(c) Seller's obligation to deliver the Contract Quantity for each day of each Showing Month may be reduced at Seller's option in the event Purchaser fails to deliver, for any reason, the contract quantity of product set forth in Appendix B of the Swap Confirmation (such option, the "Swap Reduction Option"); provided, however, that (i) Seller's obligation to deliver the Contract Quantity of Product may not be reduced by an amount greater than the contract quantity of product that Purchaser failed to deliver under the Swap Confirmation and (ii) that the Swap Reduction Option is subject to Seller providing written notice to Purchaser of such modification no later than two (2) Business Days before the initial Compliance Showing deadline for such Showing Month. Seller's rights under the Swap Reduction Option are cumulative and in addition to Seller's rights under the Swap Confirmation.

2.3 Seller's Option To Provide Alternate Capacity

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If Seller is unable to provide the full Contract Quantity for a Showing Month for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide some or all of the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Purchaser, provide Purchaser with replacement Product from one or more replacement units having the same Capacity Attributes of the Unit(s) originally identified in Appendix B, including the same Resource Category and, if applicable, the Flexible Capacity Category (each such unit, a "Replacement Unit") in an amount such that the total amount of Product provided to Purchaser from the Unit and any Replacement Unit(s) for each Showing Month is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Purchaser in writing of its intent to provide Alternate Capacity and shall identify the proposed Replacement Units from which such Alternate Capacity shall be provided no later than the Notification Deadline for Purchaser's Compliance Showings related to such Showing Month;

(b) The proposed Replacement Units must (i) be accepted by the CAISO, and (ii) otherwise satisfy the requirements of this Agreement;

(c) Seller shall, or shall cause the SC to submit a Supply Plan for each Showing Month and, if applicable, annual filing, no later than the Notification Deadline for Purchaser's Compliance Showings;

(d) If Seller does not comply with the requirements of Sections 2.3(a), (b) and (c) for the applicable Showing Month and, if applicable, annual filing, then any such Replacement Units shall not be deemed a Replacement Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product; and

(e) The designation of any Replacement Unit(s) by Seller shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3 and Purchaser has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Showing Month. Purchaser's approval of a Replacement Unit as to a given Showing Month shall not be construed as approval of such Replacement Unit for any subsequent Showing Month.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Purchaser have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Showing Months for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Purchaser with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Purchaser's receipt of any Seller proposed changes, Purchaser shall notify Seller in writing of any reasonable requests for modifications to such Seller proposed

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changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Purchaser's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Purchaser's Remedies for Seller's Failure to Deliver Expected Contract Quantity

(a) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any Showing Month, Seller shall be liable for damages pursuant to Section 21.3 of the WSPP Agreement, without reference to the word "hourly" therein.

(b) Seller shall indemnify, defend and hold harmless Purchaser from any penalties, fines or costs, assessed against Purchaser by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event will Purchaser be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Purchaser for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Purchaser may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the WSPP Agreement.

2.6 Purchaser's Re-Sale of Product

(a) Purchaser may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6(a). For any such a resale, the Resource Adequacy Plan of Purchaser as used herein will refer to the Resource Adequacy Plan of Subsequent Purchaser. Seller shall, or shall cause the Shown Unit's SC, to follow Purchaser's instructions with respect to providing such resold Product to Subsequent Purchasers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Purchasers to use such resold Product in a manner consistent with Purchaser's rights under this Confirmation. If Purchaser incurs any liability to a Subsequent Purchaser due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller will be liable to Purchaser for the amounts Seller would have owed Purchaser under this Confirmation if Purchaser had not resold the Product.

(b) Purchaser shall notify Seller in writing of any resale of Product and the Subsequent Purchaser no later than two (2) Business Days before the Notification Deadline for each Showing Month for which Purchaser has resold the Product. Purchaser shall

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notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Showing Month.

(c) If CAISO or CPUC develops a centralized capacity market, Purchaser will have exclusive rights to offer, bid, or otherwise submit the Expected Contract Quantity of Product for re-sale in such market, and Purchaser shall have the right to retain and receive all revenues from such re-sale.

ARTICLE 3
PAYMENTS

3.1 Payment

Purchaser shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Purchaser's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day ("Monthly RA Capacity Payment"). The Monthly RA Capacity Payment shall equal the product of (a) the applicable Contract Price for that Showing Month, (b) the Expected Contract Quantity for the Showing Month and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Showing Month that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

(a) Seller will receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Purchaser must promptly report receipt of any such revenues to Seller. Purchaser must pay to Seller any such amounts described in this Section 3.2(a) received by Purchaser or a Subsequent Purchaser. Without prejudice to its other rights and remedies, Seller may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Purchaser under the WSPP Agreement.

(b) Purchaser is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Purchaser. Seller shall pay to Purchaser within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Purchaser may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the WSPP Agreement.

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(c) If CAISO designates any part of the Contract Quantity as Capacity Procurement Mechanism Capacity, then Seller shall, or shall cause the Shown Unit's SC to, within one (1) Business Day of the time Seller receives notification from CAISO, notify Purchaser and not accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

(d) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER PURCHASER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period, in compliance with the Tariff, and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Purchaser is not liable for, and Seller shall indemnify and hold Purchaser harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

4.2 Seller's and Purchaser's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Purchaser and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Purchaser's rights to the Expected Contract Quantity for the sole benefit of Purchaser or any Subsequent Purchaser and (b) that Purchaser may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy the Compliance Obligations, as applicable, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Purchaser throughout the Delivery Period that:

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(a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;

(b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;

(c) the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for that Shown Unit;

(d) if applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Purchaser; and

(e) Seller has notified or will notify the Shown Unit's SC that Purchaser is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Purchaser, along with appropriate documentation supporting the amount of those revenues.

ARTICLE 5
RESERVED

ARTICLE 6
ADDITIONAL WSPP AGREEMENT AMENDMENTS; GENERAL PROVISIONS

6.1 Confidentiality

Each Party to this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.).

6.2 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction, or any change in applicable law, occurring after the Confirmation Effective Date results in (i) material changes to Purchaser's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the Resource Adequacy Requirements such that the Product can no longer be counted towards Purchaser's Resource Adequacy Requirements (a "Change in Law"), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of the Product sold hereunder in order to maintain the original intent.

6.3 Governing Law

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Notwithstanding Section 24 of the WSPP Agreement, this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

6.4 Collateral

Notwithstanding any provision in the WSPP Agreement to the contrary, including Section 27, neither Party shall be required to post collateral or other security for this Transaction.

6.5 No Recourse to Members

The Parties are each organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and are each a public entity separate from their constituent members. Each Party will solely be responsible for all of such Party's debts, obligations and liabilities accruing and arising out of this Confirmation. Each Party agrees that it shall have no rights and shall not make any claims, take any actions or assert any remedies against any of the other Party's constituent members, or the officers, directors, advisors, contractors, consultants or employees of the other Party or the other Party's constituent members, in connection with this Confirmation.

6.6 Other WSPP Agreement Changes

For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 9.4 is deleted in its entirety and replaced with the following:

"In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in writing within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) months after the close of the month during which performance of a Transaction occurred, the right to payment for such performance is waived."

(b) Section 22.1 is modified by inserting the following new text at the end thereof:

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"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(c) Section 22.2(a) is deleted in its entirety replaced with the following:

"If an Event of Default shall have occurred and be continuing, the Non- Defaulting Party, upon written notice to the Defaulting Party, shall have the right to (i) suspend performance under any or all transactions under this Agreement; provided, however, in no event shall any such suspension continue for longer than ten (10) Business Days with respect to any single transaction, and (ii) exercise any remedy available at law or equity."

(d) Section 22.2(b) is amended by inserting "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(e) Section 22.2(b) is amended by inserting the following as the penultimate paragraph in Section 22.2(b):

"If Purchaser is the Non-Defaulting Party and Purchaser reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Purchaser or a Subsequent Purchaser is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Purchaser may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Purchaser's estimate exceeds the actual amount of penalties, fines or costs, Purchaser must promptly remit to Seller the excess amount with interest in accordance with Section 9.3 of the WSPP Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

(f) Section 22.3(c) is amended by deleting the third sentence thereof and replacing it with the following:

"If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

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(g) In Section 22.3(e) is deleted in its entirety and replaced with the following: "[Intentionally omitted]"

(h) Section 22.3(f) is deleted in its entirety and replaced with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that the Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

(i) Section 28.1 is applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(j) Section 30.1 is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(k) Subsections 34.1 and 34.2 are deleted and replaced with the following:

"34.1 INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

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(l) The phrase "arbitration or" is deleted from the first line of Section 34.4.

(m) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(n) Section 37 is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(o) Section 41 "Witness" shall become Section 42 and the following "Standard of Review" Section shall be substituted in its place:

"The Parties agree as follows:

From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co.

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v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

6.7 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

6.8 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[*Signatures appear on the following page.*]

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AGREED AS OF THE EFFECTIVE DATE:

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Howard Chang 919B04FF6470428...

Name: Howard Chang

Title: COO

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APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Purchaser in accordance with the terms of Section 2.3.

"CAISO" means the California ISO or the successor organization to the functions thereof.

"Capacity Attributes" means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

"CIRA Tool" means the CAISO Customer Interface for Resource Adequacy.

"Compliance Obligations" means, as applicable, RAR, Local RAR and FCR.

"Compliance Showings" means the applicable LSE's compliance with the resource adequacy requirements of the CPUC for an applicable Showing Month.

"Contingent Firm RA Product" has the meaning set forth in Article 1 herein.

"CPUC Decisions" means any currently effective or future decisions, resolutions, or rulings related to resource adequacy.

"CPUC Filing Guide" is the document issued annually by the CPUC which sets forth the guidelines, requirements and instructions for load serving entities to demonstrate compliance with the CPUC's resource adequacy program.

"Effective Flexible Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, and (b) for Contingent Firm RA Product, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, less any reductions to Contract Quantity consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having

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jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

"FCR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's FCR.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"Governmental Body" means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

"Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

"Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

"Local RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's Local RAR.

"LSE" means "Load Serving Entity" as such term is used in Section 40.9 of the Tariff.

"MW" means megawatt.

"Net Qualifying Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Notification Deadline" is ten (10) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

"Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

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"Product" means RAR Attributes, Local RAR Attributes and FCR Attributes, each for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications contained in Appendix B.

"Prorated Percentage of Unit Factor" means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prorated Percentage of Unit Flexible Factor" means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prudent Operating Practice" means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

"RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's RAR.

"Replacement Unit" has the meaning set forth in Section 2.3.

"Resource Adequacy Requirements" or "RAR" means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations, not including Local RAR or FCR.

"Resource Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"SC" means Scheduling Coordinator as defined in the Tariff.

"Showing Month" means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

"Shown Unit" means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan.

"Subsequent Purchaser" means the purchaser of Product from Purchaser in a re-sale of Product by Purchaser.

"Substitute Capacity" has the meaning set forth in the Tariff for "RA Substitute Capacity".

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"Swap Confirmation" means that certain WSPP Agreement Confirmation between Seller and Purchaser dated concurrently herewith, in which Seller is purchasing [5 MW of Generic System RA from Purchaser.

"Swap Reduction Option" has the meaning specified in Section 2.2(c).

"Tariff" means the CAISO Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means the generation unit described in Appendix B. A Unit or Shown Unit may not be a coal-fired generating facility.

"Unit EFC" means the lesser of the Unit's Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

"Unit NQC" means the lesser of the Unit's Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

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APPENDIX B
PRODUCT AND UNIT INFORMATION

Product:

☒ RAR ☐ Local RAR ☒ Flexible Capacity

and all Capacity Attributes related to such Product.

Additional Product Information (fill in all that apply):
CAISO Zone: SP26
Resource Category (MCC Bucket): 4
CPUC Local Area (if applicable):
Flexible Capacity Category (if applicable): 1

Delivery period [redacted]

Contract Quantity and Contract Price:

RAR and Local RAR, as applicable

Showing Month and Year	Contract Quantity	Contract Price -
[redacted]		

Flexible Capacity, if applicable

Showing Month and Year	Contract Quantity (MW)	Contract Price ($/kW-mo)
[redacted]		

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Unit 1

Unit Specific Information	
Resource Name	REDONDO GEN STA. UNIT 5
Physical Location	Redondo Beach, CA
CAISO Resource ID	REDOND_7_UNIT 5
SCID of Resource	EDFR
Unit NQC by month (e.g., Jan=50,Feb=65):	178.87
Unit EFC by month (e.g., Jan=30, Feb=50)	168.87
Resource Type (e.g., gas, hydro, solar, etc.)	Natural Gas Steam
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	1
TAC Area (e.g., PG&E, SCE)	SCE
Prorated Percentage of Unit Factor	
Prorated Percentage of Unit Flexible Factor	
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	LA Basin
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

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APPENDIX C
NOTICE INFORMATION

Seller: Silicon Valley Clean Energy Authority	**Purchaser:** East Bay Community Energy
All Notices: 333 West El Camino Real, Suite 330 Sunnyvale, CA 94087	**All Notices:** 1999 Harrison Street, Suite 800 Oakland, CA 94612 Attn: Power Resources
[redacted]	
Additional notices of an Event of Default to:	Additional notices of an Event of Default to:

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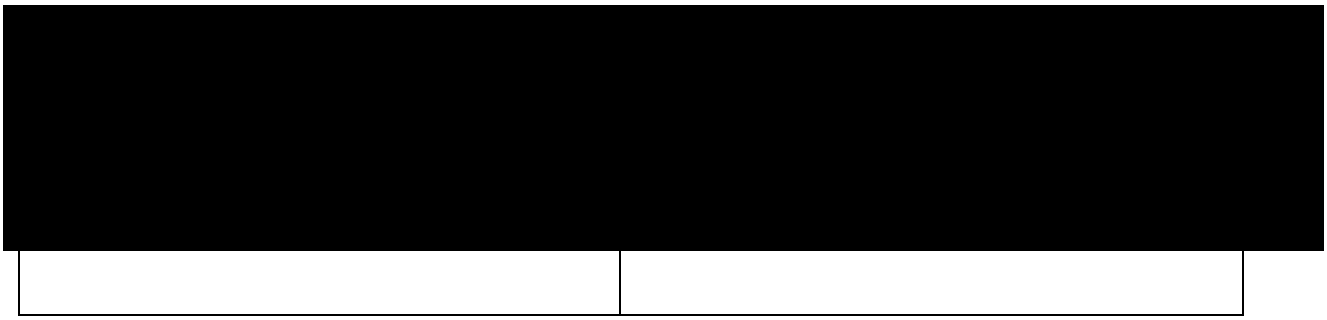

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APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

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WSPP RESOURCE ADEQUACY CONFIRMATION

This Confirmation confirms the transaction between East Bay Community Energy Authority, a California joint powers authority ("Seller") and Silicon Valley Clean Energy Authority, a California joint powers authority municipality ("Purchaser"), and each individually a "Party" and together the "Parties", dated as of October 6, 2021 (the "Effective Date"), by which Seller agrees to sell and deliver, and Purchaser agrees to purchase and receive, the Product (the "Transaction"). This Transaction is governed by the WSPP Agreement dated July 28, 2020 (the "WSPP Agreement"). The WSPP Agreement and this Confirmation, including any applicable appendices, exhibits or amendments thereto, shall be collectively referred to herein as the "Agreement" and will constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the WSPP Agreement are defined in the Tariff.

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are in Appendix B. Appendices A, B, C, and D are incorporated into this Confirmation.

☐ Firm RA Product:

Seller shall provide Purchaser with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

☒ Contingent Firm RA Product:

Seller shall provide Purchaser with Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Purchaser that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

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ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

(a) For each Showing Month of the Delivery Period, Seller shall sell and deliver to Purchaser, and Purchaser shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for the Delivery Period is firm and will not be excused for any reason.

(b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and Product for Purchaser, as further specified in Appendix B, all in compliance with this Confirmation.

(c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable Showing Month, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Purchaser for each Showing Month of the Delivery Period. The total amount of Product identified and confirmed for such Showing Month shall equal the Expected Contract Quantity.

(d) Seller shall sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B, including the Resource Category and, if applicable, the Flexible Capacity Category. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Purchaser with the specific information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.

(e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any Showing Month, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Purchaser's instructions, including Purchaser's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Purchaser has elected to submit the Product from the Shown Unit in

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its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any Showing Month in such amount as instructed by Purchaser for the applicable Showing Month. Seller will not have failed to deliver the Expected Contract Quantity if Purchaser fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) The Shown Unit(s) must not have characteristics that would trigger the need for Purchaser or Seller to file an advice letter or other request for authorization with the CPUC or for Purchaser to make a compliance filing pursuant to California Public Utilities Code Section 380.

2.2 Reductions in Contract Quantity

(a) If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each Showing Month may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable Showing Month; provided, (i) Seller notifies Purchaser by the Notification Deadline applicable to that Showing Month of the amount of Product from the Unit that Purchaser may include in Purchaser's Compliance Showings applicable to that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plansin accordance with the Tariff.

(b) In the event Seller is unable to provide the Contract Quantity for any portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Showing Month from Replacement Units, provided Seller provides and identifiessuch Replacement Units in accordance with Section 2.3.

(c) Seller's obligation to deliver the Contract Quantity for each day of each Showing Month may be reduced at Seller's option in the event Purchaser fails to deliver, for any reason, the contract quantity of product set forth in Appendix B of the Swap Confirmation (such option, the "Swap Reduction Option"); provided, however, that (i) Seller's obligation to deliver the Contract Quantity of Product may not be reduced by an amount greater than the contract quantity of product that Purchaser failed to deliver under the Swap Confirmation and (ii) that the Swap Reduction Option is subject to Seller providing written notice to Purchaser of such modification no later than two (2) Business Days before the initial Compliance Showing deadline for such Showing Month. Seller's rights under the Swap Reduction Option are cumulative and in addition to Seller's rights under the Swap Confirmation.

2.3 Seller's Option To Provide Alternate Capacity

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If Seller is unable to provide the full Contract Quantity for a Showing Month for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide some or all of the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Purchaser, provide Purchaser with replacement Product from one or more replacement units having the same Capacity Attributes of the Unit(s) originally identified in Appendix B, including the same Resource Category and, if applicable, the Flexible Capacity Category (each such unit, a "Replacement Unit") in an amount such that the total amount of Product provided to Purchaser from the Unit and any Replacement Unit(s) for each Showing Month is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Purchaser in writing of its intent to provide Alternate Capacity and shall identify the proposed Replacement Units from which such Alternate Capacity shall be provided no later than the Notification Deadline for Purchaser's Compliance Showings related to such Showing Month;

(b) The proposed Replacement Units must (i) be accepted by the CAISO, and (ii) otherwise satisfy the requirements of this Agreement;

(c) Seller shall, or shall cause the SC to submit a Supply Plan for each Showing Month and, if applicable, annual filing, no later than the Notification Deadline for Purchaser's Compliance Showings;

(d) If Seller does not comply with the requirements of Sections 2.3(a), (b) and (c) for the applicable Showing Month and, if applicable, annual filing, then any such Replacement Units shall not be deemed a Replacement Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product; and

(e) The designation of any Replacement Unit(s) by Seller shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3 and Purchaser has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Showing Month. Purchaser's approval of a Replacement Unit as to a given Showing Month shall not be construed as approval of such Replacement Unit for any subsequent Showing Month.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Purchaser have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Showing Months for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Purchaser with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Purchaser's receipt of any Seller proposed changes, Purchaser shall notify Seller in writing of any reasonable requests for modifications to such Seller proposed

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changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Purchaser's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Purchaser's Remedies for Seller's Failure to Deliver Expected Contract Quantity

(a) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any Showing Month, Seller shall be liable for damages pursuant to Section 21.3 of the WSPP Agreement, without reference to the word "hourly" therein.

(b) Seller shall indemnify, defend and hold harmless Purchaser from any penalties, fines or costs, assessed against Purchaser by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event will Purchaser be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Purchaser for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Purchaser may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the WSPP Agreement.

2.6 Purchaser's Re-Sale of Product

(a) Purchaser may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6(a). For any such a resale, the Resource Adequacy Plan of Purchaser as used herein will refer to the Resource Adequacy Plan of Subsequent Purchaser. Seller shall, or shall cause the Shown Unit's SC, to follow Purchaser's instructions with respect to providing such resold Product to Subsequent Purchasers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Purchasers to use such resold Product in a manner consistent with Purchaser's rights under this Confirmation. If Purchaser incurs any liability to a Subsequent Purchaser due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller will be liable to Purchaser for the amounts Seller would have owed Purchaser under this Confirmation if Purchaser had not resold the Product.

(b) Purchaser shall notify Seller in writing of any resale of Product and the Subsequent Purchaser no later than two (2) Business Days before the Notification Deadline for each Showing Month for which Purchaser has resold the Product. Purchaser shall

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notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Showing Month.

(c) If CAISO or CPUC develops a centralized capacity market, Purchaser will have exclusive rights to offer, bid, or otherwise submit the Expected Contract Quantity of Product for re-sale in such market, and Purchaser shall have the right to retain and receive all revenues from such re-sale.

ARTICLE 3
PAYMENTS

3.1 Payment

Purchaser shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Purchaser's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day ("Monthly RA Capacity Payment"). The Monthly RA Capacity Payment shall equal the product of (a) the applicable Contract Price for that Showing Month, (b) the Expected Contract Quantity for the Showing Month and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Showing Month that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

(a) Seller will receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Purchaser must promptly report receipt of any such revenues to Seller. Purchaser must pay to Seller any such amounts described in this Section 3.2(a) received by Purchaser or a Subsequent Purchaser. Without prejudice to its other rights and remedies, Seller may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Purchaser under the WSPP Agreement.

(b) Purchaser is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Purchaser. Seller shall pay to Purchaser within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Purchaser may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the WSPP Agreement.

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(c) If CAISO designates any part of the Contract Quantity as Capacity Procurement Mechanism Capacity, then Seller shall, or shall cause the Shown Unit's SC to, within one (1) Business Day of the time Seller receives notification from CAISO, notify Purchaser and not accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

(d) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER PURCHASER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period, in compliance with the Tariff, and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Purchaser is not liable for, and Seller shall indemnify and hold Purchaser harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

4.2 Seller's and Purchaser's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Purchaser and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Purchaser's rights to the Expected Contract Quantity for the sole benefit of Purchaser or any Subsequent Purchaser and (b) that Purchaser may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy the Compliance Obligations, as applicable, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Purchaser throughout the Delivery Period that:

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(a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;

(b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;

(c) the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for that Shown Unit;

(d) if applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Purchaser; and

(e) Seller has notified or will notify the Shown Unit's SC that Purchaser is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Purchaser, along with appropriate documentation supporting the amount of those revenues.

ARTICLE 5
RESERVED

ARTICLE 6
ADDITIONAL WSPP AGREEMENT AMENDMENTS; GENERAL PROVISIONS

6.1 Confidentiality

Each Party to this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.).

6.2 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction, or any change in applicable law, occurring after the Confirmation Effective Date results in (i) material changes to Purchaser's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the Resource Adequacy Requirements such that the Product can no longer be counted towards Purchaser's Resource Adequacy Requirements (a "Change in Law"), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of the Product sold hereunder in order to maintain the original intent.

6.3 Governing Law

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Notwithstanding Section 24 of the WSPP Agreement, this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

6.4 Collateral

Notwithstanding any provision in the WSPP Agreement to the contrary, including Section 27, neither Party shall be required to post collateral or other security for this Transaction.

6.5 No Recourse to Members

The Parties are each organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and are each a public entity separate from their constituent members. Each Party will solely be responsible for all of such Party's debts, obligations and liabilities accruing and arising out of this Confirmation. Each Party agrees that it shall have no rights and shall not make any claims, take any actions or assert any remedies against any of the other Party's constituent members, or the officers, directors, advisors, contractors, consultants or employees of the other Party or the other Party's constituent members, in connection with this Confirmation.

6.6 Other WSPP Agreement Changes

For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 9.4 is deleted in its entirety and replaced with the following:

"In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in writing within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) months after the close of the month during which performance of a Transaction occurred, the right to payment for such performance is waived."

(b) Section 22.1 is modified by inserting the following new text at the end thereof:

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"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(c) Section 22.2(a) is deleted in its entirety replaced with the following:

"If an Event of Default shall have occurred and be continuing, the Non- Defaulting Party, upon written notice to the Defaulting Party, shall have the right to (i) suspend performance under any or all transactions under this Agreement; provided, however, in no event shall any such suspension continue for longer than ten (10) Business Days with respect to any single transaction, and (ii) exercise any remedy available at law or equity."

(d) Section 22.2(b) is amended by inserting "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(e) Section 22.2(b) is amended by inserting the following as the penultimate paragraph in Section 22.2(b):

"If Purchaser is the Non-Defaulting Party and Purchaser reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Purchaser or a Subsequent Purchaser is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Purchaser may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Purchaser's estimate exceeds the actual amount of penalties, fines or costs, Purchaser must promptly remit to Seller the excess amount with interest in accordance with Section 9.3 of the WSPP Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

(f) Section 22.3(c) is amended by deleting the third sentence thereof and replacing it with the following:

"If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

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(g) In Section 22.3(e) is deleted in its entirety and replaced with the following: "[Intentionally omitted]"

(h) Section 22.3(f) is deleted in its entirety and replaced with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that the Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

(i) Section 28.1 is applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(j) Section 30.1 is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(k) Subsections 34.1 and 34.2 are deleted and replaced with the following:

"34.1 INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

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(l) The phrase "arbitration or" is deleted from the first line of Section 34.4.

(m) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(n) Section 37 is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(o) Section 41 "Witness" shall become Section 42 and the following "Standard of Review" Section shall be substituted in its place:

"The Parties agree as follows:

From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co.

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v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

6.7 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

6.8 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[*Signatures appear on the following page.*]

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AGREED AS OF THE EFFECTIVE DATE:

EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Howard Chang 919B64FF6470428...

Name: Howard Chang

Title: COO

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

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APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Purchaser in accordance with the terms of Section 2.3.

"CAISO" means the California ISO or the successor organization to the functions thereof.

"Capacity Attributes" means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

"CIRA Tool" means the CAISO Customer Interface for Resource Adequacy.

"Compliance Obligations" means, as applicable, RAR, Local RAR and FCR.

"Compliance Showings" means the applicable LSE's compliance with the resource adequacy requirements of the CPUC for an applicable Showing Month.

"Contingent Firm RA Product" has the meaning set forth in Article 1 herein.

"CPUC Decisions" means any currently effective or future decisions, resolutions, or rulings related to resource adequacy.

"CPUC Filing Guide" is the document issued annually by the CPUC which sets forth the guidelines, requirements and instructions for load serving entities to demonstrate compliance with the CPUC's resource adequacy program.

"Effective Flexible Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, and (b) for Contingent Firm RA Product, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, less any reductions to Contract Quantity consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having

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jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

"FCR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's FCR.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"Governmental Body" means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

"Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

"Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

"Local RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's Local RAR.

"LSE" means "Load Serving Entity" as such term is used in Section 40.9 of the Tariff.

"MW" means megawatt.

"Net Qualifying Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Notification Deadline" is ten (10) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

"Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

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"Product" means RAR Attributes, Local RAR Attributes and FCR Attributes, each for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications contained in Appendix B.

"Prorated Percentage of Unit Factor" means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prorated Percentage of Unit Flexible Factor" means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prudent Operating Practice" means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

"RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's RAR.

"Replacement Unit" has the meaning set forth in Section 2.3.

"Resource Adequacy Requirements" or "RAR" means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations, not including Local RAR or FCR.

"Resource Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"SC" means Scheduling Coordinator as defined in the Tariff.

"Showing Month" means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

"Shown Unit" means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan.

"Subsequent Purchaser" means the purchaser of Product from Purchaser in a re-sale of Product by Purchaser.

"Substitute Capacity" has the meaning set forth in the Tariff for "RA Substitute Capacity".

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"Swap Confirmation" means that certain WSPP Agreement Confirmation between Seller and Purchaser dated concurrently herewith, in which Seller is purchasing [5 MW of System RA with Flex Attribute from Purchaser.

"Swap Reduction Option" has the meaning specified in Section 2.2(c).

"Tariff" means the CAISO Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means the generation unit described in Appendix B. A Unit or Shown Unit may not be a coal-fired generating facility.

"Unit EFC" means the lesser of the Unit's Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

"Unit NQC" means the lesser of the Unit's Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

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APPENDIX B
PRODUCT AND UNIT INFORMATION

Product:

☒ RAR ☐ Local RAR ☐ Flexible Capacity

and all Capacity Attributes related to such Product.

Additional Product Information (fill in all that apply):
CAISO Zone: North
Resource Category (MCC Bucket): 4
CPUC Local Area (if applicable): N/A
Flexible Capacity Category (if applicable): N/A

Delivery period [redacted]

Contract Quantity and Contract Price:

RAR and Local RAR, as applicable

Showing Month and Year	Contract Quantity	Contract Price -
[redacted]		

Flexible Capacity, if applicable

Showing Month and Year	Contract Quantity (MW)	Contract Price ($/kW-mo)

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Unit 1

Unit Specific Information	
Resource Name	Dyer Summit Wind Repower
Physical Location	Alameda County, CA
CAISO Resource ID	DYERSM_6_DSWWD1
SCID of Resource	EBCE
Unit NQC by month (e.g., Jan=50,Feb=65):	Varies by Month
Unit EFC by month (e.g., Jan=30, Feb=50)	N/A
Resource Type (e.g., gas, hydro, solar, etc.)	Wind
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	N/A
TAC Area (e.g., PG&E, SCE)	PG&E
Prorated Percentage of Unit Factor	N/A
Prorated Percentage of Unit Flexible Factor	N/A
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	CAISO System
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

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APPENDIX C
NOTICE INFORMATION

Seller: East Bay Community Energy Authority	**Purchaser:** Silicon Valley Clean Energy Authority
All Notices: 1999 Harrison Street, Suite 800 Oakland, CA 94612	**All Notices:** 333 West El Camino Real, Suite 330 Sunnyvale, CA 94087
[redacted]	
Additional notices of an Event of Default to:	Additional notices of an Event of Default to:

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[redacted]	

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APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

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WSPP RESOURCE ADEQUACY CONFIRMATION

This Confirmation confirms the transaction between East Bay Community Energy Authority, a California joint powers authority ("Seller") and Silicon Valley Clean Energy Authority, a California joint powers authority ("Purchaser"), and each individually a "Party" and together the "Parties", dated as of October 6, 2021 (the "Effective Date"), by which Seller agrees to sell and deliver, and Purchaser agrees to purchase and receive, the Product (the "Transaction"). This Transaction is governed by the WSPP Agreement dated July 28, 2020 (the "WSPP Agreement"). The WSPP Agreement and this Confirmation, including any applicable appendices, exhibits or amendments thereto, shall be collectively referred to herein as the "Agreement" and will constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the WSPP Agreement are defined in the Tariff.

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are in Appendix B. Appendices A, B**,** C, and D are incorporated into this Confirmation.

☐ Firm RA Product:

Seller shall provide Purchaser with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

☒ Contingent Firm RA Product:

Seller shall provide Purchaser with Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Purchaser that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

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ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

(a) For each Showing Month of the Delivery Period, Seller shall sell and deliver to Purchaser, and Purchaser shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for the Delivery Period is firm and will not be excused for any reason.

(b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and Product for Purchaser, as further specified in Appendix B, all in compliance with this Confirmation.

(c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable Showing Month, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Purchaser for each Showing Month of the Delivery Period. The total amount of Product identified and confirmed for such Showing Month shall equal the Expected Contract Quantity, including a request for Hold-Back Capacity pursuant to Article Five of this Confirmation.

(d) Seller shall sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B, including the Resource Category and, if applicable, the Flexible Capacity Category. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Purchaser with the specific information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.

(e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any Showing Month, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Purchaser's instructions, including Purchaser's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the

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Product if (i) Purchaser has elected to submit the Product from the Shown Unit in its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any Showing Month in such amount as instructed by Purchaser for the applicable Showing Month. Seller will not have failed to deliver the Expected Contract Quantity if Purchaser fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article Five as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.

(h) The Shown Unit(s) must not have characteristics that would trigger the need for Purchaser or Seller to file an advice letter or other request for authorization with the CPUC or for Purchaser to make a compliance filing pursuant to California Public Utilities Code Section 380.[1]

2.2 Reductions in Contract Quantity

(a) If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each Showing Month may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable Showing Month; provided, (i) Seller notifies Purchaser by the Notification Deadline applicable to that Showing Month of the amount of Product from the Unit that Purchaser may include in Purchaser's Compliance Showings applicable to that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plansin accordance with the Tariff.

(b) In the event Seller is unable to provide the Contract Quantity for any portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Showing Month from Replacement Units, provided Seller provides and identifiessuch Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for a Showing Month for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide some or all of the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Purchaser, provide Purchaser with replacement Product from one or more replacement units having the same Capacity Attributes of the Unit(s) originally identified in Appendix B, including the same Resource Category and, if applicable, the Flexible

[1] For example, contracts with Once-Through Cooling resources that terminate one year or less before the State Water Resources Control Board compliance deadline require an advice letter filing under CPUC Decision 12-04-046

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Capacity Category (each such unit, a "Replacement Unit") in an amount such that the total amount of Product provided to Purchaser from the Unit and any Replacement Unit(s) for each Showing Month is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Purchaser in writing of its intent to provide Alternate Capacity and shall identify the proposed Replacement Units from which such Alternate Capacity shall be provided no later than the Notification Deadline for Purchaser's Compliance Showings related to such Showing Month;

(b) The proposed Replacement Units must (i) be accepted by the CAISO, and (ii) otherwise satisfy the requirements of this Agreement;

(c) Seller shall, or shall cause the SC to submit a Supply Plan for each Showing Month and, if applicable, annual filing, no later than the Notification Deadline for Purchaser's Compliance Showings;

(d) If Seller does not comply with the requirements of Sections 2.3(a), (b) and (c) for the applicable Showing Month and, if applicable, annual filing, then any such Replacement Units shall not be deemed a Replacement Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product; and

(e) The designation of any Replacement Unit(s) by Seller shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3 and Purchaser has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Showing Month. Purchaser's approval of a Replacement Unit as to a given Showing Month shall not be construed as approval of such Replacement Unit for any subsequent Showing Month.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Purchaser have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Showing Months for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Purchaser with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Purchaser's receipt of any Seller proposed changes, Purchaser shall notify Seller in writing of any reasonable requests for modifications to such Seller proposed changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Purchaser's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

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2.5 Purchaser's Remedies for Seller's Failure to Deliver Expected Contract Quantity

(a) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any Showing Month, Seller shall be liable for damages pursuant to Section 21.3 of the WSPP Agreement, without reference to the word "hourly" therein.

(b) Seller shall indemnify, defend and hold harmless Purchaser from any penalties, fines or costs, including Environmental Costs, assessed against Purchaser by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event will Purchaser be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Purchaser for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Purchaser may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the WSPP Agreement.

2.6 Purchaser's Re-Sale of Product

(a) Purchaser may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6(a). For any such a resale, the Resource Adequacy Plan of Purchaser as used herein will refer to the Resource Adequacy Plan of Subsequent Purchaser. Seller shall, or shall cause the Shown Unit's SC, to follow Purchaser's instructions with respect to providing such resold Product to Subsequent Purchasers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Purchasers to use such resold Product in a manner consistent with Purchaser's rights under this Confirmation. If Purchaser incurs any liability to a Subsequent Purchaser due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller will be liable to Purchaser for the amounts Seller would have owed Purchaser under this Confirmation if Purchaser had not resold the Product.

(b) Purchaser shall notify Seller in writing of any resale of Product and the Subsequent Purchaser no later than two (2) Business Days before the Notification Deadline for each Showing Month for which Purchaser has resold the Product. Purchaser shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Showing Month.

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(c) If CAISO or CPUC develops a centralized capacity market, Purchaser will have exclusive rights to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity of Product for re-sale in such market, Seller and the Unit's SC shall comply with Purchaser's direction and Purchaser shall retain and receive all revenues from such re-sale.

(d) Purchaser shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity into the CAISO Competitive Solicitation Process (CSP) for CPM Capacity. Seller and the Unit's SC shall comply with the Purchaser's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Purchaser shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Purchaser, (i) Seller shall not, and shall cause the Unit's SC to not, offer any portion of the Expected Contract Quantity to CAISO as CPM Capacity and (ii) if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall, and shall cause the Unit's SC to, promptly (and in any event within one (1) Business Day of the time Seller receives notification from CAISO) notify Purchaser of such designation, and if CAISO makes such a designation, Seller shall not, and shall cause the Unit's SC to not, accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

ARTICLE 3
PAYMENTS

3.1 Payment

Purchaser shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Purchaser's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day ("Monthly RA Capacity Payment"). The Monthly RA Capacity Payment shall equal the product of (a) the applicable Contract Price for that Showing Month, (b) the Expected Contract Quantity for the Showing Month and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Showing Month that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

(a) Seller will receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Purchaser must promptly report receipt of any such revenues to Seller. Purchaser must pay to Seller any such amounts described in this Section 3.2(a) received by Purchaser or a Subsequent Purchaser. Without prejudice to its other rights and remedies, Seller

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may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Purchaser under the WSPP Agreement.

(b) Purchaser is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Purchaser. Seller shall pay to Purchaser within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Purchaser may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the WSPP Agreement.

(c) If CAISO designates any part of the Contract Quantity as Capacity Procurement Mechanism Capacity, then Seller shall, or shall cause the Shown Unit's SC to, within one (1) Business Day of the time Seller receives notification from CAISO, notify Purchaser and not accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

(d) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER PURCHASER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period, in compliance with the Tariff, and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Purchaser is not liable for, and Seller shall indemnify and hold Purchaser harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

4.2 Seller's and Purchaser's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Purchaser and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Purchaser's rights to the Expected Contract Quantity for the sole benefit of Purchaser or any Subsequent Purchaser and (b) that Purchaser may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to

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demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy the Compliance Obligations, as applicable, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Purchaser throughout the Delivery Period that:

(a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;

(b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;

(c) the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for that Shown Unit;

(d) if applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Purchaser; and

(e) Seller has notified or will notify the Shown Unit's SC that Purchaser is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Purchaser, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Purchaser's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Purchaser that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Purchaser as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Purchaser.

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ARTICLE 5
HOLD-BACK AND SUBSTITUTE CAPACITY

No later than three (3) Business Days before the before the relevant deadlines for the Compliance Showings applicable to that Showing Month, Purchaser may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Purchaser shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Purchaser's request for Hold-Back Capacity, Purchaser may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Purchaser's use as Substitute Capacity within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day for which Purchaser seeks to use such Substitute Capacity as required by the CAISO. The portion of the Contract Quantity that is the subject of Purchaser's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.1 for purposes of calculating a Monthly RA Capacity Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Sections 2.2. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Purchaser's request under this Article Five.

ARTICLE 6
ADDITIONAL WSPP AGREEMENT AMENDMENTS; GENERAL PROVISIONS

6.1 Termination Payment

For this Transaction, the following is inserted as a penultimate paragraph in Section 22.2(b) of the WSPP Agreement:

> "If Purchaser is the Non-Defaulting Party and Purchaser reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Purchaser or a Subsequent Purchaser is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Purchaser may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Purchaser's estimate exceeds the actual amount of penalties, fines or costs, Purchaser must promptly remit to Seller the excess amount with interest in accordance with Section 9.3 of the WSPP Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

6.2 Confidentiality

Notwithstanding Section 30.1 of the WSPP Agreement:

(a) (i) Purchaser may disclose information as necessary in order to support its

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Compliance Showings or otherwise show it has met its Compliance Obligations; (ii) Seller may disclose as necessary to a Shown Unit's SC or as necessary for Supply Plans; (iii) each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Purchaser, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and (iv) Purchaser may disclose information to any Subsequent Purchaser.

(b) Seller acknowledges that Purchaser is a public agency subject to the requirements of the California Public Records Act (Cal. Gov. Code section 6250 et seq.) and that Purchaser may be required to make public this Confirmation (which may be partially redacted by Purchaser) in connection with the process of seeking approval from its board of directors for the execution of this Confirmation. Seller may submit information to Purchaser that Seller considers confidential, proprietary, or trade secret information pursuant the Uniform Trade Secrets Act (Cal. Civ. Code section 3426 et seq.), or otherwise protected from disclosure pursuant to an exemption to the California Public Records Act (Government Code sections 6254 and 6255). Seller acknowledges that Purchaser may submit to Seller information that Purchaser considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act (Government Code sections 6254 and 6255). Upon request or demand of any third person or entity not a party to this Confirmation ("Requestor") pursuant to the California Public Records Act for production, inspection and/or copying of this Confirmation or any information designated by a disclosing Party as confidential, the receiving Party as soon as practical shall notify the disclosing Party that such request has been made, by telephone call, letter sent via electronic mail, and/or by overnight carrier to the address, or email address listed at the end of this Confirmation. The disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be confidential information and to prevent release of information to the Requestor by the receiving Party. If the disclosing Party takes no such action within ten (10) days, after receiving the foregoing notice from the receiving Party, the receiving Party shall be permitted to comply with the Requestor's demand and is not required to defend against it. Notwithstanding the foregoing, Purchaser may release confidential information without notice to or over the objection of Seller if Purchaser's legal counsel advises Purchaser that Purchaser is required by law to release such confidential information.

6.3 Dodd-Frank Act

The Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

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6.4 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction, or any change in applicable law, occurring after the Confirmation Effective Date results in (i) material changes to Purchaser's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the Resource Adequacy Requirements such that the Product can no longer be counted towards Purchaser's Resource Adequacy Requirements (a "Change in Law"), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of the Product sold hereunder in order to maintain the original intent.

6.5 Governing Law

Notwithstanding Section 24 of the WSPP Agreement, this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

6.6 Collateral

Notwithstanding any provision in the WSPP Agreement to the contrary, including Section 27, neither Party shall be required to post collateral or other security for this Transaction.

6.7 No Recourse to Members of Purchaser

Purchaser is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Purchaser will solely be responsible for all debts, obligations and liabilities accruing and arising out of this Confirmation. Seller will have no rights and shall not make any claims, take any actions or assert any remedies against any of Purchaser's constituent members, or the officers, directors, advisors, contractors, consultants or employees of Purchaser or Purchaser's constituent members, in connection with this Confirmation.

6.8 Other WSPP Agreement Changes

For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 9.4 is deleted in its entirety and replaced with the following:

"In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with

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interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in writing within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) months after the close of the month during which performance of a Transaction occurred, the right to payment for such performance is waived."

(b) Section 22.1 is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(c) Section 22.2(b) is amended by inserting "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(d) Section 22.3(c) is amended by deleting the third sentence thereof and replacing it with the following: "If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

(e) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

(f) In Section 22.3(f), delete the entire provision and replace it with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that the Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

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(g) Section 28.1 is applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(h) Section 30.1 is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(i) Subsections 34.1 and 34.2 are deleted and replaced with the following:

"34.1 INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

(j) The phrase "arbitration or" is deleted from the first line of Section 34.4.

(k) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN

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ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(l) Section 37 is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(m) Section 41 "Witness" shall become Section 42 and the following "Standard of Review" Section shall be substituted in its place:

"The Parties agree as follows:

From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

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6.9 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

6.10 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[*Signatures appear on the following page.*]

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AGREED AS OF THE EFFECTIVE DATE:

EAST BAY COMMUNITY ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Howard Chang 919B64FF6470428...

Name: Howard Chang

Title: COO

SILICON VALLEY COMMUNITY ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

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APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Purchaser in accordance with the terms of Section 2.3.

"CAISO" means the California ISO or the successor organization to the functions thereof.

"Capacity Attributes" means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

"CIRA Tool" means the CAISO Customer Interface for Resource Adequacy.

"Compliance Obligations" means, as applicable, RAR, Local RAR and FCR.

"Compliance Showings" means the applicable LSE's compliance with the resource adequacy requirements of the CPUC for an applicable Showing Month.

"Contingent Firm RA Product" has the meaning set forth in Article 1 herein.

"CPUC Decisions" means any currently effective or future decisions, resolutions, or rulings related to resource adequacy.

"CPUC Filing Guide" is the document issued annually by the CPUC which sets forth the guidelines, requirements and instructions for load serving entities to demonstrate compliance with the CPUC's resource adequacy program.

"Effective Flexible Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Environmental Costs" means (i) costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, (ii) the Product's compliance with all applicable environmental laws, rules, and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, (iii) all operating and maintenance costs for operation of pollution mitigation or control equipment, (iv) costs of permit maintenance fees and emission fees as applicable, (v) the costs of all emission reductions that have been authorized by a local air pollution control district or emissions trading credits or units pursuant to the California Health & Safety Code, market based incentive programs such as the South Coast Air Quality Management District's Regional Clean Air Incentives Market, authorizations to emit sulfur dioxide and oxides of nitrogen by the Environmental Protection Agency, and any costs related to greenhouse gas emissions required by any applicable

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environmental laws, rules, regulations, or permits to operate, and (vi) costs associated with the disposal, clean-up, decontamination or remediation, on or off site, of hazardous substances.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, and (b) for Contingent Firm RA Product, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, less any reductions to Contract Quantity consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

"FCR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's FCR.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"Governmental Body" means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

"Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

"Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

"Local RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's Local RAR.

"LSE" means "Load Serving Entity" as such term is used in Section 40.9 of the Tariff.

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"MW" means megawatt.

"Net Qualifying Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Notification Deadline" is twenty (20) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

"Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

"Product" means RAR Attributes, Local RAR Attributes and FCR Attributes, each for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications contained in Appendix B.

"Prorated Percentage of Unit Factor" means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prorated Percentage of Unit Flexible Factor" means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prudent Operating Practice" means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

"RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's RAR.

"Replacement Unit" has the meaning set forth in Section 2.3.

"Resource Adequacy Requirements" or "RAR" means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations, not including Local RAR or FCR.

"Resource Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

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"SC" means Scheduling Coordinator as defined in the Tariff.

"Showing Month" means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

"Shown Unit" means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan.

"Subsequent Purchaser" means the purchaser of Product from Purchaser in a re-sale of Product by Purchaser.

"Substitute Capacity" has the meaning set forth in the Tariff for "RA Substitute Capacity".

"Tariff" means the CAISO Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means the generation unit described in Appendix B. A Unit or Shown Unit may not be a coal-fired generating facility.

"Unit EFC" means the lesser of the Unit's Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

"Unit NQC" means the lesser of the Unit's Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

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APPENDIX B
PRODUCT AND UNIT INFORMATION

Product:

☒ RAR ☐ Local RAR ☐ Flexible Capacity

and all Capacity Attributes related to such Product.

Additional Product Information (fill in all that apply):
CAISO Zone: North
Resource Category (MCC Bucket): 4
CPUC Local Area (if applicable): N/A
Flexible Capacity Category (if applicable): N/A



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Unit 1

Unit Specific Information	
Resource Name	Dyer Summit Wind Repower
Physical Location	Alameda County, CA
CAISO Resource ID	DYERSM_6_DSWWD1
SCID of Resource	EBCE
Unit NQC by month (e.g., Jan=50,Feb=65):	Varies by Month
Unit EFC by month (e.g., Jan=30, Feb=50)	N/A
Resource Type (e.g., gas, hydro, solar, etc.)	Wind
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	N/A
TAC Area (e.g., PG&E, SCE)	PG&E
Prorated Percentage of Unit Factor	N/A
Prorated Percentage of Unit Flexible Factor	N/A
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	CAISO System
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

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APPENDIX C
NOTICE INFORMATION

Seller: East Bay Community Energy Authority	**Purchaser:** Silicon Valley Clean Energy Authority

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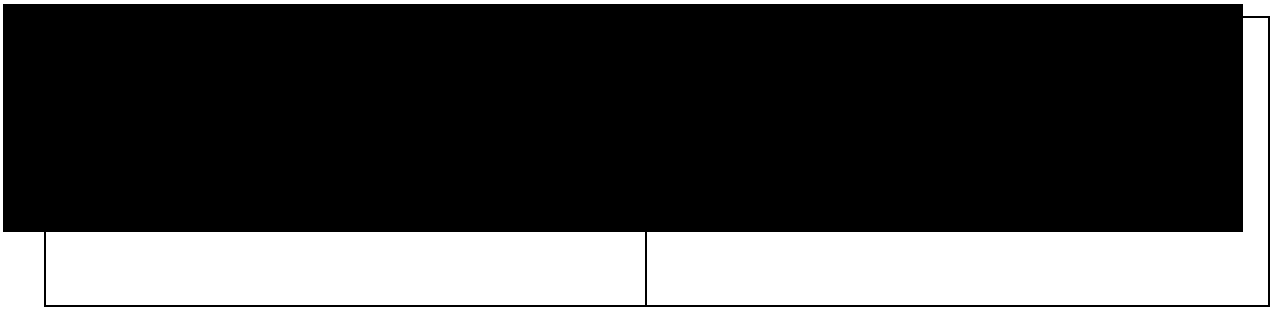

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APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

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WSPP RESOURCE ADEQUACY CONFIRMATION

This Confirmation confirms the transaction between Silicon Valley Clean Energy Authority, a California joint powers authority ("Seller") and Central Coast Community Energy, a California joint powers authority ("Purchaser"), and each individually a "Party" and together the "Parties", dated as of October 5, 2021 (the "Effective Date"), by which Seller agrees to sell and deliver, and Purchaser agrees to purchase and receive, the Product (the "Transaction"). This Transaction is governed by the WSPP Agreement dated July 28, 2020 (the "WSPP Agreement"). The WSPP Agreement and this Confirmation, including any applicable appendices, exhibits or amendments thereto, shall be collectively referred to herein as the "Agreement" and will constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the WSPP Agreement are defined in the Tariff.

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are in Appendix B. Appendices A, B**,** C, and D are incorporated into this Confirmation.

☐ Firm RA Product:

Seller shall provide Purchaser with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

☒ Contingent Firm RA Product:

Seller shall provide Purchaser with Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Purchaser that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

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ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

(a) For each Showing Month of the Delivery Period, Seller shall sell and deliver to Purchaser, and Purchaser shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for the Delivery Period is firm and will not be excused for any reason.

(b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and Product for Purchaser, as further specified in Appendix B, all in compliance with this Confirmation.

(c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable Showing Month, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Purchaser for each Showing Month of the Delivery Period. The total amount of Product identified and confirmed for such Showing Month shall equal the Expected Contract Quantity, including a request for Hold-Back Capacity pursuant to Article Five of this Confirmation.

(d) Seller shall sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B, including the Resource Category and, if applicable, the Flexible Capacity Category. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Purchaser with the specific information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.

(e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any Showing Month, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Purchaser's instructions, including Purchaser's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the

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Product if (i) Purchaser has elected to submit the Product from the Shown Unit in its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any Showing Month in such amount as instructed by Purchaser for the applicable Showing Month. Seller will not have failed to deliver the Expected Contract Quantity if Purchaser fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article Five as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.

(h) The Shown Unit(s) must not have characteristics that would trigger the need for Purchaser or Seller to file an advice letter or other request for authorization with the CPUC or for Purchaser to make a compliance filing pursuant to California Public Utilities Code Section 380.[1]

2.2 Reductions in Contract Quantity

(a) If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each Showing Month may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable Showing Month; provided, (i) Seller notifies Purchaser by the Notification Deadline applicable to that Showing Month of the amount of Product from the Unit that Purchaser may include in Purchaser's Compliance Showings applicable to that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plansin accordance with the Tariff.

(b) In the event Seller is unable to provide the Contract Quantity for any portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Showing Month from Replacement Units, provided Seller provides and identifiessuch Replacement Units in accordance with Section 2.3.

(c) Seller's obligation to deliver the Contract Quantity for each day of each Showing Month may be reduced at Seller's option in the event the AES Confirmation is terminated or AES fails to deliver such Contract Quantity under the AES Confirmation for any reason, including AES's failure to obtain an Extension Order from the SWRCB; provided, however, that Seller's right to reduce the Contract Quantity under this Section 2.2(c) is subject to Seller providing written notice to Purchaser of such modification no later than ten (10) calendar days before the Compliance Showings related to such Showing Month.

[1] For example, contracts with Once-Through Cooling resources that terminate one year or less before the State Water Resources Control Board compliance deadline require an advice letter filing under CPUC Decision 12-04-046

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2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for a Showing Month for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide some or all of the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Purchaser, provide Purchaser with replacement Product from one or more replacement units having the same Capacity Attributes of the Unit(s) originally identified in Appendix B, including the same Resource Category and, if applicable, the Flexible Capacity Category (each such unit, a "Replacement Unit") in an amount such that the total amount of Product provided to Purchaser from the Unit and any Replacement Unit(s) for each Showing Month is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Purchaser in writing of its intent to provide Alternate Capacity and shall identify the proposed Replacement Units from which such Alternate Capacity shall be provided no later than the Notification Deadline for Purchaser's Compliance Showings related to such Showing Month;

(b) The proposed Replacement Units must (i) be accepted by the CAISO, and (ii) otherwise satisfy the requirements of this Agreement;

(c) Seller shall, or shall cause the SC to submit a Supply Plan for each Showing Month and, if applicable, annual filing, no later than the Notification Deadline for Purchaser's Compliance Showings;

(d) If Seller does not comply with the requirements of Sections 2.3(a), (b) and (c) for the applicable Showing Month and, if applicable, annual filing, then any such Replacement Units shall not be deemed a Replacement Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product; and

(e) The designation of any Replacement Unit(s) by Seller shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3 and Purchaser has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Showing Month. Purchaser's approval of a Replacement Unit as to a given Showing Month shall not be construed as approval of such Replacement Unit for any subsequent Showing Month.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Purchaser have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Showing Months for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Purchaser with proposed changes to the Planned Outage Schedule from time to time.

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Within ten (10) Business Days after Purchaser's receipt of any Seller proposed changes, Purchaser shall notify Seller in writing of any reasonable requests for modifications to such Seller proposed changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Purchaser's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Purchaser's Remedies for Seller's Failure to Deliver Expected Contract Quantity

(a) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any Showing Month, Seller shall be liable for damages pursuant to Section 21.3 of the WSPP Agreement, without reference to the word "hourly" therein.

(b) Seller shall indemnify, defend and hold harmless Purchaser from any penalties, fines or costs, including Environmental Costs, assessed against Purchaser by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event will Purchaser be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Purchaser for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Purchaser may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the WSPP Agreement.

2.6 Purchaser's Re-Sale of Product

(a) Purchaser may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6(a). For any such a resale, the Resource Adequacy Plan of Purchaser as used herein will refer to the Resource Adequacy Plan of Subsequent Purchaser. Seller shall, or shall cause the Shown Unit's SC, to follow Purchaser's instructions with respect to providing such resold Product to Subsequent Purchasers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Purchasers to use such resold Product in a manner consistent with Purchaser's rights under this Confirmation. If Purchaser incurs any liability to a Subsequent Purchaser due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller will be liable to Purchaser for the amounts Seller would have owed Purchaser under this Confirmation if Purchaser had not resold the Product.

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(b) Purchaser shall notify Seller in writing of any resale of Product and the Subsequent Purchaser no later than two (2) Business Days before the Notification Deadline for each Showing Month for which Purchaser has resold the Product. Purchaser shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Showing Month.

(c) If CAISO or CPUC develops a centralized capacity market, Purchaser will have exclusive rights to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity of Product for re-sale in such market, Seller and the Unit's SC shall comply with Purchaser's direction and Purchaser shall retain and receive all revenues from such re-sale.

(d) Purchaser shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity into the CAISO Competitive Solicitation Process (CSP) for CPM Capacity. Seller and the Unit's SC shall comply with the Purchaser's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Purchaser shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Purchaser, (i) Seller shall not, and shall cause the Unit's SC to not, offer any portion of the Expected Contract Quantity to CAISO as CPM Capacity and (ii) if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall, and shall cause the Unit's SC to, promptly (and in any event within one (1) Business Day of the time Seller receives notification from CAISO) notify Purchaser of such designation, and if CAISO makes such a designation, Seller shall not, and shall cause the Unit's SC to not, accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

ARTICLE 3
PAYMENTS

3.1 Payment

Purchaser shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Purchaser's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day ("Monthly RA Capacity Payment"). The Monthly RA Capacity Payment shall equal the product of (a) the applicable Contract Price for that Showing Month, (b) the Expected Contract Quantity for the Showing Month and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Showing Month that was not delivered in accordance with Section 2.1 for such Showing Month.

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3.2 Allocation of Other Payments and Costs

(a) Seller will receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Purchaser must promptly report receipt of any such revenues to Seller. Purchaser must pay to Seller any such amounts described in this Section 3.2(a) received by Purchaser or a Subsequent Purchaser. Without prejudice to its other rights and remedies, Seller may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Purchaser under the WSPP Agreement.

(b) Purchaser is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Purchaser. Seller shall pay to Purchaser within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Purchaser may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the WSPP Agreement.

(c) If CAISO designates any part of the Contract Quantity as Capacity Procurement Mechanism Capacity, then Seller shall, or shall cause the Shown Unit's SC to, within one (1) Business Day of the time Seller receives notification from CAISO, notify Purchaser and not accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

(d) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER PURCHASER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period, in compliance with the Tariff, and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Purchaser is not liable for, and Seller shall indemnify and hold Purchaser harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

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4.2 Seller's and Purchaser's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Purchaser and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Purchaser's rights to the Expected Contract Quantity for the sole benefit of Purchaser or any Subsequent Purchaser and (b) that Purchaser may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy the Compliance Obligations, as applicable, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Purchaser throughout the Delivery Period that:

(a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;

(b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;

(c) the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for that Shown Unit;

(d) if applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Purchaser; and

(e) Seller has notified or will notify the Shown Unit's SC that Purchaser is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Purchaser, along with appropriate documentation supporting the amount of those revenues.

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4.4 Market Based Rate Authority

Upon Purchaser's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Purchaser that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Purchaser as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Purchaser.

ARTICLE 5
HOLD-BACK AND SUBSTITUTE CAPACITY

No later than three (3) Business Days before the before the relevant deadlines for the Compliance Showings applicable to that Showing Month, Purchaser may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Purchaser shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Purchaser's request for Hold-Back Capacity, Purchaser may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Purchaser's use as Substitute Capacity within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day for which Purchaser seeks to use such Substitute Capacity as required by the CAISO. The portion of the Contract Quantity that is the subject of Purchaser's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.1 for purposes of calculating a Monthly RA Capacity Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Sections 2.2. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Purchaser's request under this Article Five.

ARTICLE 6
ADDITIONAL WSPP AGREEMENT AMENDMENTS; GENERAL PROVISIONS

6.1 Termination Payment

For this Transaction, the following is inserted as a penultimate paragraph in Section 22.2(b) of the WSPP Agreement:

> "If Purchaser is the Non-Defaulting Party and Purchaser reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Purchaser or a Subsequent Purchaser is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Purchaser may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Purchaser's estimate exceeds the actual amount of penalties, fines or costs, Purchaser must promptly remit to Seller the excess amount with interest in accordance with

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Section 9.3 of the WSPP Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

6.2 Confidentiality

Notwithstanding Section 30.1 of the WSPP Agreement:

(a) (i) Purchaser may disclose information as necessary in order to support its Compliance Showings or otherwise show it has met its Compliance Obligations; (ii) Seller may disclose as necessary to a Shown Unit's SC or as necessary for Supply Plans; (iii) each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Purchaser, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and (iv) Purchaser may disclose information to any Subsequent Purchaser.

(b) Each Party to this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.).

6.3 Dodd-Frank Act

The Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

6.4 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction, or any change in applicable law, occurring after the Confirmation Effective Date results in (i) material changes to Purchaser's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the Resource Adequacy Requirements such that the Product can no longer be counted towards Purchaser's Resource Adequacy Requirements (a "Change in Law"), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of the Product sold hereunder in order to maintain the original intent.

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6.5 Governing Law

Notwithstanding Section 24 of the WSPP Agreement, this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

6.6 Collateral

Notwithstanding any provision in the WSPP Agreement to the contrary, including Section 27, neither Party shall be required to post collateral or other security for this Transaction.

6.7 No Recourse to Members

The Parties are each organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and are each a public entity separate from their constituent members. Each Party will solely be responsible for all of such Party's debts, obligations and liabilities accruing and arising out of this Confirmation. Each Party agrees that it shall have no rights and shall not make any claims, take any actions or assert any remedies against any of the other Party's constituent members, or the officers, directors, advisors, contractors, consultants or employees of the other Party or the other Party's constituent members, in connection with this Confirmation.

6.8 Other WSPP Agreement Changes

For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 9.4 is deleted in its entirety and replaced with the following:

"In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in writing within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) months after the close of the month during which performance of a Transaction occurred, the right to payment for such performance is waived."

(b) Section 22.1 is modified by inserting the following new text at the end thereof:

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"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(c) Section 22.2(b) is amended by inserting "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(d) Section 22.3(c) is amended by deleting the third sentence thereof and replacing it with the following: "If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

(e) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

(f) In Section 22.3(f), delete the entire provision and replace it with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that the Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

(g) Section 28.1 is applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(h) Section 30.1 is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(i) Subsections 34.1 and 34.2 are deleted and replaced with the following:

"34.1 INFORMAL DISPUTE RESOLUTION

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IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

(j) The phrase "arbitration or" is deleted from the first line of Section 34.4.

(k) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON),

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WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(l) Section 37 is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(m) Section 41 "Witness" shall become Section 42 and the following "Standard of Review" Section shall be substituted in its place:

"The Parties agree as follows:

From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

6.9 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

6.10 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment

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or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[*Signatures appear on the following page.*]

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AGREED AS OF THE EFFECTIVE DATE:

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

CENTRAL COAST COMMUNITY ENERGY, a California joint powers authority

By: DocuSigned by: Tom Habashi 69C253774488497...

Name: Tom Habashi

Title: Chief Executive Officer

Approved as to form:

By: DocuSigned by: Robert M. Shaw 398728BE39B342A...

Name: Robert M. Shaw

Title: Interim Chief Financial and Data Officer & General Counsel

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APPENDIX A
DEFINED TERMS

"AES" means AES Redondo Beach, LLC.

"AES Confirmation" means that certain WSPP Agreement Confirmation between Seller and AES, dated July 20, 2021.

"Alternate Capacity" means replacement Product which Seller has elected to provide to Purchaser in accordance with the terms of Section 2.3.

"CAISO" means the California ISO or the successor organization to the functions thereof.

"Capacity Attributes" means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

"CIRA Tool" means the CAISO Customer Interface for Resource Adequacy.

"Compliance Obligations" means, as applicable, RAR, Local RAR and FCR.

"Compliance Showings" means the applicable LSE's compliance with the resource adequacy requirements of the CPUC for an applicable Showing Month.

"Contingent Firm RA Product" has the meaning set forth in Article 1 herein.

"CPUC Decisions" means any currently effective or future decisions, resolutions, or rulings related to resource adequacy.

"CPUC Filing Guide" is the document issued annually by the CPUC which sets forth the guidelines, requirements and instructions for load serving entities to demonstrate compliance with the CPUC's resource adequacy program.

"Effective Flexible Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Environmental Costs" means (i) costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, (ii) the Product's compliance with all applicable environmental laws, rules, and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, (iii) all operating and maintenance costs for operation of pollution mitigation or control equipment, (iv) costs of permit maintenance fees and emission fees as applicable, (v) the costs of all emission reductions that have been authorized by a local air pollution control district or emissions trading

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credits or units pursuant to the California Health & Safety Code, market based incentive programs such as the South Coast Air Quality Management District's Regional Clean Air Incentives Market, authorizations to emit sulfur dioxide and oxides of nitrogen by the Environmental Protection Agency, and any costs related to greenhouse gas emissions required by any applicable environmental laws, rules, regulations, or permits to operate, and (vi) costs associated with the disposal, clean-up, decontamination or remediation, on or off site, of hazardous substances.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, and (b) for Contingent Firm RA Product, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, less any reductions to Contract Quantity consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"Extension Order" has the meaning set forth in the AES Confirmation.

"FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

"FCR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's FCR.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"Governmental Body" means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

"Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

"Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

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"Local RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's Local RAR.

"LSE" means "Load Serving Entity" as such term is used in Section 40.9 of the Tariff.

"MW" means megawatt.

"Net Qualifying Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Notification Deadline" is twenty (20) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

"Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

"Product" means RAR Attributes, Local RAR Attributes and FCR Attributes, each for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications contained in Appendix B.

"Prorated Percentage of Unit Factor" means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prorated Percentage of Unit Flexible Factor" means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prudent Operating Practice" means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

"RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's RAR.

"Replacement Unit" has the meaning set forth in Section 2.3.

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"Resource Adequacy Requirements" or "RAR" means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations, not including Local RAR or FCR.

"Resource Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"SC" means Scheduling Coordinator as defined in the Tariff.

"Showing Month" means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

"Shown Unit" means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan.

"Subsequent Purchaser" means the purchaser of Product from Purchaser in a re-sale of Product by Purchaser.

"Substitute Capacity" has the meaning set forth in the Tariff for "RA Substitute Capacity".

"Tariff" means the CAISO Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means the generation unit described in Appendix B. A Unit or Shown Unit may not be a coal-fired generating facility.

"Unit EFC" means the lesser of the Unit's Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

"Unit NQC" means the lesser of the Unit's Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

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APPENDIX B
PRODUCT AND UNIT INFORMATION

Product:

☒ RAR ☐ Local RAR ☒ Flexible Capacity

and all Capacity Attributes related to such Product.

Additional Product Information (fill in all that apply):
CAISO Zone: SP26
Resource Category (MCC Bucket): 4
CPUC Local Area (if applicable): N/A
Flexible Capacity Category (if applicable): 1



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Unit 1

Unit Specific Information	
Resource Name	REDONDO GEN STA. UNIT 5
Physical Location	Redondo Beach, CA
CAISO Resource ID	REDOND_7_UNIT 5
SCID of Resource	EDFR
Unit NQC by month (e.g., Jan=50,Feb=65):	178.87
Unit EFC by month (e.g., Jan=30, Feb=50)	168.87
Resource Type (e.g., gas, hydro, solar, etc.)	Natural Gas Steam
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	1
TAC Area (e.g., PG&E, SCE)	SCE
Prorated Percentage of Unit Factor	
Prorated Percentage of Unit Flexible Factor	
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	LA Basin
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

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APPENDIX C
RESERVED

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APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

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(SVCE Sells Generic Local RA)

CONFIRMATION LETTER - RESOURCE ADEQUACY
BETWEEN
EDF TRADING NORTH AMERICA, LCC
AND
SILICON VALLEY CLEAN ENERGY AUTHORITY

This confirmation letter ("Confirmation") confirms the Transaction between, **EDF Trading North America, LLC** a Texas limited liability company ("Buyer") and **Silicon Valley Clean Energy Authority**, a California joint powers authority ("Seller"), each individually a "Party" and together the "Parties", dated as of October [9], 2021 (the "Confirmation Effective Date") in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Article 3 of this Confirmation.

The Parties agree that this Confirmation sets forth the terms and conditions relating to the Transaction brokered on October 5, 2021, as more particularly described below.

This Transaction is governed by the Western System Power Pool Agreement, effective as of July 28, 2020, as amended from time to time, but excluding all schedules thereto (the Service Schedules and Schedule Q being excluded), and as modified by this Confirmation (the "WSPP Agreement"). To the extent that there is any conflict between the WSPP Agreement and this Confirmation, this Confirmation shall control. The WSPP Agreement and this Confirmation shall be collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the WSPP Agreement or the Tariff (defined herein below).

ARTICLE 1. DEFINITIONS

1.1 "Alternate Capacity" means any replacement Product which Seller has elected to provide to Buyer from a Replacement Unit in accordance with the terms of Section 4.5 (and subject to the restrictions specified therein).

1.2 "Applicable Laws" means (i) any law, rule, regulation, order, decision, judgment, or other legal or regulatory determination by any Governmental Body of competent jurisdiction over one or both Parties or this Transaction, and (ii) the Tariff.

1.3 "Availability Incentive Payments" has the meaning specified in the Tariff.

1.4 "Availability Standards" means the availability standards set forth in Section 40.9 of the Tariff.

1.5 "Buyer" has the meaning specified in the introductory paragraph hereof, and is "Purchaser" within the meaning of the WSPP Agreement.

1.6 "CAISO" means the California Independent System Operator Corporation or its successor.

1.7 "Capacity Replacement Price" means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs and expenses reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. The Buyer shall determine such market prices in a commercially reasonable manner. For purposes of Section 4 of the WSPP Agreement, "Capacity Replacement Price" shall be deemed to be the "Replacement Price."

1.8 "Competitive Solicitation Process" or "CSP" has the meaning set forth in the Tariff.

1.9 "Confirmation" has the meaning specified in the introductory paragraph hereof.

1.10 "Confirmation Effective Date" has the meaning specified in the introductory paragraph hereof.

1.11 "Contingent Firm RA Product" means the Product with the terms and conditions specified in Section 3.2 hereof.

1.12 "Contract Price" means, for any Monthly Delivery Period, the price specified for such Monthly Delivery Period in the "RA Capacity Price Table" set forth in Section 4.9.

1.13 "Contract Quantity" means, with respect to each day of each Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in the "Contract Quantity (MWs)" table in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month.

1.14 "CPUC" means the California Public Utilities Commission.

1.15 "CPUC Decisions" means, to the extent applicable, CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, and 16-06-045 and subsequent decisions related to resource adequacy as issued from time to time by the CPUC.

1.16 "CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSEs to demonstrate compliance with the CPUC's resource adequacy program.

1.17 "Delivery Period" has the meaning specified in Section 4.1 hereof.

1.18 "Delivery Point" has the meaning specified in Section 4.2 hereof.

1.19 "Designated RA Capacity" shall be equal to, with respect to any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to in accordance with the terms of this Confirmation, minus any reductions to Contract Quantity made by Seller pursuant to Section 4.4 and for which Seller has not elected to provide Alternate Capacity.

1.20 "Excusable Event" means (a) any event that is an excuse to Seller's performance under the definition of "Service Schedule B Commitment Service" in the WSPP Agreement that (b) causes Seller to fail to perform its obligations under this Confirmation.

1.21 "Flexible RA Attributes" means any and all flexible resource adequacy attributes, as may be identified at any time during the Delivery Period by the CPUC, CAISO or other Governmental Body of competent jurisdiction that can be counted toward Flexible RAR, exclusive of any RA Attributes and LAR Attributes.

1.22 "Flexible RAR" means the flexible resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction.

1.23 "Flexible RAR Showing" means the Flexible RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction over the LSE.

1.24 "Governmental Body" means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.

1.25 "LAR" means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, or by another LRA of competent jurisdiction over the LSE. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.

1.26 "LAR Attributes" means, with respect to a Unit, any and all local resource adequacy attributes (or other locational attributes related to system reliability), as they are identified as of the Confirmation Effective Date by the CPUC, CAISO, LRA, or other Governmental Body of competent jurisdiction, associated with the physical location or point of electrical interconnection of such Unit within the CAISO Control Area, that can be counted toward LAR, exclusive of any RA Attributes and Flexible RA Attributes. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing local areas, then such change will not result in a change in payments made pursuant to this Transaction.

1.27 "LAR Showings" means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction over the LSE.

1.28 "Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

1.29 "LRA" means Local Regulatory Authority as defined in the Tariff.

1.30 "LSE" means load-serving entity. LSEs may be an investor-owned utility, an electric service provider, a community aggregator or community choice aggregator, or a municipality serving load in the CAISO Control Area (excluding exports).

1.31 "Monthly Delivery Period" means each calendar month during the Delivery Period and shall correspond to each Showing Month.

1.32 "Monthly RA Capacity Payment" has the meaning specified in Section 4.9 hereof.

1.33 "Net Qualifying Capacity" has the meaning set forth in the Tariff.

1.34 "Notification Deadline" has the meaning specified in Section 4.5 hereof.

1.35 "Outage" means any CAISO approved disconnection, separation, or reduction in the capacity of any Unit that relieves all or part of the offer obligations of the Unit consistent with the Tariff.

1.36 "Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of (i) carrying out routine repair or maintenance of such Unit, or (ii) new construction work for such Unit.

1.37 "Product" has the meaning specified in Article 3 hereof.

1.38 "RA Attributes" means, with respect to a Unit, any and all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the CPUC, CAISO or other Governmental Body of competent jurisdiction that can be counted toward RAR, exclusive of any LAR Attributes and Flexible RA Attributes.

1.39 "RA Capacity" means the qualifying and deliverable capacity of the Unit for RAR or LAR and, if applicable, Flexible RAR purposes for the Delivery Period, as determined by the CAISO or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the RA Attributes, LAR Attributes, and if applicable, Flexible RA Attributes of the capacity provided by a Unit.

1.40 "RAR" means the resource adequacy requirements (other than Local RAR or Flexible RAR) established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction.

1.41 "RAR Showings" means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction.

1.42 "Replacement Capacity" has the meaning specified in Section 4.7 hereof.

1.43 "Replacement Unit" has the meaning specified in Section 4.5.

1.44 "Resold Product" has the meaning specified in Section 9 hereof.

1.45 "Resource Category" shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

1.46 "RMR Agreement" has the meaning set forth in the Tariff.

1.47 "Scheduling Coordinator" has the same meaning as in the Tariff.

1.48 "Seller" has the meaning specified in the introductory paragraph hereof.

1.49 "Shortfall Capacity" has the meaning specified in Section 4.11 hereof.

1.50 "Showing Month" shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, as set forth in the CPUC Decisions. For illustrative purposes only, pursuant to the CPUC Decisions in effect as of the Confirmation Effective Date, the monthly RAR Showing made in June is for the Showing Month of August.

1.51 "Supply Plan" means the supply plan, or similar or successor filing, that a Scheduling Coordinator representing RA Capacity submits to the CAISO, LRA, or other applicable Governmental Body pursuant to Applicable Laws in order for the RA Attributes or LAR Attributes of such RA Capacity to count.

1.52 "Tariff" means the tariff and protocol provisions of the CAISO, as amended or supplemented from time to time. For purposes of Article 5, the Tariff refers to the tariff and protocol provisions of the CAISO as they exist on the Confirmation Effective Date.

1.53 "Transaction" for purposes of this Agreement means the Transaction that is evidenced by this Agreement.

1.54 "Unit" or "Units" shall mean the generation assets described in Article 2 hereof, as well as any Replacement Units, from which RA Capacity is provided by Seller to Buyer.

1.55 "Unit EFC" means the effective flexible capacity that is or will be set by the CAISO for the applicable Unit.

1.56 "Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. The Parties agree that if the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, that for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Net Qualifying Capacity.

1.57 "WSPP Agreement" has the meaning specified in the introductory paragraph hereof.

ARTICLE 2. UNIT INFORMATION

Unit 1

Unit Specific Information	
Resource Name	NCPA Geo Plant 1 Unit 1
Physical Location	Sonoma County, CA
CAISO Resource ID	NCPA_7_GP1UN1
SCID of Resource	NCPA
Unit NQC by month (e.g., Jan=50,Feb=65):	31
Unit EFC by month (e.g., Jan=30, Feb=50)	N/A
Resource Type (e.g., gas, hydro, solar, etc.)	Geothermal
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	4
TAC Area (e.g., PG&E, SCE)	PG&E
Prorated Percentage of Unit Factor	
Prorated Percentage of Unit Flexible Factor	
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	NCNB
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

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Unit 2

Unit Specific Information	
Resource Name	NCPA Geo Plant 1 Unit 2
Physical Location	Sonoma County, CA
CAISO Resource ID	NCPA_7_GP1UN2
SCID of Resource	NCPA
Unit NQC by month (e.g., Jan=50,Feb=65):	28
Unit EFC by month (e.g., Jan=30, Feb=50)	N/A
Resource Type (e.g., gas, hydro, solar, etc.)	Geothermal
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	4
TAC Area (e.g., PG&E, SCE)	PG&E
Prorated Percentage of Unit Factor	
Prorated Percentage of Unit Flexible Factor	
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	NCNB
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

Unit 3

Unit Specific Information	
Resource Name	NCPA Geo Plant 1 Unit 4
Physical Location	Sonoma County, CA
CAISO Resource ID	NCPA_7_GP1UN4
SCID of Resource	NCPA
Unit NQC by month (e.g., Jan=50,Feb=65):	52.73
Unit EFC by month (e.g., Jan=30, Feb=50)	N/A
Resource Type (e.g., gas, hydro, solar, etc.)	Geothermal
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	4
TAC Area (e.g., PG&E, SCE)	PG&E
Prorated Percentage of Unit Factor	
Prorated Percentage of Unit Flexible Factor	
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	NCNB
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

ARTICLE 3. RESOURCE ADEQUACY CAPACITY PRODUCT

For each day of each Showing Month that is part of the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Agreement, RA Attributes or LAR Attributes and, if applicable, Flexible RA Attributes for a Contingent Firm RA Product, as specified in Section 3.2 below (the "Product"). The Product does not confer to Buyer any right to the electrical output from the Units. Rather, the Product confers the right to include the Designated RA Capacity in RAR Showings, LAR Showings, Flexible RAR Showings, if applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, no energy or ancillary services associated with any Unit is required to be made available to Buyer as part of this Transaction and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell any RA Capacity from a Unit in excess of that Unit's Contract Quantity and any RA Attributes, LAR Attributes or Flexible RA Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

3.1 RA Attributes, LAR Attributes and Flexible RA Attributes

Seller shall provide Buyer with the Designated RA Capacity of RA Attributes, LAR Attributes and, if applicable, Flexible RA Attributes from each Unit, as measured in MWs, in accordance with the terms and conditions of this Agreement.

3.2 Contingent Firm RA Product

Seller shall provide Buyer with Product from the Units in the amount of the Designated RA Capacity. If the Units are not capable of providing the full amount of the Contract Quantity for any Monthly Delivery Period due to an Excusable Event or an adjustment in Contract Quantity made in accordance with Section 4.4, then Seller shall have the option to notify Buyer in writing not later than the applicable Notification Deadline that either (a) Seller will not provide the full Contract Quantity during the period of, and to the extent of, such non-availability (which period shall be specified in such notice); or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Designated RA Capacity or has failed to notify Buyer in writing by the Notification Deadline that it will not provide the full Contract Quantity during the period of such non availability as specified herein, then Seller shall be liable for damages and required to indemnify Buyer for any resulting penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof. For the avoidance of doubt, to the extent Seller provides less than the full amount of the Contract Quantity to Buyer due to an Excusable Event or an adjustment in Contract Quantity made in accordance with Section 4.4, then Seller shall not be liable for damages or required to indemnify Buyer for costs, penalties, and fines pursuant to the terms of Sections 4.7 and 4.8 hereof. The Product is a Contingent Firm RA Product, and with respect to this Contingent Firm RA Product, to the extent not inconsistent with this Confirmation, "Contingent Firm" shall have the same meaning as "Service Schedule B UNIT Commitment Service" in the WSPP Agreement.

3.3 Flexible RA Product

Seller shall provide Buyer with Designated RA Capacity of Flexible RA Attributes from the Unit(s) in the amounts set forth in Section 4.3.

ARTICLE 4. DELIVERY AND PAYMENT

4.1 Delivery Period

The Delivery Period shall be [redacted]

4.2 Delivery Point

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

4.3 Contract Quantity

The Contract Quantity for each Monthly Delivery Period shall be:

Contract Quantity (MWs)

Contract Month	RAR Contract Quantity (MWs)
[redacted]	

4.4 Adjustments to Contract Quantity

(a) Planned Outages: Seller's obligation to deliver the Contract Quantity for each day of each Showing Month may be reduced by the amount of any Planned Outage which exists during the applicable Showing Month for the applicable days of such Planned Outage; provided that Seller notifies Buyer, no later than the Notification Deadline, of the amount of Product from the Unit Buyer is permitted to include in Buyer's RAR Showings, LAR Showings, and/or FCR Showings applicable to that month as a result of such Planned Outage. If Seller is unable to provide the applicable Contract Quantity for a portion of a Showing Month due to a Planned Outage of a Unit, then Seller shall, upon written notice to Buyer by the Notification Deadline, either (a) notify Buyer of the unavailability of the Unit, including the duration of the Planned Outage and the amount of the Contract Quantity that Seller is excused from delivering due to the Planned Outage for such portion of the Showing Month; or (b) in lieu of excusing the delivery of the applicable portion of the Contract Quantity for the Showing Month, provide Alternate Capacity, which when combined with any Product from the Unit, shall not exceed the Contract Quantity for the affected portion of such Showing Month.

(b) Invoice Adjustment: In the event that the Contract Quantity is reduced due to a Planned Outage as set forth in Section 4.4(a) above, Section 4.4.(c) below, or an Excusable Event, then the invoice for such month(s) shall be adjusted to reflect a daily pro rata amount for the duration of such reduction.

(c) Reductions in Unit NQC and/or Unit EFC: Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced by Seller if the Unit experiences a reduction in Unit NQC and/or Unit EFC as determined by the CAISO. If the Unit experiences such a reduction in Unit NQC and/or Unit EFC, then (A) Seller shall notify Buyer as soon as reasonably possible, and (B) Seller has the option, but not the obligation, upon written notice to Buyer by the Notification Deadline, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product, and/or (ii) Alternate Capacity.

4.5 Notification Deadline and Replacement Units

(a) The "Notification Deadline" in respect of a Showing Month shall be ten (10) Business Days before the earlier of the relevant deadlines for (a) the corresponding RAR Showings, Flexible RAR Showings and/or LAR Showings for such Showing Month, and (b) the CAISO Supply Plan filings applicable to that Showing Month.

(b) If Seller desires to provide the Contract Quantity of Product for any Showing Month from a generating unit other than the Unit (a "Replacement Unit"), then Seller may, at no additional cost to Buyer, provide Buyer with Alternate Capacity from one or more Replacement Units, up to the Contract Quantity, for the applicable Showing Month; provided that in no event shall Seller provide Alternate Capacity that is supplied by or from generating units that utilize coal or coal materials as a source of fuel to generate electricity and provided further that in each case, Seller shall notify Buyer in writing of such Replacement Units no later than the Notification Deadline. Any Alternate Capacity must have the same or comparable characteristics to the Product. If Seller notifies Buyer in writing as to the particular Replacement Units and such Replacement Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for the remaining portion of that Showing Month.

(c) If Seller fails to provide Buyer the Contract Quantity of Product or Alternate Capacity for a given Showing Month during the Delivery Period, then Buyer may, but shall not be required to, purchase Product from a third party.

(d) Notwithstanding anything to the contrary contained herein, and for avoidance of doubt, Section 10 of the WSPP Agreement (*Uncontrollable Forces*) shall apply to the Parties' obligations under this Confirmation and the Parties shall not be liable for any damages or penalties hereunder if a breach or failure to perform is due to an Uncontrollable Force (as defined therein).

4.6 Delivery of Product

(a) Seller shall provide Buyer with the Designated RA Capacity of Product for each day of each Showing Month.

(b) Seller shall submit, or cause the Unit's Scheduling Coordinator to submit, by the relevant deadlines for submission of the Supply Plans applicable to that Showing Month (i) Supply Plans to the CAISO, LRA, or other applicable Governmental Body identifying and confirming the Designated RA Capacity to be provided to Buyer for the applicable Showing Month, unless Buyer specifically requests in writing that Seller not do so (it being understood that any Designated RA Capacity subject to such a request from Buyer will be deemed to have been provided to Buyer for all purposes under this Confirmation); and (ii) written confirmation to Buyer that Buyer will be credited with the Designated RA Capacity for such Showing Month per the Unit's Scheduling Coordinator Supply Plan.

4.7 Damages for Failure to Provide Designated RA Capacity

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month, and such failure is not excused under the terms of the Agreement, then the following shall apply:

(a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RA Attributes, LAR Attributes and, if applicable, Flexible RA Attributes as the Designated RA Capacity not provided by Seller; provided, however, that if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated RA Capacity having solely RA Attributes and no LAR Attributes or Flexible RA Attributes, and no such RA Capacity is available, then Buyer may replace such portion of the Designated RA Capacity with capacity having any applicable Flexible RA Attributes and/or LAR Attributes ("Replacement Capacity") by entering into purchase transactions with one or more third parties, including, without limitation, third parties who have purchased capacity from Buyer so long as such transactions are done at prevailing market prices. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity.

(b) Seller shall pay to Buyer at the time set forth in Section 9 of the WSPP Agreement, the following damages in lieu of damages specified in Section 21.3(a) of the WSPP Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity (including costs and expenses reasonably incurred by Buyer in purchasing such Replacement Capacity), and (B) each Capacity Replacement Price times the amount of the Designated RA Capacity neither provided by Seller nor purchased by Buyer pursuant to Section 4.7(a); minus (ii) the Designated RA Capacity not provided for the applicable Showing Month times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may, in addition to any other rights or remedies available to Buyer, offset those damages owed it against any CAISO revenues or future amounts it may owe to Seller under this, Confirmation pursuant to Section 28 of the WSPP Agreement.

4.8 Indemnities for Failure to Deliver Contract Quantity

Subject to any applicable adjustments pursuant to Section 4.4 and due to requests from Buyer pursuant to Section 4.6(b), Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, to the extent not otherwise paid by Seller to Buyer under Section 4.7(b), resulting from any of the following:

(a) Seller's failure to provide any portion of the Designated RA Capacity for any portion of the Delivery Period for which notice is not timely provided in accordance with Sections 3.2, 4.4, and 4.5;

(b) Seller's failure to provide notice of the non-availability of any portion of Designated RA Capacity for any portion of the Delivery Period as required under Sections 3.2, 4.4 and 4.5; or

(c) A Unit Scheduling Coordinator's failure to timely submit accurate Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder for each Showing Month of the Delivery Period.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties and fines. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may, in addition to any other rights or remedies available to Buyer, offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

4.9 Monthly RA Capacity Payment

Notwithstanding Section 9 of the WSPP Agreement, Buyer shall make a Monthly RA Capacity Payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Buyer's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day. Each Unit's Monthly RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for that Monthly Delivery Period, (b) the Designated RA Capacity for the Monthly Delivery Period, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Designated RA Capacity that was not delivered at the time of the CAISO filing for such Showing Month.

RA CAPACITY PRICE TABLE

Contract Month	RAR Capacity Price ($/kW-month)
[redacted]	

4.10 Allocation of Other Payments and Costs

Seller shall be entitled to receive and retain all revenues that Buyer is not expressly entitled to receive pursuant to this Agreement, including all revenues that Seller may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) revenue for ancillary services, (c) energy sales,

(d) revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, Flexible RAR Showing, as may be applicable, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller's account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. Any Non-Availability Charges are the responsibility of Seller, and for Seller's account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. However, Buyer shall be entitled to receive and retain all revenues associated with the Designated RA Capacity of any Unit during the Delivery Period (including any capacity or availability revenues from RMR Agreements for any Unit, Reliability Compensation Services Tariff, and Residual Unit Commitment capacity payments or payments made under a successor program to the Residual Unit Commitment program, but excluding payments described in clauses (a) through (c) above). In accordance with Section 4.9 of this Confirmation and Section 9 of the WSPP Agreement, all such Buyer revenues received by Seller, or a Unit's Scheduling Coordinator, owner, or operator shall be remitted to Buyer, Seller shall indemnify Buyer for any such revenues that Buyer does not receive, and Seller shall pay such revenues to Buyer if the Unit's Scheduling Coordinator, owner, or operator (as applicable) fails to remit those revenues to Buyer. If Seller or the Unit's Scheduling Coordinator, owner, or operator (as applicable) fails to pay such revenues to Buyer, Buyer may, in addition to any other rights or remedies available to Buyer, offset any amounts owing to it for such revenues pursuant to Section 28 of the WSPP Agreement against any future amounts it may owe to Seller under this Confirmation. If a centralized capacity market develops within the CAISO region, Buyer will have exclusive rights to offer, bid, or otherwise submit Designated RA Capacity provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive any and all related revenues.

ARTICLE 5. CAISO OFFER REQUIREMENTS

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event that results in a partial or full Outage of that Unit, Seller shall either schedule or cause the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and shall perform all, or cause the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

ARTICLE 6. OTHER BUYER AND SELLER COVENANTS

6.1 Further Assurances

Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of the Contract Quantity for the sole benefit of Buyer's applicable RAR, LAR and Flexible RAR. Such commercially reasonable actions shall include, without limitation:

(a) cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable RAR, LAR, and Flexible RAR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CPUC, the CAISO, a LRA of competent jurisdiction, or other Governmental Body of competent jurisdiction to administer the applicable RAR, LAR and Flexible RAR, to demonstrate that the Contract Quantity can be delivered to the CAISO Controlled Grid for the minimum hours required to qualify as RA Capacity, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

(b) The Parties further agree to negotiate in good faith to make necessary amendments, if any, to this Confirmation, to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, or other Governmental Body of competent jurisdiction to administer the applicable RAR, LAR and Flexible RAR, so as to maintain the benefits of the bargain struck by the Parties on the Confirmation Effective Date. The Parties acknowledge that the CPUC and CAISO are considering changes to RAR and/or LAR in various proceedings which may necessitate such amendments. Therefore, in the event that subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, or other Governmental Body having jurisdiction to administer RAR materially change the Product's ability to count toward CAISO or CPUC local or system RA requirements and the Parties are unable to reach agreement on amendments as contemplated by this Section 6.1, Seller or Buyer may terminate this Agreement and the Parties shall have no further obligations to each other except with respect to invoices and payments for deliveries of the Product prior to such termination.

For avoidance of doubt, "commercially reasonable actions" or "good faith" under this Section 6.1 shall not require the Seller, or the owner or operator of any Unit to undertake any capital improvements, facility enhancements, or the construction of new facilities.

6.2 Seller Representations and Warranties

Seller represents, warrants and covenants to Buyer that, throughout the Delivery Period:

(a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, the CAISO, the CPUC, a LRA of competent jurisdiction, or other Governmental Body with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;

(b) No portion of the Contract Quantity has been committed by Seller to any third party in order to satisfy such third party's applicable RAR, LAR or Flexible RAR or analogous obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit's owner or operator;

(c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR or Flexible RAR, or analogous obligations in any non-CAISO market;

(d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO;

(e) The owner or operator of each Unit is obligated to maintain and operate each Unit using Good Utility Practice and, if applicable, in accordance with General Order 167 as outlined by the CPUC in the Enforcement of Maintenance and Operation Standards for Electric Generating Facilities Adopted May 6, 2004, and is obligated to abide by all Applicable Laws in operating such Unit; provided, that the owner or operator of any Unit is not required to undertake capital improvements, facility enhancements, or the construction of new facilities;

(f) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity, RAR, LAR and Flexible RAR;

(g) If Seller is the owner of any Unit, the aggregation of all amounts of applicable LAR Attributes, RA Attributes and Flexible RA Attributes that Seller has sold, assigned or transferred for any Unit does not exceed that Unit's RA Capacity;

(h) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit's Scheduling Coordinator is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, RAR, LAR and Flexible RAR;

(i) Seller has notified the Scheduling Coordinator of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the Scheduling Coordinator is obligated to deliver the Supply Plans in accordance with the Tariff;

(j) Seller has notified the Scheduling Coordinator of each Unit that Seller is obligated to cause each Unit's Scheduling Coordinator to provide to the Buyer, by the Notification Deadline, the Designated

RA Capacity of each Unit that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

(k) Seller has notified each Unit's Scheduling Coordinator that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such Scheduling Coordinator is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

(l) No portion of the Designated RA Capacity or any Alternate Capacity provided under this Confirmation is or will be from Units that utilize coal or coal materials as a source of fuel. Seller understands and acknowledges that it is Buyer's policy to not purchase or accept products from generators that utilize coal or coal materials as a source of fuel. Any future replacement of the Units or the Designated RA Capacity, if necessary, shall not be from generators that utilize coal or coal materials as a source of fuel.

ARTICLE 7. CONFIDENTIALITY

In addition to the rights and obligations under Section 30 of the WSPP Agreement, the Parties agree that Buyer may disclose this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA of competent jurisdiction as necessary to support its applicable LAR, RAR or Flexible RAR Showings, if applicable, or to a subsequent purchaser, and Seller may disclose this Transaction to the Scheduling Coordinator of each Unit as necessary for such Scheduling Coordinator to timely submit accurate Supply Plans. Notwithstanding anything to the contrary contained herein or the WSPP Agreement, neither party is prohibited from disclosing the terms of this Transaction to any rating agency or its representatives, so long as such receiving party is subject to a confidentiality agreement or non-disclosure agreement with the Party disclosing such information that requires the receiving party to maintain the confidentiality of such information, or is otherwise subject to a professional duty to maintain the confidentiality of such information.

Seller acknowledges that Buyer is a public agency subject to the requirements of the California Public Records Act (Cal. Gov. Code section 6250 et seq.). Buyer acknowledges that Seller may submit to Buyer information that Seller considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act (Government Code sections 6254 and 6255). Upon request or demand of any third person or entity not a party to this Agreement ("Requestor") pursuant to the California Public Records Act for production, inspection and/or copying of this Agreement or any information designated by a Disclosing Party as confidential, the Receiving Party as soon as practical shall notify the Disclosing Party that such request has been made, by telephone call, letter sent via electronic mail, and/or by overnight carrier to the address, or email address listed at the end of this Confirmation The Disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be confidential information and to prevent release of information to the Requestor by the Receiving Party. If the Disclosing Party takes no such action within thirty (30) days, after receiving the foregoing notice from the Receiving Party, the Receiving Party shall be permitted to comply with the Requestor's demand and is not required to defend against it.

ARTICLE 8. BUYER'S RE-SALE OF PRODUCT

Buyer may re-sell all or a portion of the Product hereunder and any associated rights, in each case, acquired under this Confirmation. In the event Buyer re-sells all or a portion of the Product and any associated rights acquired under this Confirmation ("Resold Product"). If Buyer re-sells Resold Product, Seller agrees, and agrees to cause each Unit's SC, to follow Buyer's instructions and the Tariff with respect to providing such Resold Product to subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause each Unit's SC, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights under this Confirmation. Seller acknowledges and agrees that with respect to any Resold Product, if Buyer incurs any liability to any purchaser of such Resold Product due to the failure of Seller or a Unit's SC to comply with the terms of this Confirmation, and Seller would have had liability to Buyer under this Confirmation for such failure had Buyer not sold the Resold Product to a subsequent purchaser, then Seller shall be liable to Buyer under this Confirmation,

including without limitation, pursuant to Sections 4.7 and 4.8, for the amounts it would have been liable to Buyer for had such Resold Product not been sold to a subsequent purchaser.

If Buyer exercises its right to re-sell the Resold Product, Buyer shall notify Seller in writing that such sale has occurred and provide Seller with the information described in Appendix A no later than five (5) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month. Buyer shall notify Seller of any subsequent changes or further resale of the Resold Product, by providing Seller with written updates to the information in Appendix A in accordance with the deadlines described in this Section 4.8.

ARTICLE 9. MARKET BASED RATE AUTHORITY

Upon Buyer's written request, Seller shall, in accordance with Federal Energy Regulatory Commission (FERC) Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 10. WSPP AGREEMENT AMENDMENTS

For purposes of this Transaction only, the WSPP Agreement shall be amended as follows:

a) Section 22.1 of the WSPP Agreement is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

b) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

c) In Section 22.3(f), delete the entire provision and replace with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

d) Section 24 of the WSPP Agreement is deleted and replaced with the following:

"This Agreement and any Confirmation shall be governed by and construed, enforced and performed in accordance with the laws of the State of California, without regard to principles of conflicts of law."

e) The netting provisions of Section 28, NETTING, of the WSPP Agreement shall apply to the transaction covered by this Confirmation as if Buyer and Seller had both executed Exhibit A,

NETTING, to the WSPP Agreement. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

f) Section 30.1 of the WSPP Agreement is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

g) Subsections 34.1 and 34.2 of the WSPP Agreement are hereby deleted and replaced with the following:

"34.1 WAIVER OF JURY TRIAL

EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, CLAIM OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT (WHETHER BASED IN CONTRACT, TORT OR ANY OTHER THEORY) AND HEREBY (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

h) The phrase "arbitration or" is hereby deleted from the first line of Section 34.4.

i) The following shall be inserted as a new Section 34.5; PROVIDED, HOWEVER, THAT THE FOLLOWING NEW SECTION 34.5 SHALL NOT LIMIT BUYER'S RIGHT TO RECOVER FROM SELLER, OR SELLER'S OBLIGATION TO PAY BUYER, ANY AND ALL AMOUNTS OWED UNDER SECTION 4.8 OF THIS CONFIRMATION, INCLUDING PENALTIES AS SPECIFIED THEREIN:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY

TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

j) Section 37 of the WSPP Agreement is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

k) Section 41 "Witness" of the WSPP Agreement shall become Section 42 and the following "Standard of Review" Section substituted in its place:

"The Parties agree as follows:

For purposes of this Section, the term "Transaction" means a specific sale and purchase, or an option for sale and purchase, of capacity and/or energy to be supplied by one Party to the other Party. From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

ARTICLE 11. [INTENTIONALLY OMITTED]

ARTICLE 12. NO RECOURSE TO MEMBERS OF SELLER

Seller is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Seller is and will be solely responsible for all debts, obligations and liabilities accruing and arising out of this Confirmation. Buyer will have no recourse to, and will not make any claims, take any actions or assert any remedies against any of Seller's constituent members, or the officers, directors, advisors, contractors, consultants or employees of Seller or Seller's constituent members, in connection with this Confirmation.

ARTICLE 13. COUNTERPARTS

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

ARTICLE 14. ENTIRE AGREEMENT, NO ORAL AGREEMENTS OR MODIFICATIONS

This Confirmation sets forth the terms of the Transaction into which the Parties have entered into and (together with the WSPP Agreement, as revised by this Confirmation) shall constitute the entire agreement between the Parties

relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

ARTICLE 15. NOTICES

All notices required by this Agreement are to be sent to the Parties at the addresses indicated below:

Seller Contact Information	Buyer Contact Information
[redacted]	

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ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran
5CA04B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

EDF TRADING NORTH AMERICA, LLC

By: Kathy Stroman
Kathy Stroman
Confirmation Manager

Name: KK

Title:

EDF # 2432752

DocuSign Envelope ID: 72481E87-1B48-44D7-88F1-A69A4E0B050A

EXHIBIT "A"

SUBSEQUENT SALE INFORMATION

Contract Key ID:_____

Benefiting LSE SCID:_____

Generic Volume (in MW):_____

Local Volume (in MW):_____

Flexible Volume (in MW):_____

Term:_____

(SVCE Buys Generic Local RA)

CONFIRMATION LETTER - RESOURCE ADEQUACY
BETWEEN
EDF TRADING NORTH AMERICA, LCC
AND
SILICON VALLEY CLEAN ENERGY AUTHORITY

This confirmation letter ("Confirmation") confirms the Transaction between, **EDF Trading North America, LLC** a Texas limited liability company ("Seller") and **Silicon Valley Clean Energy Authority**, a California joint powers authority ("Buyer"), each individually a "Party" and together the "Parties", dated as of October [19], 2021 (the "Confirmation Effective Date") in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Article 3 of this Confirmation.

The Parties agree that this Confirmation sets forth the terms and conditions relating to the Transaction brokered on October 5, 2021, as more particularly described below.

This Transaction is governed by the Western System Power Pool Agreement, effective as of July 28, 2020, as amended from time to time, but excluding all schedules thereto (the Service Schedules and Schedule Q being excluded), and as modified by this Confirmation (the "WSPP Agreement"). To the extent that there is any conflict between the WSPP Agreement and this Confirmation, this Confirmation shall control. The WSPP Agreement and this Confirmation shall be collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the WSPP Agreement or the Tariff (defined herein below).

ARTICLE 1. DEFINITIONS

1.1 "Alternate Capacity" means any replacement Product which Seller has elected to provide to Buyer from a Replacement Unit in accordance with the terms of Section 4.5 (and subject to the restrictions specified therein).

1.2 "Applicable Laws" means (i) any law, rule, regulation, order, decision, judgment, or other legal or regulatory determination by any Governmental Body of competent jurisdiction over one or both Parties or this Transaction, and (ii) the Tariff.

1.3 "Availability Incentive Payments" has the meaning specified in the Tariff.

1.4 "Availability Standards" means the availability standards set forth in Section 40.9 of the Tariff.

1.5 "Buyer" has the meaning specified in the introductory paragraph hereof, and is "Purchaser" within the meaning of the WSPP Agreement.

1.6 "CAISO" means the California Independent System Operator Corporation or its successor.

1.7 "Capacity Replacement Price" means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs and expenses reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. The Buyer shall determine such market prices in a commercially reasonable manner. For purposes of Section 4 of the WSPP Agreement, "Capacity Replacement Price" shall be deemed to be the "Replacement Price."

1.8 "Competitive Solicitation Process" or "CSP" has the meaning set forth in the Tariff.

1.9 "Confirmation" has the meaning specified in the introductory paragraph hereof.

1.10 "Confirmation Effective Date" has the meaning specified in the introductory paragraph hereof.

1.11 "Contingent Firm RA Product" means the Product with the terms and conditions specified in Section 3.2 hereof.

1.12 "Contract Price" means, for any Monthly Delivery Period, the price specified for such Monthly Delivery Period in the "RA Capacity Price Table" set forth in Section 4.9.

1.13 "Contract Quantity" means, with respect to each day of each Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in the "Contract Quantity (MWs)" table in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month.

1.14 "CPUC" means the California Public Utilities Commission.

1.15 "CPUC Decisions" means, to the extent applicable, CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, and 16-06-045 and subsequent decisions related to resource adequacy as issued from time to time by the CPUC.

1.16 "CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSEs to demonstrate compliance with the CPUC's resource adequacy program.

1.17 "Delivery Period" has the meaning specified in Section 4.1 hereof.

1.18 "Delivery Point" has the meaning specified in Section 4.2 hereof.

1.19 "Designated RA Capacity" shall be equal to, with respect to any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to in accordance with the terms of this Confirmation, minus any reductions to Contract Quantity made by Seller pursuant to Section 4.4 and for which Seller has not elected to provide Alternate Capacity.

1.20 "Excusable Event" means (a) any event that is an excuse to Seller's performance under the definition of "Service Schedule B Commitment Service" in the WSPP Agreement that (b) causes Seller to fail to perform its obligations under this Confirmation.

1.21 "Flexible RA Attributes" means any and all flexible resource adequacy attributes, as may be identified at any time during the Delivery Period by the CPUC, CAISO or other Governmental Body of competent jurisdiction that can be counted toward Flexible RAR, exclusive of any RA Attributes and LAR Attributes.

1.22 "Flexible RAR" means the flexible resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction.

1.23 "Flexible RAR Showing" means the Flexible RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction over the LSE.

1.24 "Governmental Body" means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.

1.25 "LAR" means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, or by another LRA of competent jurisdiction over the LSE. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.

1.26 "LAR Attributes" means, with respect to a Unit, any and all local resource adequacy attributes (or other locational attributes related to system reliability), as they are identified as of the Confirmation Effective Date by the CPUC, CAISO, LRA, or other Governmental Body of competent jurisdiction, associated with the physical location or point of electrical interconnection of such Unit within the CAISO Control Area, that can be counted toward LAR, exclusive of any RA Attributes and Flexible RA Attributes. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing local areas, then such change will not result in a change in payments made pursuant to this Transaction.

1.27 "LAR Showings" means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction over the LSE.

1.28 "Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

1.29 "LRA" means Local Regulatory Authority as defined in the Tariff.

1.30 "LSE" means load-serving entity. LSEs may be an investor-owned utility, an electric service provider, a community aggregator or community choice aggregator, or a municipality serving load in the CAISO Control Area (excluding exports).

1.31 "Monthly Delivery Period" means each calendar month during the Delivery Period and shall correspond to each Showing Month.

1.32 "Monthly RA Capacity Payment" has the meaning specified in Section 4.9 hereof.

1.33 "Net Qualifying Capacity" has the meaning set forth in the Tariff.

1.34 "Notification Deadline" has the meaning specified in Section 4.5 hereof.

1.35 "Outage" means any CAISO approved disconnection, separation, or reduction in the capacity of any Unit that relieves all or part of the offer obligations of the Unit consistent with the Tariff.

1.36 "Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of (i) carrying out routine repair or maintenance of such Unit, or (ii) new construction work for such Unit.

1.37 "Product" has the meaning specified in Article 3 hereof.

1.38 "RA Attributes" means, with respect to a Unit, any and all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the CPUC, CAISO or other Governmental Body of competent jurisdiction that can be counted toward RAR, exclusive of any LAR Attributes and Flexible RA Attributes.

1.39 "RA Capacity" means the qualifying and deliverable capacity of the Unit for RAR or LAR and, if applicable, Flexible RAR purposes for the Delivery Period, as determined by the CAISO or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the RA Attributes, LAR Attributes, and if applicable, Flexible RA Attributes of the capacity provided by a Unit.

1.40 "RAR" means the resource adequacy requirements (other than Local RAR or Flexible RAR) established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction.

1.41 "RAR Showings" means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction.

1.42 "Replacement Capacity" has the meaning specified in Section 4.7 hereof.

1.43 "Replacement Unit" has the meaning specified in Section 4.5.

1.44 "Resold Product" has the meaning specified in Section 9 hereof.

1.45 "Resource Category" shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

1.46 "RMR Agreement" has the meaning set forth in the Tariff.

1.47 "Scheduling Coordinator" has the same meaning as in the Tariff.

1.48 "Seller" has the meaning specified in the introductory paragraph hereof.

1.49 "Shortfall Capacity" has the meaning specified in Section 4.11 hereof.

1.50 "Showing Month" shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, as set forth in the CPUC Decisions. For illustrative purposes only, pursuant to the CPUC Decisions in effect as of the Confirmation Effective Date, the monthly RAR Showing made in June is for the Showing Month of August.

1.51 "Supply Plan" means the supply plan, or similar or successor filing, that a Scheduling Coordinator representing RA Capacity submits to the CAISO, LRA, or other applicable Governmental Body pursuant to Applicable Laws in order for the RA Attributes or LAR Attributes of such RA Capacity to count.

1.52 "Tariff" means the tariff and protocol provisions of the CAISO, as amended or supplemented from time to time. For purposes of Article 5, the Tariff refers to the tariff and protocol provisions of the CAISO as they exist on the Confirmation Effective Date.

1.53 "Transaction" for purposes of this Agreement means the Transaction that is evidenced by this Agreement.

1.54 "Unit" or "Units" shall mean the generation assets described in Article 2 hereof, as well as any Replacement Units, from which RA Capacity is provided by Seller to Buyer.

1.55 "Unit EFC" means the effective flexible capacity that is or will be set by the CAISO for the applicable Unit.

1.56 "Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. The Parties agree that if the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, that for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Net Qualifying Capacity.

1.57 "WSPP Agreement" has the meaning specified in the introductory paragraph hereof.

ARTICLE 2. UNIT INFORMATION

Name:	Delta Energy Center Aggregate
Location:	Pittsburg, CA
CAISO Resource ID:	DELTA_2_PL1X4
Resource Type:	I_Phys_Res
Resource Category (1, 2, 3 or 4):	4
Point of interconnection with CAISO Controlled Grid ("Substation"):	Pittsburg 230 kV substation
Path 26 (North, South or None):	North
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment:	None
Run Hour Restrictions:	None
LAR Attributes (Yes/No):	Yes
If yes: Local Capacity Area (as of Confirmation Effective Date):	Bay Area
Product Type (Flexible/Generic):	Generic

If Generic: Unit NQC (as of the Confirmation Effective Date):	Varies by month
If Flexible: Unit EFC (as of the Confirmation Effective Date):	N/A
Flexible Capacity Category (Base/Peak/Super-peak) (as of the Confirmation Effective Date):	N/A

ARTICLE 3. RESOURCE ADEQUACY CAPACITY PRODUCT

For each day of each Showing Month that is part of the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Agreement, RA Attributes or LAR Attributes and, if applicable, Flexible RA Attributes for a Contingent Firm RA Product, as specified in Section 3.2 below (the "Product"). The Product does not confer to Buyer any right to the electrical output from the Units. Rather, the Product confers the right to include the Designated RA Capacity in RAR Showings, LAR Showings, Flexible RAR Showings, if applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, no energy or ancillary services associated with any Unit is required to be made available to Buyer as part of this Transaction and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell any RA Capacity from a Unit in excess of that Unit's Contract Quantity and any RA Attributes, LAR Attributes or Flexible RA Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

3.1 RA Attributes, LAR Attributes and Flexible RA Attributes

Seller shall provide Buyer with the Designated RA Capacity of RA Attributes, LAR Attributes and, if applicable, Flexible RA Attributes from each Unit, as measured in MWs, in accordance with the terms and conditions of this Agreement.

3.2 Contingent Firm RA Product

Seller shall provide Buyer with Product from the Units in the amount of the Designated RA Capacity. If the Units are not capable of providing the full amount of the Contract Quantity for any Monthly Delivery Period due to an Excusable Event or an adjustment in Contract Quantity made in accordance with Section 4.4, then Seller shall have the option to notify Buyer in writing not later than the applicable Notification Deadline that either (a) Seller will not provide the full Contract Quantity during the period of, and to the extent of, such non-availability (which period shall be specified in such notice); or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Designated RA Capacity or has failed to notify Buyer in writing by the Notification Deadline that it will not provide the full Contract Quantity during the period of such non availability as specified herein, then Seller shall be liable for damages and required to indemnify Buyer for any resulting penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof. For the avoidance of doubt, to the extent Seller provides less than the full amount of the Contract Quantity to Buyer due to an Excusable Event or an adjustment in Contract Quantity made in accordance with Section 4.4, then Seller shall not be liable for damages or required to indemnify Buyer for costs, penalties, and fines pursuant to the terms of Sections 4.7 and 4.8 hereof. The Product is a Contingent Firm RA Product, and with respect to this Contingent Firm RA Product, to the extent not inconsistent with this Confirmation, "Contingent Firm" shall have the same meaning as "Service Schedule B UNIT Commitment Service" in the WSPP Agreement.

3.3 Flexible RA Product

Seller shall provide Buyer with Designated RA Capacity of Flexible RA Attributes from the Unit(s) in the amounts set forth in Section 4.3.

ARTICLE 4. DELIVERY AND PAYMENT

4.1 Delivery Period

The Delivery Period shall b[redacted]

4.2 Delivery Point

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

4.3 Contract Quantity

The Contract Quantity for each Monthly Delivery Period shall be:

Contract Quantity (MWs)

Contract Month	RAR Contract Quantity (MWs)
[redacted]	

4.4 Adjustments to Contract Quantity

(a) Planned Outages: Seller's obligation to deliver the Contract Quantity for each day of each Showing Month may be reduced by the amount of any Planned Outage which exists during the applicable Showing Month for the applicable days of such Planned Outage; provided that Seller notifies Buyer, no later than the Notification Deadline, of the amount of Product from the Unit Buyer is permitted to include in Buyer's RAR Showings, LAR Showings, and/or FCR Showings applicable to that month as a result of such Planned Outage. If Seller is unable to provide the applicable Contract Quantity for a portion of a Showing Month due to a Planned Outage of a Unit, then Seller shall, upon written notice to Buyer by the Notification Deadline, either (a) notify Buyer of the unavailability of the Unit, including the duration of the Planned Outage and the amount of the Contract Quantity that Seller is excused from delivering due to the Planned Outage for such portion of the Showing Month; or (b) in lieu of excusing the delivery of the applicable portion of the Contract Quantity for the Showing Month, provide Alternate Capacity, which when combined with any Product from the Unit, shall not exceed the Contract Quantity for the affected portion of such Showing Month.

(b) Invoice Adjustment: In the event that the Contract Quantity is reduced due to a Planned Outage as set forth in Section 4.4(a) above, Section 4.4.(c) below, or an Excusable Event, then the invoice for such month(s) shall be adjusted to reflect a daily pro rata amount for the duration of such reduction.

(c) Reductions in Unit NQC and/or Unit EFC: Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced by Seller if the Unit experiences a reduction in Unit NQC and/or Unit EFC as determined by the CAISO. If the Unit experiences such a reduction in Unit NQC and/or Unit EFC, then (A) Seller shall notify Buyer as soon as reasonably possible, and (B) Seller has the option, but not the obligation, upon written notice to Buyer by the Notification Deadline, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product, and/or (ii) Alternate Capacity.

4.5 Notification Deadline and Replacement Units

(a) The "Notification Deadline" in respect of a Showing Month shall be ten (10) Business Days before the earlier of the relevant deadlines for (a) the corresponding RAR Showings, Flexible RAR Showings and/or LAR Showings for such Showing Month, and (b) the CAISO Supply Plan filings applicable to that Showing Month.

(b) If Seller desires to provide the Contract Quantity of Product for any Showing Month from a generating unit other than the Unit (a "Replacement Unit"), then Seller may, at no additional cost to Buyer, provide Buyer with Alternate Capacity from one or more Replacement Units, up to the Contract Quantity, for the applicable Showing Month; provided that in no event shall Seller provide Alternate Capacity that is supplied by or from generating units that utilize coal or coal materials as a source of fuel to generate electricity and provided further that in each case, Seller shall notify Buyer in writing of such Replacement Units no later than the Notification Deadline. Any Alternate Capacity must have the same or comparable characteristics to the Product. If Seller notifies Buyer in writing as to the particular Replacement Units and such Replacement Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for the remaining portion of that Showing Month.

(c) If Seller fails to provide Buyer the Contract Quantity of Product or Alternate Capacity for a given Showing Month during the Delivery Period, then Buyer may, but shall not be required to, purchase Product from a third party.

(d) Notwithstanding anything to the contrary contained herein, and for avoidance of doubt, Section 10 of the WSPP Agreement (*Uncontrollable Forces*) shall apply to the Parties' obligations under this Confirmation and the Parties shall not be liable for any damages or penalties hereunder if a breach or failure to perform is due to an Uncontrollable Force (as defined therein).

4.6 Delivery of Product

(a) Seller shall provide Buyer with the Designated RA Capacity of Product for each day of each Showing Month.

(b) Seller shall submit, or cause the Unit's Scheduling Coordinator to submit, by the relevant deadlines for submission of the Supply Plans applicable to that Showing Month (i) Supply Plans to the CAISO, LRA, or other applicable Governmental Body identifying and confirming the Designated RA Capacity to be provided to Buyer for the applicable Showing Month, unless Buyer specifically requests in writing that Seller not do so (it being understood that any Designated RA Capacity subject to such a request from Buyer will be deemed to have been provided to Buyer for all purposes under this Confirmation); and (ii) written confirmation to Buyer that Buyer will be credited with the Designated RA Capacity for such Showing Month per the Unit's Scheduling Coordinator Supply Plan.

4.7 Damages for Failure to Provide Designated RA Capacity

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month, and such failure is not excused under the terms of the Agreement, then the following shall apply:

(a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RA Attributes, LAR Attributes and, if applicable, Flexible RA Attributes as the Designated RA Capacity not provided by Seller; provided, however, that if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated

RA Capacity having solely RA Attributes and no LAR Attributes or Flexible RA Attributes, and no such RA Capacity is available, then Buyer may replace such portion of the Designated RA Capacity with capacity having any applicable Flexible RA Attributes and/or LAR Attributes ("Replacement Capacity") by entering into purchase transactions with one or more third parties, including, without limitation, third parties who have purchased capacity from Buyer so long as such transactions are done at prevailing market prices. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity.

(b) Seller shall pay to Buyer at the time set forth in Section 9 of the WSPP Agreement, the following damages in lieu of damages specified in Section 21.3(a) of the WSPP Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity (including costs and expenses reasonably incurred by Buyer in purchasing such Replacement Capacity), and (B) each Capacity Replacement Price times the amount of the Designated RA Capacity neither provided by Seller nor purchased by Buyer pursuant to Section 4.7(a); minus (ii) the Designated RA Capacity not provided for the applicable Showing Month times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may, in addition to any other rights or remedies available to Buyer, offset those damages owed it against any CAISO revenues or future amounts it may owe to Seller under this, Confirmation pursuant to Section 28 of the WSPP Agreement.

4.8 Indemnities for Failure to Deliver Contract Quantity

Subject to any applicable adjustments pursuant to Section 4.4 and due to requests from Buyer pursuant to Section 4.6(b), Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, to the extent not otherwise paid by Seller to Buyer under Section 4.7(b), resulting from any of the following:

(a) Seller's failure to provide any portion of the Designated RA Capacity for any portion of the Delivery Period for which notice is not timely provided in accordance with Sections 3.2, 4.4, and 4.5;

(b) Seller's failure to provide notice of the non-availability of any portion of Designated RA Capacity for any portion of the Delivery Period as required under Sections 3.2, 4.4 and 4.5; or

(c) A Unit Scheduling Coordinator's failure to timely submit accurate Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder for each Showing Month of the Delivery Period.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties and fines. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may, in addition to any other rights or remedies available to Buyer, offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

4.9 Monthly RA Capacity Payment

Notwithstanding Section 9 of the WSPP Agreement, Buyer shall make a Monthly RA Capacity Payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Buyer's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day. Each Unit's Monthly RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for that Monthly Delivery Period, (b) the Designated RA Capacity for the Monthly Delivery Period, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Designated RA Capacity that was not delivered at the time of the CAISO filing for such Showing Month.

RA CAPACITY PRICE TABLE

Contract Month	RAR Capacity Price ($/kW-month)
[redacted]	

4.10 Allocation of Other Payments and Costs

Seller shall be entitled to receive and retain all revenues that Buyer is not expressly entitled to receive pursuant to this Agreement, including all revenues that Seller may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) revenue for ancillary services, (c) energy sales, (d) revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, Flexible RAR Showing, as may be applicable, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller's account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. Any Non-Availability Charges are the responsibility of Seller, and for Seller's account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. However, Buyer shall be entitled to receive and retain all revenues associated with the Designated RA Capacity of any Unit during the Delivery Period (including any capacity or availability revenues from RMR Agreements for any Unit, Reliability Compensation Services Tariff, and Residual Unit Commitment capacity payments or payments made under a successor program to the Residual Unit Commitment program, but excluding payments described in clauses (a) through (c) above). In accordance with Section 4.9 of this Confirmation and Section 9 of the WSPP Agreement, all such Buyer revenues received by Seller, or a Unit's Scheduling Coordinator, owner, or operator shall be remitted to Buyer, Seller shall indemnify Buyer for any such revenues that Buyer does not receive, and Seller shall pay such revenues to Buyer if the Unit's Scheduling Coordinator, owner, or operator (as applicable) fails to remit those revenues to Buyer. If Seller or the Unit's Scheduling Coordinator, owner, or operator (as applicable) fails to pay such revenues to Buyer, Buyer may, in addition to any other rights or remedies available to Buyer, offset any amounts owing to it for such revenues pursuant to Section 28 of the WSPP Agreement against any future amounts it may owe to Seller under this Confirmation. If a centralized capacity market develops within the CAISO region, Buyer will have exclusive rights to offer, bid, or otherwise submit Designated RA Capacity provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive any and all related revenues.

ARTICLE 5. CAISO OFFER REQUIREMENTS

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event that results in a partial or full Outage of that Unit, Seller shall either schedule or cause the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and shall perform all, or cause the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

ARTICLE 6. OTHER BUYER AND SELLER COVENANTS

6.1 Further Assurances

Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of the Contract Quantity for the sole benefit of Buyer's applicable RAR, LAR and Flexible RAR. Such commercially reasonable actions shall include, without limitation:

(a) cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation

to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable RAR, LAR, and Flexible RAR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CPUC, the CAISO, a LRA of competent jurisdiction, or other Governmental Body of competent jurisdiction to administer the applicable RAR, LAR and Flexible RAR, to demonstrate that the Contract Quantity can be delivered to the CAISO Controlled Grid for the minimum hours required to qualify as RA Capacity, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

(b) The Parties further agree to negotiate in good faith to make necessary amendments, if any, to this Confirmation, to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, or other Governmental Body of competent jurisdiction to administer the applicable RAR, LAR and Flexible RAR, so as to maintain the benefits of the bargain struck by the Parties on the Confirmation Effective Date. The Parties acknowledge that the CPUC and CAISO are considering changes to RAR and/or LAR in various proceedings which may necessitate such amendments. Therefore, in the event that subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, or other Governmental Body having jurisdiction to administer RAR materially change the Product's ability to count toward CAISO or CPUC local or system RA requirements and the Parties are unable to reach agreement on amendments as contemplated by this Section 6.1, Seller or Buyer may terminate this Agreement and the Parties shall have no further obligations to each other except with respect to invoices and payments for deliveries of the Product prior to such termination.

For avoidance of doubt, "commercially reasonable actions" or "good faith" under this Section 6.1 shall not require the Seller, or the owner or operator of any Unit to undertake any capital improvements, facility enhancements, or the construction of new facilities.

6.2 Seller Representations and Warranties

Seller represents, warrants and covenants to Buyer that, throughout the Delivery Period:

(a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, the CAISO, the CPUC, a LRA of competent jurisdiction, or other Governmental Body with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;

(b) No portion of the Contract Quantity has been committed by Seller to any third party in order to satisfy such third party's applicable RAR, LAR or Flexible RAR or analogous obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit's owner or operator;

(c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR or Flexible RAR, or analogous obligations in any non-CAISO market;

(d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO;

(e) The owner or operator of each Unit is obligated to maintain and operate each Unit using Good Utility Practice and, if applicable, in accordance with General Order 167 as outlined by the CPUC in the Enforcement of Maintenance and Operation Standards for Electric Generating Facilities Adopted May 6, 2004, and is obligated to abide by all Applicable Laws in operating such Unit; provided, that the owner or operator of any Unit is not required to undertake capital improvements, facility enhancements, or the construction of new facilities;

(f) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity, RAR, LAR and Flexible RAR;

(g) If Seller is the owner of any Unit, the aggregation of all amounts of applicable LAR Attributes, RA Attributes and Flexible RA Attributes that Seller has sold, assigned or transferred for any Unit does not exceed that Unit's RA Capacity;

(h) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit's Scheduling Coordinator is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, RAR, LAR and Flexible RAR;

(i) Seller has notified the Scheduling Coordinator of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the Scheduling Coordinator is obligated to deliver the Supply Plans in accordance with the Tariff;

(j) Seller has notified the Scheduling Coordinator of each Unit that Seller is obligated to cause each Unit's Scheduling Coordinator to provide to the Buyer, by the Notification Deadline, the Designated RA Capacity of each Unit that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

(k) Seller has notified each Unit's Scheduling Coordinator that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such Scheduling Coordinator is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

(l) No portion of the Designated RA Capacity or any Alternate Capacity provided under this Confirmation is or will be from Units that utilize coal or coal materials as a source of fuel. Seller understands and acknowledges that it is Buyer's policy to not purchase or accept products from generators that utilize coal or coal materials as a source of fuel. Any future replacement of the Units or the Designated RA Capacity, if necessary, shall not be from generators that utilize coal or coal materials as a source of fuel.

ARTICLE 7. CONFIDENTIALITY

In addition to the rights and obligations under Section 30 of the WSPP Agreement, the Parties agree that Buyer may disclose this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA of competent jurisdiction as necessary to support its applicable LAR, RAR or Flexible RAR Showings, if applicable, or to a subsequent purchaser, and Seller may disclose this Transaction to the Scheduling Coordinator of each Unit as necessary for such Scheduling Coordinator to timely submit accurate Supply Plans. Notwithstanding anything to the contrary contained herein or the WSPP Agreement, neither party is prohibited from disclosing the terms of this Transaction to any rating agency or its representatives, so long as such receiving party is subject to a confidentiality agreement or non-disclosure agreement with the Party disclosing such information that requires the receiving party to maintain the confidentiality of such information, or is otherwise subject to a professional duty to maintain the confidentiality of such information.

Seller acknowledges that Buyer is a public agency subject to the requirements of the California Public Records Act (Cal. Gov. Code section 6250 et seq.). Buyer acknowledges that Seller may submit to Buyer information that Seller considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act (Government Code sections 6254 and 6255). Upon request or demand of any third person or entity not a party to this Agreement ("Requestor") pursuant to the California Public Records Act for production, inspection and/or copying of this Agreement or any information designated by a Disclosing Party as confidential, the Receiving Party as soon as practical shall notify the Disclosing Party that such request has been made, by telephone call, letter sent via electronic mail, and/or by overnight carrier to the address, or email address listed at the end of this Confirmation The Disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be confidential information and to prevent release of information to the Requestor by the Receiving Party. If the Disclosing Party takes no such action within thirty (30) days, after receiving the foregoing notice from the Receiving Party, the Receiving Party shall be permitted to comply with the Requestor's demand and is not required to defend against it.

ARTICLE 8. BUYER'S RE-SALE OF PRODUCT

Buyer may re-sell all or a portion of the Product hereunder and any associated rights, in each case, acquired under this Confirmation. In the event Buyer re-sells all or a portion of the Product and any associated rights acquired under this Confirmation ("Resold Product"). If Buyer re-sells Resold Product, Seller agrees, and agrees to cause each Unit's SC, to follow Buyer's instructions and the Tariff with respect to providing such Resold Product to

subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause each Unit's SC, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights under this Confirmation. Seller acknowledges and agrees that with respect to any Resold Product, if Buyer incurs any liability to any purchaser of such Resold Product due to the failure of Seller or a Unit's SC to comply with the terms of this Confirmation, and Seller would have had liability to Buyer under this Confirmation for such failure had Buyer not sold the Resold Product to a subsequent purchaser, then Seller shall be liable to Buyer under this Confirmation, including without limitation, pursuant to Sections 4.7 and 4.8, for the amounts it would have been liable to Buyer for had such Resold Product not been sold to a subsequent purchaser.

If Buyer exercises its right to re-sell the Resold Product, Buyer shall notify Seller in writing that such sale has occurred and provide Seller with the information described in Appendix A no later than five (5) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month. Buyer shall notify Seller of any subsequent changes or further resale of the Resold Product, by providing Seller with written updates to the information in Appendix A in accordance with the deadlines described in this Section 4.8.

ARTICLE 9. MARKET BASED RATE AUTHORITY

Upon Buyer's written request, Seller shall, in accordance with Federal Energy Regulatory Commission (FERC) Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 10. WSPP AGREEMENT AMENDMENTS

For purposes of this Transaction only, the WSPP Agreement shall be amended as follows:

a) Section 22.1 of the WSPP Agreement is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

b) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

c) In Section 22.3(f), delete the entire provision and replace with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

d) Section 24 of the WSPP Agreement is deleted and replaced with the following:

"This Agreement and any Confirmation shall be governed by and construed, enforced and performed in accordance with the laws of the State of California, without regard to principles of conflicts of law."

e) The netting provisions of Section 28, NETTING, of the WSPP Agreement shall apply to the transaction covered by this Confirmation as if Buyer and Seller had both executed Exhibit A, NETTING, to the WSPP Agreement. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

f) Section 30.1 of the WSPP Agreement is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

g) Subsections 34.1 and 34.2 of the WSPP Agreement are hereby deleted and replaced with the following:

"34.1 WAIVER OF JURY TRIAL

EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, CLAIM OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT (WHETHER BASED IN CONTRACT, TORT OR ANY OTHER THEORY) AND HEREBY (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

h) The phrase "arbitration or" is hereby deleted from the first line of Section 34.4.

i) The following shall be inserted as a new Section 34.5; PROVIDED, HOWEVER, THAT THE FOLLOWING NEW SECTION 34.5 SHALL NOT LIMIT BUYER'S RIGHT TO RECOVER FROM SELLER, OR SELLER'S OBLIGATION TO PAY BUYER, ANY AND ALL AMOUNTS OWED UNDER SECTION 4.8 OF THIS CONFIRMATION, INCLUDING PENALTIES AS SPECIFIED THEREIN:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES

IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

j) Section 37 of the WSPP Agreement is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

k) Section 41 "Witness" of the WSPP Agreement shall become Section 42 and the following "Standard of Review" Section substituted in its place:

"The Parties agree as follows:

For purposes of this Section, the term "Transaction" means a specific sale and purchase, or an option for sale and purchase, of capacity and/or energy to be supplied by one Party to the other Party. From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

ARTICLE 11. [INTENTIONALLY OMITTED]

ARTICLE 12. NO RECOURSE TO MEMBERS OF BUYER

Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Buyer is and will be solely responsible for all debts, obligations and liabilities accruing and arising out of this Confirmation. Seller will have no recourse to, and will not make any claims, take any actions or assert any remedies against any of Buyer's constituent members, or the officers, directors, advisors, contractors, consultants or employees of Buyer or Buyer's constituent members, in connection with this Confirmation.

ARTICLE 13. COUNTERPARTS

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

ARTICLE 14. ENTIRE AGREEMENT, NO ORAL AGREEMENTS OR MODIFICATIONS

This Confirmation sets forth the terms of the Transaction into which the Parties have entered into and (together with the WSPP Agreement, as revised by this Confirmation) shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

ARTICLE 15. NOTICES

All notices required by this Agreement are to be sent to the Parties at the addresses indicated below:

Buyer Contact Information	Seller Contact Information
[redacted]	

[redacted]

[Remainder of Page Intentionally Left Blank]

[redacted]

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ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

EDF TRADING NORTH AMERICA, LLC

By: Kathy Stroman

Name: Kathy Stroman
Confirmation Manager
KS

Title:

EDF # 2433054

EDF # 2432756

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EXHIBIT "A"

SUBSEQUENT SALE INFORMATION

Contract Key ID:_____

Benefiting LSE SCID:_____

Generic Volume (in MW):_____

Local Volume (in MW):_____

Flexible Volume (in MW):_____

Term:_____

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MASTER POWER PURCHASE AND SALE AGREEMENT
RESOURCE ADEQUACY CONFIRMATION LETTER
BETWEEN
SILICON VALLEY CLEAN ENERGY AUTHORITY ("PARTY A")
AND
PACIFIC GAS AND ELECTRIC COMPANY ("PARTY B")

This confirmation letter ("Confirmation") confirms the Transaction between Party A and Party B, which becomes effective on the date fully executed by both Parties (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of October 25, 2017, together with the Cover Sheet, the Collateral Annex and Paragraph 10 to the Collateral Annex, and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the "Master Agreement"). The Master Agreement and this Confirmation are collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

ARTICLE 1
TRANSACTION TERMS

Buyer: Party A

Seller: Party B

Product: The Product is the Capacity Attributes of the Unit(s) as defined in Appendix B; provided that if Buyer does not specify the Local Capacity Area in Appendix B, when applicable, then Seller may provide Local RAR from any Local Capacity Area in the Seller's local areas. The Product does not include any right to the energy or ancillary services of the Unit(s).

Delivery Period [redacted]

Contract Quantity and Contract Price: The Contract Quantity and Contract Price for each day of each Showing Month during the Delivery Period shall be set forth in Appendix B.

ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Firm RA Product

Seller's obligation to deliver the Contract Quantity of Product for each day included in the Delivery Period is firm and will not be excused for any reason.

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2.2 Seller To Identify Shown Unit

(a) Seller shall identify the Shown Unit(s) that meet the Product characteristics and Contract Quantity specified in Appendix B by providing Buyer with the specific Unit information no later than:

(i) Fifteen (15) calendar days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, if the Confirmation Effective Date is at least fifteen (15) calendar days before such Compliance Showing deadline; or

(ii) One (1) business day from the Confirmation Effective Date if the Confirmation Effective Date is less than fifteen (15) calendar days from the Compliance Showing. Section 2.3 of this Confirmation does not apply when the Confirmation Effective Date is within fifteen (15) calendar days of the Compliance Showing.

(b) The Shown Unit should not have characteristics that would trigger the need for Buyer or Seller to file an Advice Letter to the CPUC.

(c) Seller's notice under this Section 2.2 shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within three (3) Business Days of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Shown Unit. If Buyer timely objects, Seller must identify another Shown Unit within five (5) Business Days. Provided such Shown Unit meets the requirements of this Confirmation, this second Shown Unit shall be deemed acceptable to and approved by Buyer upon receipt. This section does not apply if the Confirmation Effective Date is within fifteen (15) calendar days of the relevant Compliance Showing deadline.

(d) Once the Shown Unit designated by Seller is approved or deemed approved in accordance with Section 2.2(c), then any such Shown Unit will be automatically deemed the Unit from which the Product is delivered for purposes of this Confirmation for the affected Showing Month.

2.3 Seller To Provide Alternate Capacity

(a) If Seller desires to provide the Contract Quantity for any Showing Month during the Delivery Period from a different Unit other than the Shown Unit as designated in Section 2.2, then Seller may, at no additional cost to Buyer, provide Buyer with Product from one (1) or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units for the Showing Month during the Delivery Period is equal to the Contract Quantity for the Delivery Period.

(b) If Seller desires to provide Product from an Alternate Unit under Section 2.3(a), Seller must notify Buyer of its intent to provide Product from an Alternate Unit and identify the proposed Alternate Unit meeting the Product characteristics

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specified in Appendix B no later than five (5) calendar days before the relevant deadlines for the submission of Compliance Showings related to the applicable Showing Month. Seller's notice under this Section 2.3(b) shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within one (1) Business Day of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Alternate Unit. If Buyer timely objects, Seller must identify another Alternate Unit within two (2) Business Days. Provided such Alternate Unit meets the requirements of a Shown Unit under this Confirmation, this second Alternate Unit is deemed acceptable to and approved by Buyer upon receipt.

(c) Once the Alternate Unit is approved or deemed approved in accordance with Section 2.3(b), then any such Alternate Unit will be automatically deemed the Unit from which Product is delivered for purposes of this Confirmation for the affected Showing Month.

2.4 Delivery of Product

(a) Seller shall provide Buyer with the Contract Quantity of Product for each day during the Delivery Period consistent with the following:

(i) Seller shall, on a timely basis with respect to each applicable Showing Month, submit, or cause the Unit's Scheduling Coordinator to submit, Supply Plans in accordance with the Tariff to identify and confirm the Product provided to Buyer for each day of such Showing Month that is included in the Delivery Period so that the total amount of Product identified and confirmed for each such day of such Showing Month equals the Contract Quantity for such day of such Showing Month.

(ii) Seller will be deemed to have delivered the Product on each day to the extent that Buyer receives credit from CAISO for such day for Product identified and confirmed in the Supply Plan submitted for the Unit.

(iii) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article 7 as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.

(b) In accordance with Sections 2.2 and 2.3 and subject to Article 7, Seller shall to the extent required by CAISO or the CPUC rules cause the information listed in Appendix B to be included in all applicable Supply Plans and shall cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the Tariff. In addition, if during the Delivery Period, there are changes to the information included in Appendix B, the Parties agree to communicate such changes to each other promptly.

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2.5 Damages for Failure to Provide Capacity

If Seller fails to deliver to Buyer the Contract Quantity of Product for any day during the Delivery Period in accordance with Section 2.4 then with respect to each Showing Month, Seller is liable for damages pursuant to Section 4.1 of the Master Agreement, and provided that Buyer has prepaid for the Contract of Quantity in accordance with Section 3.1, Seller shall pay to Buyer the following:

For each applicable day during the Showing Month included in the Delivery Period in which the Buyer's Monthly Payment has been received by Seller in accordance with Section 3.1 of this Confirmation only, the amount equal to (w) the applicable Contract Price divided by (x) the number of days included in the Showing Month multiplied by (y) the amount of Contract Quantity not delivered by Seller on such day, multiplied by (z) 1,000 kW per MW.

2.6 Indemnities for Failure to Deliver Contract Quantity

(a) Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or CAISO resulting from any of the following:

(i) Seller's failure to deliver any portion of the Contract Quantity of Product for any portion of the Delivery Period and such failure results in the imposition of penalties, fines or costs assessed against Buyer; or

(ii) A Unit's Scheduling Coordinator's failure to timely or accurately submit Supply Plans in accordance with the applicable Tariff that identify Buyer's right to the Contract Quantity purchased hereunder for each day of the Delivery Period.

(b) With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines, and costs.

2.7 Buyer's Re-Sale of Product

(a) Buyer may re-sell all or a portion of the Product purchased under this Confirmation ("Resold Product"); provided that such re-sell right does not include the ability to offer any portion of Product into the Competitive Solicitation Process. If Buyer re-sells Product, Seller agrees, and agrees to cause the Unit's Scheduling Coordinator, to follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause the Unit's Scheduling Coordinator, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights

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under this Confirmation. If Buyer incurs any liability to any subsequent purchaser of such Resold Product due to the failure of Seller or the Unit's Scheduling Coordinator to comply with the terms of this Confirmation, then Seller shall be liable to Buyer for any liabilities Seller would have incurred under this Confirmation if Buyer had not resold the Product, including without limitation, pursuant to Sections 2.5 and 2.6.

(b) If Buyer exercises its right to re-sell the Product, Buyer shall notify Seller in writing that such sale has occurred by providing to Seller the information described in Appendix C ("Re-sale Plan"). The Re-sale Plan shall be provided no later than three (3) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month, except where Buyer exercises its rights under Article 7, then Buyer shall notify Seller in accordance with deadlines described in Article 7. Buyer shall notify Seller of any subsequent changes or further resale of the Resold Product, and such notice shall include all updates to the information in Appendix C in accordance with the deadlines described in this Section 2.7(b).

ARTICLE 3
PAYMENT

3.1 Monthly Payment

Buyer shall make a payment (a "Monthly Payment") to Seller, for the applicable Showing Month, as follows:

$$Monthly\ Payment = Q \times P \times CF$$

where:

Q = The Contract Quantity of Product to be delivered by Seller to Buyer pursuant to Appendix B and consistent with Section 2.4 for the Showing Month

P = The Contract Price for the Showing Month, expressed in dollars per kW-month, as stated in Appendix B

CF = The conversion factor equal to 1,000 kW per MW

The Monthly Payment calculation shall be rounded to two decimal places.

If the Confirmation Effective Date is more than fifteen (15) calendar days prior to the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, payment shall be paid by Buyer and received by Seller no later than fifteen (15) calendar days prior to the deadlines for the corresponding Compliance Showings applicable to the Showing Month. If the Confirmation Effective Date is fifteen (15) calendar days or less from the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, the Monthly Payment shall be made by Buyer and received by Seller no later than five (5) Business days following the Confirmation Effective Date.

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3.2 Allocation of Other Payments and Costs

(a) Seller is entitled to retain any revenues it may receive from, and shall pay all costs charged by, CAISO or any other third party with respect to the Unit for (i) start-up, shutdown, and minimum load costs, (ii) capacity revenue for ancillary services, (iii) energy sales, (iv) revenue for flexible ramping product, and (v) any revenues for black start or reactive power services. All Seller revenues described in this Section 3.2(a) and received by Buyer or a purchaser of Resold Product must be remitted to Seller and Buyer shall pay such revenues to Seller if received by Buyer or if a subsequent purchaser of Resold Product fails to remit those revenues to Seller.

If Buyer fails to pay such revenues to Seller, Seller may recoup any amounts owing to it for such revenues against any future amounts it may owe to Buyer.

Seller shall indemnify, defend and hold Buyer harmless from and against all liabilities, damages, claims, losses, costs or expenses (including, without limitation, attorneys' fees) incurred by or brought against Buyer in connection with Environmental Costs.

(b) In order to verify the accuracy of such revenues, Buyer has the right, at its sole expense and during normal working hours after reasonable prior notice, to hire an independent third party reasonably acceptable to Seller to audit any documents, records or data of Seller associated with the Contract Quantity and in accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement.

(c) If CAISO or CPUC develops a centralized capacity market, Buyer will have exclusive rights to tell the Seller or the Unit's Scheduling Coordinator to offer, bid, or otherwise submit the applicable Contract Quantity of Product for each day during the Delivery Period provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive all revenues from such re-sale.

(d) Buyer and Seller agree that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the Tariff. Any Availability Incentive Payments or Non-Availability Charges are for the account, or are the responsibility of, the Seller, as applicable.

ARTICLE 4
CAISO OFFER REQUIREMENTS

Seller is responsible for, as applicable, scheduling or causing the applicable Unit's Scheduling Coordinator to schedule with, or make available to, CAISO the Product delivered to Buyer for each day during the Delivery Period in compliance with the Tariff, and performing all, or causing the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the Product sold hereunder. Buyer is not liable for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or

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operator to comply with such Tariff provisions or any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator (unless Seller is the Scheduling Coordinator), owner, or operator for such noncompliance.

ARTICLE 5
OTHER BUYER AND SELLER COVENANTS

5.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product

Buyer and Seller shall, throughout the Delivery Period, take commercially reasonable actions (including the execution of documents or instruments) reasonably necessary to ensure Buyer's right to the use of the Contract Quantity on each day during the Delivery Period for the sole benefit of Buyer or any applicable subsequent purchaser pursuant to Section 2.7. The Parties shall make commercially reasonable changes to this Confirmation necessary to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, CAISO or other Governmental Body having jurisdiction to administer Compliance Obligations.

5.2 Representations, Warranties and Covenants

(a) Seller represents and warrants to Buyer throughout the Delivery Period that:

(i) no portion of the Contract Quantity for any day during the Delivery Period has been committed by Seller to any third party in order to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;

(ii) the Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;

(iii) each Unit's Scheduling Coordinator, owner and operator is obligated to comply with applicable laws, including the Tariff, relating to the Product;

(iv) if Seller is the owner of the Unit, the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned or transferred for the Unit for each day included in the Delivery Period does not exceed the Unit NQC and, if applicable, the Unit EFC, for that Unit; and

(v) Seller has notified either the Scheduling Coordinator of the Unit or the entity from which Seller purchased the Product of the fact that Seller has transferred the Contract Quantity for each day of the Delivery Period to Buyer, or, if applicable, to a subsequent purchaser.

(b) Seller represents and warrants to Buyer as of the date of the relevant Compliance Showing, that Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit;

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(c) Seller covenants as follows:

(i) Seller shall not offer, and shall ensure that the Unit's Scheduling Coordinator does not offer, any portion of the Contract Quantity for any day during the Delivery Period to CAISO as CPM Capacity. However, if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall promptly notify Buyer, or shall cause the Unit's Scheduling Coordinator to promptly notify Buyer within one (1) Business Day of the time Seller receives notification from CAISO. If CAISO makes such a designation, Seller shall not accept, and shall ensure that the Unit's Scheduling Coordinator does not accept, any such designation by CAISO unless and until Buyer has agreed to accept such designation; and

(ii) Seller shall, upon request, furnish Buyer, CAISO, CPUC or other applicable Governmental Body evidence that its representation made in Section 5.2(c)(i) is true and correct

(d) Each Party covenants to the other Party throughout the Delivery Period to comply with the Tariff, relating to the Product.

5.3 Counterparts

This Confirmation may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered by electronic mail (including pdf or any electronic signature complying with the federal ESIGN Act of 2000, California's Uniform Electronic Transactions Act (Cal. Civ. Code Section 1633.1, et seq.) or other applicable law) or other transmission method and any other counterpart so delivered shall have the same legal effect as an original.

ARTICLE 6
CONFIDENTIALITY

Notwithstanding Section 10.11 of the Master Agreement, the Parties may disclose all terms and conditions of this Transaction to any Governmental Body, the CPUC, CAISO and the Procurement Review Group, and Seller may disclose the transfer of the Contract Quantity for each day during the Delivery Period under this Transaction to the Scheduling Coordinator of the Unit in order for such Scheduling Coordinator to timely submit accurate Supply Plans. Each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or Scheduling Coordinator to further disclose information disclosed pursuant to this Article. In addition, if Buyer resells all or any portion of the Contract Quantity for any day during the Delivery Period to another party, Buyer shall be permitted to disclose to the purchaser of the Resold Product all such information necessary to effect such resale transaction, other than the Contract Price.

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ARTICLE 7
HOLD-BACK AND SUBSTITUTE CAPACITY

No later than three (3) Business Days before the relevant deadline for the initial Compliance Showing with respect to a particular Showing Month, Buyer may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Buyer shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Buyer's request for Hold-Back Capacity, Buyer may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Buyer's use as Substitute Capacity only for Planned Outages within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day of the Planned Outage for which Buyer seeks to use such Substitute Capacity as required by the CAISO. The amount of Contract Quantity that is the subject of Buyer's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.4 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.5 or 2.6. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Buyer's request under this Article 7.

Notwithstanding anything to the contrary in Sections 2.6, Seller shall not be liable for any costs, penalties, or fines assessed against Buyer by the CAISO as a result of Seller's failure to make Substitute Capacity available to Buyer if Buyer did not timely comply with the notification requirements of this Article 7.

ARTICLE 8
COLLATERAL REQUIREMENTS

8.1 Party A Collateral Requirements

(a) Notwithstanding anything to the contrary contained in the Master Agreement, Party A shall, within five (5) Business Days following the Confirmation Effective Date, provide to, and maintain with, Party B a Fixed Independent Amount as long as Party A or its Guarantor, if any, does not maintain Credit Ratings of at least BBB- from S&P and Baa3 from Moody's. The "Fixed Independent Amount" shall be 20% of the sum of the Monthly Payments for all unpaid months of the Delivery Period. For the purposes of calculating the Collateral Requirement pursuant to Section 8.2 of the Master Agreement, entitled "Party B Credit Protection", and all corresponding provisions to Section 8.2 of the Master Agreement, such Fixed Independent Amount for Party A shall be added to the Exposure Amount for Party B and subtracted from the Exposure Amount for Party A.

(b) If the conditions in subsections (i) and (ii) of this Section 8.1(b) are satisfied throughout the Delivery Period, then this Confirmation's Fixed Independent Amount shall not apply for that time period during which all such conditions are satisfied:

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(i) Party A's customers are PG&E's distribution or transmission customers and PG&E is the billing agent for those customers; and

(ii) PG&E is the provider of last resort pursuant to Cal. Pub. Util. Code Section 451 et seq. and applicable law for Party A's retail electric customers.

(c) If at any time during the Delivery Period, one or more of the conditions in subsections (i) and (ii) of Section 8.1(b) is no longer satisfied, and Party B has provided Party A with written notice of such failure to satisfy (Condition Notice), then Party A shall comply with the credit requirements of Section 8.1(a), above by that date which is no later than thirty (30) calendar days following the date of the Condition Notice.

8.2 Party B Collateral Requirements

Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions to Section 8.1 of the Master Agreement do not apply to this Confirmation.

8.3 Current Mark-to-Market Value

For the purposes of calculating Exposure pursuant to the Collateral Annex, the Current Mark-to-Market Value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the Current Mark-to-Market Value for this Transaction, consequently affecting each Party's Exposure.

ARTICLE 9
ADDITIONAL MASTER AGREEMENT AMENDMENTS

9.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement using the defined terms contained in this Confirmation and with respect to this Transaction only, the following language is to be added at the end of Section 5.2 of the Master Agreement:

> "If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from the CPUC, CAISO, or any Governmental Body having jurisdiction, because Buyer or a purchaser of Resold Product is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include this estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer shall promptly remit to Seller the excess amount. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute

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resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

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ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.

Silicon Valley Clean Energy Authority, a California joint powers authority	**Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions**
By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...	By: Avery Arjo
Name: Girish Balachandran	Name: Avery Arjo
Title: CEO	Title: Portfolio Management Analyst, Principal
Date: 10/25/2021	Date: 10/26/2021

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APPENDIX A
DEFINED TERMS

For purposes of this Confirmation, the following terms have the following meanings:

"Advice Letter" means (1) an informal request by a CPUC jurisdictional entity for Commission approval, authorization, or other relief, including an informal request for approval to furnish service under rates, charges, terms or conditions other than those contained in the utility's tariffs then in effect, and (2) a compliance filing by a load-serving entity pursuant to Public Utilities Code Section 380.

"Alternate Unit" means a generating unit designated by the Parties in accordance with Section 2.3 and which includes the Product characteristics, if any, as set forth in Appendix B.

"CAISO" means the California Independent System Operator Corporation or any successor entity performing substantially the same functions.

"Capacity Attributes" means, with respect to a generating unit, any and all of the following, in each case which are attributed to or associated with the generating unit at any time throughout the Delivery Period:

(a) Resource Adequacy Capacity attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward RAR;

(b) Resource Adequacy Capacity attributes or other locational attributes of the generating unit related to a Local Capacity Area, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the generating unit within the CAISO Control Area, that can be counted toward a Local RAR; and

(c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs of the generating unit, howsoever entitled, including any accounting construct counted toward any Compliance Obligations;

provided that, notwithstanding the foregoing, Capacity Attributes exclude all certificates, tags, credits, or accounting constructs that are not counted toward any Compliance Obligations, howsoever entitled associated with the generating unit, as such characteristics, certificates, tags, credits, or accounting constructs are described in the CPUC Decisions and Tariff.

"Compliance Obligations" means the RAR and Local RAR, and if applicable FCR.

"Compliance Showings" means the monthly, annual, or multi-year (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) if applicable, FCR compliance or advisory showings (or similar or successor showings), in each case, an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to CAISO) pursuant to the CPUC Decisions, to CAISO pursuant to the Tariff, or to any Governmental Body having jurisdiction.

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"Confirmation" is defined in the introductory paragraph of this Confirmation.

"Confirmation Effective Date" is defined in the introductory paragraph of this Confirmation.

"Contract Price" means, for any period during the Delivery Period, the price, expressed in dollars per kW-month, specified for such period set forth in the Contract Price Table in Appendix B.

"Contract Quantity" means, with respect to any day during the Delivery Period, the amount of Product, expressed in MW, set forth in the Contract Quantity table in Appendix B for such day.

"CPUC" means the California Public Utilities Commission.

"CPUC Decisions" means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-01-063, 15-06-063, 16-06-045, 17-06-027, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

"CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE's to demonstrate compliance with the CPUC's resource adequacy program.

"Delivery Period" is defined in Article 1 of this Confirmation.

"Emission Reduction Credits" or "ERC(s)" means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health and Safety Code Sections 40709 and 40709.5, whereby such district has established a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

"Environmental Costs" means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, and the Product's compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, all operating and maintenance costs for operation of pollution mitigation or control equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits (including any costs related to greenhouse gas emissions) required by any applicable environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the site, and the decontamination or remediation, on or off the site, necessitated by the introduction of such hazardous substances on the site.

"FERC" means the Federal Energy Regulatory Commission.

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"FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by a Local Regulatory Authority or other Governmental Body having jurisdiction.

"FCR Attributes" means, with respect to a generating unit, any and all resource adequacy attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward an LSE's FCR.

"FCR Contract Quantity" means, with respect to a day included in the Delivery Period, the amount of FCR Attributes, expressed in MW, equal to the Contract Quantity for such day.

"Governmental Body" means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal. This definition does not include "market participants" as defined in the CAISO's Business Practice Manual for Definitions and Acronyms as published on the CAISO website.

"Hold-Back Capacity" is defined in Article 7 of this Confirmation.

"Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

"LSE" means "Load Serving Entity" as such term is defined in the Tariff.

"Marketable Emission Trading Credits" means without limitation, emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District's Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (see 42 U.S.C. § 7651b.(a) to (f)).

"Master Agreement" is defined in the introductory paragraph of this Confirmation.

"Monthly Payment" is defined in Section 3.1 of this Confirmation.

"MW" means megawatt.

"Path" refers to the Path 26 transmission constraint which is surrounded by two zones; North of Path 26 (PG&E's TAC) and South of Path 26 (SCE and SDG&E's TACs), as identified by the Commission in D.07-06-029.

"Planned Outage" means any outage that was submitted to the CAISO for approval at least eight (8) calendar days prior to the outage start date.

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"Procurement Review Group" has the meaning set forth in CPUC Decision D. 02-08-071.

"Product" is defined in Article 1 of this Confirmation.

"RAR" means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

"Re-sale Plan" is defined in Section 2.7(b) of this Confirmation.

"Resold Product" is defined in Section 2.7 of this Confirmation.

"SCID of Benefitting LSE" means the Scheduling Coordinator ID Code (SCID) of the Load Serving Entity (LSE) that will be using the Product toward meeting their RAR in the given Showing Month.

"Showing Month" means the calendar month that is the subject of the related Compliance Showing, as set forth in the CPUC Decisions and outlined in the Tariff. For illustrative purposes only, pursuant to the Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

"Shown Unit" means a Unit specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Confirmation Effective Date.

"Substitute Capacity" means "RA Substitute Capacity" as defined in the Tariff.

"System RAR" means the system resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

"Tariff" means the Fifth Replacement FERC Electric Tariff and the associated CAISO protocol provisions, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means any generation unit provided by Seller pursuant to Section 2.2 and any Alternate Unit or Shown Unit.

"Unit EFC" means, with respect to a Unit on any date of determination, the lesser of the Effective Flexible Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

"Unit NQC" means, with respect to a Unit on any date of determination, the lesser of Net Qualifying Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

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APPENDIX B
PRODUCT AND PRICE INFORMATION

Product means Capacity Attributes with the following characteristics.

Showing Month and Year	Path (North, South)	RAR Quantity (MW)	Capacity Area*	FCR Quantity, if any (MW)	Flexible Capacity Category (1,2,3)	Contract Price ($/kW-month)	SCID of Benefitting LSE

* Please specify: System, Bay Area, Humboldt, Sierra, Stockton, Fresno, Kern, North Coast/North Bay, LA Basin, Big Creek/Ventura, or PG&E Other. PG&E Other means capacity coming from any combination of resources in the Humboldt, Sierra, Stockton, Fresno, Kern, and/or North Coast/North Bay Local Areas.

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APPENDIX C
SUBSEQUENT SALE INFORMATION

Contract Key ID:	
Benefitting LSE SCID:	
Generic Volume (in MW):	
Local Volume (in MW and by local area):	
Flexible Volume (in MW):	
Term:	

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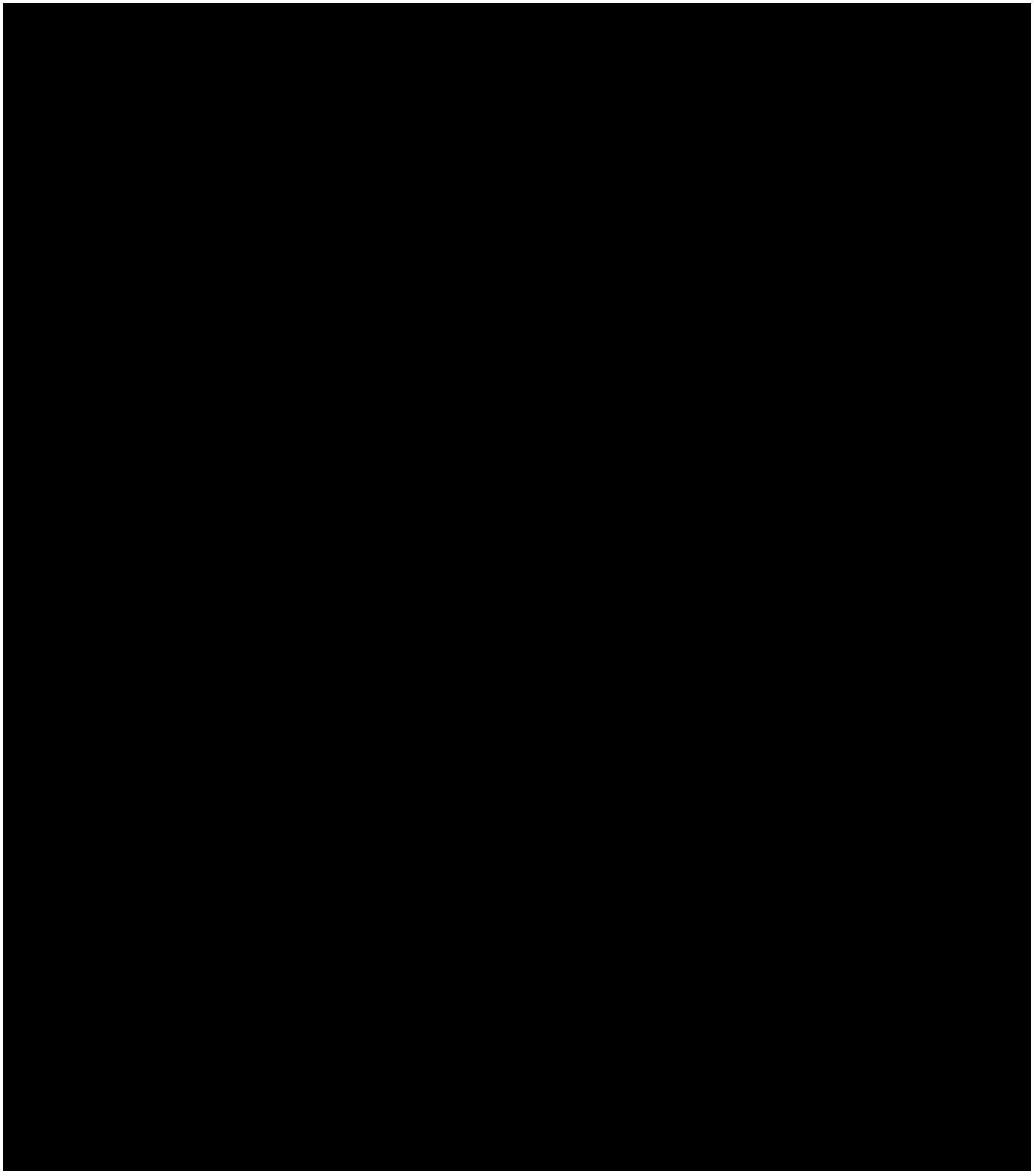
APPENDIX D
NOTICE INFORMATION

Name: Silicon Valley Clean Energy Authority, a California joint powers authority	**Name:** Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions
("Party A")	("Party B")
All Notices:	All Notices:



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APPENDIX E
FORM OF LETTER OF CREDIT
Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXX

Date: [Insert issue date]

Beneficiary:	[Insert Beneficiary name] [Insert Beneficiary address]	**Applicant:**	[Insert Applicant name] [Insert Applicant address]

Letter of Credit Amount: [Insert amount]

Expiry Date: [Insert date that is one (1) year from offer date]

Ladies and Gentlemen:

By order of **[Insert name of Applicant]** ("Applicant"), we hereby issue in favor of **[Insert name of Beneficiary]** (the "Beneficiary") our irrevocable standby letter of credit No. **[Insert number of letter of credit]** ("Letter of Credit"), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. $ **[Insert amount in figures followed by (amount in words)]** ("Letter of Credit Amount"). This Letter of Credit is available with **[Insert name of issuing or paying bank, and the city and state in which it is located]** by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on **[Insert expiry date]** (the "Expiry Date").

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents (which may be presented by physical delivery or by facsimile, e-mail or other electronic transmission):

1. Beneficiary's signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. **[Insert number]** and stating the amount of the demand; and

2. One of the following statements signed by an authorized representative or officer of Beneficiary:

> A. "The amount of the accompanying sight draft under Letter of Credit **[Insert number of letter of credit]** (the "Draft Amount") is owed to **[Insert name of Beneficiary]** by **[Insert name of Beneficiary's counterparty under the RA Confirmation]** ("Counterparty") under Confirmation for Resource Adequacy Capacity Product for CAISO Resources dated **[insert date of the Confirmation]** between **[Insert name of Beneficiary]** and Counterparty, which entitles **[Insert name of Beneficiary]** to draw the Draft Amount under Letter of Credit No. **[Insert number]**;" or

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B. "Letter of Credit No. **[Insert number]** will expire in thirty (30) days or less and **[Insert name of Beneficiary's counterparty under the RA Confirmation]** has not provided replacement security acceptable to **[Insert name of Beneficiary]**."

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable;
4. A drawing for an amount greater than the Letter of Credit Amount is allowed, however, payment shall not exceed the Letter of Credit Amount; and
5. The Expiry Date of this Letter of Credit shall be automatically extended without amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at **[Insert bank's address for drawings]**.

All demands for payment shall be made by presentation of copies or original documents, or by facsimile, e-mail, or other electronic transmission of documents to [Insert fax number, email or other electronic transmission], Attention: [Insert name of bank's receiving department] or [Insert e-mail or other electronic transmission address]. If a demand is made by facsimile, e-mail or other electronic transmission, the originals or copies of documents must follow by overnight mail, and you may contact us at [Insert phone number(s)] to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the third (3rd) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision,* International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The electronic copy of this Letter of Credit shall be the operative instrument until such time as the original is received. This Letter of credit can be amended or terminated by facsimile, e-mail or other electronic transmission.

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The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at **[Insert number and any other necessary details]**.

Very truly yours,

[INSERT NAME OF ISSUING BANK]

By: _____
Name: **[Print or type name]**
Title: **[Print or type title]**

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EXHIBIT A
SIGHT DRAFT

TO:
[**INSERT NAME AND ADDRESS OF PAYING BANK**]

AMOUNT: $_____ DATE: _____

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC COMPANY THE AMOUNT OF U.S. $_____(_____ U.S. DOLLARS)

DRAWN UNDER [**INSERT NAME OF ISSUING BANK**] LETTER OF CREDIT NO. [XXXXXX].

REMIT FUNDS AS FOLLOWS:

[**INSERT PAYMENT INSTRUCTIONS**]

DRAWER:

By: _____
Name: **[Print or type name]**
Title: **[Print or type title]**

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WSPP RESOURCE ADEQUACY CONFIRMATION

This Confirmation confirms the transaction between **Silicon Valley Clean Energy Authority**, a California joint powers authority ("Seller") and **Peninsula Clean Energy Authority**, a California joint powers authority ("Purchaser"), and each individually a "Party" and together the "Parties", dated as of October 26, 2021 (the "Effective Date"), by which Seller agrees to sell and deliver, and Purchaser agrees to purchase and receive, the Product (the "Transaction"). This Transaction is governed by the WSPP Agreement dated July 28, 2020 (the "WSPP Agreement"). The WSPP Agreement and this Confirmation, including any applicable appendices, exhibits or amendments thereto, shall be collectively referred to herein as the "Agreement" and will constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the WSPP Agreement are defined in the Tariff.

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are in Appendix B. Appendices A, B**,** C, and D are incorporated into this Confirmation.

☐ **Firm RA Product:**

Seller shall provide Purchaser with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

☒ **Contingent Firm RA Product:**

Seller shall provide Purchaser with Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Purchaser that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Purchaser with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Purchaser for penalties or fines pursuant to the terms of Section 2.5.

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ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

(a) For each Showing Month of the Delivery Period, Seller shall sell and deliver to Purchaser, and Purchaser shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for the Delivery Period is firm and will not be excused for any reason.

(b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and Product for Purchaser, as further specified in Appendix B, all in compliance with this Confirmation.

(c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable Showing Month, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Purchaser for each Showing Month of the Delivery Period. The total amount of Product identified and confirmed for such Showing Month shall equal the Expected Contract Quantity, including a request for Hold-Back Capacity pursuant to Article Five of this Confirmation.

(d) Seller shall sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B, including the Resource Category and, if applicable, the Flexible Capacity Category. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Purchaser with the specific information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.

(e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any Showing Month, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Purchaser's instructions, including Purchaser's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the

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Product if (i) Purchaser has elected to submit the Product from the Shown Unit in its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any Showing Month in such amount as instructed by Purchaser for the applicable Showing Month. Seller will not have failed to deliver the Expected Contract Quantity if Purchaser fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article Five as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.

(h) The Shown Unit(s) must not have characteristics that would trigger the need for Purchaser or Seller to file an advice letter or other request for authorization with the CPUC or for Purchaser to make a compliance filing pursuant to California Public Utilities Code Section 380.[1]

2.2 Reductions in Contract Quantity

(a) If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each Showing Month may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable Showing Month; provided, (i) Seller notifies Purchaser by the Notification Deadline applicable to that Showing Month of the amount of Product from the Unit that Purchaser may include in Purchaser's Compliance Showings applicable to that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plans in accordance with the Tariff.

(b) In the event Seller is unable to provide the Contract Quantity for any portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Showing Month from Replacement Units, provided Seller provides and identifies such Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for a Showing Month for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide some or all of the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Purchaser, provide Purchaser with replacement Product from

[1] For example, contracts with Once-Through Cooling resources that terminate one year or less before the State Water Resources Control Board compliance deadline require an advice letter filing under CPUC Decision 12-04-046

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one or more replacement units having the same Capacity Attributes of the Unit(s) originally identified in Appendix B, including the same Resource Category and, if applicable, the Flexible Capacity Category (each such unit, a "Replacement Unit") in an amount such that the total amount of Product provided to Purchaser from the Unit and any Replacement Unit(s) for each Showing Month is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Purchaser in writing of its intent to provide Alternate Capacity and shall identify the proposed Replacement Units from which such Alternate Capacity shall be provided no later than the Notification Deadline for Purchaser's Compliance Showings related to such Showing Month;

(b) The proposed Replacement Units must (i) be accepted by the CAISO, and (ii) otherwise satisfy the requirements of this Agreement;

(c) Seller shall, or shall cause the SC to submit a Supply Plan for each Showing Month and, if applicable, annual filing, no later than the Notification Deadline for Purchaser's Compliance Showings;

(d) If Seller does not comply with the requirements of Sections 2.3(a), (b) and (c) for the applicable Showing Month and, if applicable, annual filing, then any such Replacement Units shall not be deemed a Replacement Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product; and

(e) The designation of any Replacement Unit(s) by Seller shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3 and Purchaser has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Showing Month. Purchaser's approval of a Replacement Unit as to a given Showing Month shall not be construed as approval of such Replacement Unit for any subsequent Showing Month.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Purchaser have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Showing Months for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Purchaser with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Purchaser's receipt of any Seller proposed changes, Purchaser shall notify Seller in writing of any reasonable requests for modifications to such Seller proposed changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Purchaser's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

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2.5 Purchaser's Remedies for Seller's Failure to Deliver Expected Contract Quantity

(i) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any Showing Month, Seller shall be liable for damages pursuant to Section 21.3 of the WSPP Agreement, without reference to the word "hourly" therein.

(j) Seller shall indemnify, defend and hold harmless Purchaser from any penalties, fines or costs, including Environmental Costs, assessed against Purchaser by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event will Purchaser be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Purchaser for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Purchaser may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the WSPP Agreement.

2.6 Purchaser's Re-Sale of Product

(a) Purchaser may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6(a). For any such a resale, the Resource Adequacy Plan of Purchaser as used herein will refer to the Resource Adequacy Plan of Subsequent Purchaser. Seller shall, or shall cause the Shown Unit's SC, to follow Purchaser's instructions with respect to providing such resold Product to Subsequent Purchasers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Purchasers to use such resold Product in a manner consistent with Purchaser's rights under this Confirmation. If Purchaser incurs any liability to a Subsequent Purchaser due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller will be liable to Purchaser for the amounts Seller would have owed Purchaser under this Confirmation if Purchaser had not resold the Product.

(b) Purchaser shall notify Seller in writing of any resale of Product and the Subsequent Purchaser no later than two (2) Business Days before the Notification Deadline for each Showing Month for which Purchaser has resold the Product. Purchaser shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Showing Month.

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(c) If CAISO or CPUC develops a centralized capacity market, Purchaser will have exclusive rights to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity of Product for re-sale in such market, Seller and the Unit's SC shall comply with Purchaser's direction and Purchaser shall retain and receive all revenues from such re-sale.

(d) Purchaser shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity into the CAISO Competitive Solicitation Process (CSP) for CPM Capacity. Seller and the Unit's SC shall comply with the Purchaser's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Purchaser shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Purchaser, (i) Seller shall not, and shall cause the Unit's SC to not, offer any portion of the Expected Contract Quantity to CAISO as CPM Capacity and (ii) if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall, and shall cause the Unit's SC to, promptly (and in any event within one (1) Business Day of the time Seller receives notification from CAISO) notify Purchaser of such designation, and if CAISO makes such a designation, Seller shall not, and shall cause the Unit's SC to not, accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

ARTICLE 3
PAYMENTS

3.1 Payment

Purchaser shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Purchaser's receipt of Seller's invoice (which may be given upon first day of the Showing Month) and (ii) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day ("Monthly RA Capacity Payment"). The Monthly RA Capacity Payment shall equal the product of (a) the applicable Contract Price for that Showing Month, (b) the Expected Contract Quantity for the Showing Month and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Showing Month that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

(a) Seller will receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Purchaser must promptly report receipt of any such revenues to Seller. Purchaser must pay to Seller any such amounts described in this Section 3.2(a) received by Purchaser or a Subsequent Purchaser. Without prejudice to its other rights and remedies, Seller

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may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Purchaser under the WSPP Agreement.

(b) Purchaser is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Purchaser. Seller shall pay to Purchaser within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Purchaser may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the WSPP Agreement.

(c) If CAISO designates any part of the Contract Quantity as Capacity Procurement Mechanism Capacity, then Seller shall, or shall cause the Shown Unit's SC to, within one (1) Business Day of the time Seller receives notification from CAISO, notify Purchaser and not accept any such designation by CAISO unless and until Purchaser has agreed to accept such designation.

(d) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER PURCHASER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period, in compliance with the Tariff, and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Purchaser is not liable for, and Seller shall indemnify and hold Purchaser harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

4.2 Seller's and Purchaser's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Purchaser and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Purchaser's rights to the Expected Contract Quantity for the sole benefit of Purchaser or any Subsequent Purchaser and (b) that Purchaser may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to

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demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy the Compliance Obligations, as applicable, pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Purchaser throughout the Delivery Period that:

(a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;

(b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;

(c) the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for that Shown Unit;

(d) if applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Purchaser; and

(e) Seller has notified or will notify the Shown Unit's SC that Purchaser is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Purchaser, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Purchaser's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Purchaser that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Purchaser as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Purchaser.

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ARTICLE 5
HOLD-BACK AND SUBSTITUTE CAPACITY

No later than three (3) Business Days before the before the relevant deadlines for the Compliance Showings applicable to that Showing Month, Purchaser may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Purchaser shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Purchaser's request for Hold-Back Capacity, Purchaser may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Purchaser's use as Substitute Capacity within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day for which Purchaser seeks to use such Substitute Capacity as required by the CAISO. The portion of the Contract Quantity that is the subject of Purchaser's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.1 for purposes of calculating a Monthly RA Capacity Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Sections 2.2. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Purchaser's request under this Article Five.

ARTICLE 6
ADDITIONAL WSPP AGREEMENT AMENDMENTS; GENERAL PROVISIONS

6.1 Termination Payment

For this Transaction, the following is inserted as a penultimate paragraph in Section 22.2(b) of the WSPP Agreement:

> "If Purchaser is the Non-Defaulting Party and Purchaser reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Purchaser or a Subsequent Purchaser is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Purchaser may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Purchaser's estimate exceeds the actual amount of penalties, fines or costs, Purchaser must promptly remit to Seller the excess amount with interest in accordance with Section 9.3 of the WSPP Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

6.2 Confidentiality

Notwithstanding Section 30.1 of the WSPP Agreement:

(a) (i) Purchaser may disclose information as necessary in order to support its

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Compliance Showings or otherwise show it has met its Compliance Obligations; (ii) Seller may disclose as necessary to a Shown Unit's SC or as necessary for Supply Plans; (iii) each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Purchaser, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and (iv) Purchaser may disclose information to any Subsequent Purchaser.

(b) Seller acknowledges that Purchaser is a public agency subject to the requirements of the California Public Records Act (Cal. Gov. Code section 6250 et seq.) and that Purchaser may be required to make public this Confirmation (which may be partially redacted by Purchaser) in connection with the process of seeking approval from its board of directors for the execution of this Confirmation. Seller may submit information to Purchaser that Seller considers confidential, proprietary, or trade secret information pursuant the Uniform Trade Secrets Act (Cal. Civ. Code section 3426 et seq.), or otherwise protected from disclosure pursuant to an exemption to the California Public Records Act (Government Code sections 6254 and 6255). Seller acknowledges that Purchaser may submit to Seller information that Purchaser considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act (Government Code sections 6254 and 6255). Upon request or demand of any third person or entity not a party to this Confirmation ("Requestor") pursuant to the California Public Records Act for production, inspection and/or copying of this Confirmation or any information designated by a disclosing Party as confidential, the receiving Party as soon as practical shall notify the disclosing Party that such request has been made, by telephone call, letter sent via electronic mail, and/or by overnight carrier to the address, or email address listed at the end of this Confirmation. The disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be confidential information and to prevent release of information to the Requestor by the receiving Party. If the disclosing Party takes no such action within ten (10) days, after receiving the foregoing notice from the receiving Party, the receiving Party shall be permitted to comply with the Requestor's demand and is not required to defend against it. Notwithstanding the foregoing, Purchaser may release confidential information without notice to or over the objection of Seller if Purchaser's legal counsel advises Purchaser that Purchaser is required by law to release such confidential information.

6.3 Dodd-Frank Act

The Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

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6.4 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction, or any change in applicable law, occurring after the Confirmation Effective Date results in (i) material changes to Purchaser's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the Resource Adequacy Requirements such that the Product can no longer be counted towards Purchaser's Resource Adequacy Requirements (a "Change in Law"), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of the Product sold hereunder in order to maintain the original intent.

6.5 Governing Law

Notwithstanding Section 24 of the WSPP Agreement, this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

6.6 Collateral

Notwithstanding any provision in the WSPP Agreement to the contrary, including Section 27, neither Party shall be required to post collateral or other security for this Transaction.

6.7 No Recourse to Members of Seller or Purchaser

Parties are organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and are public entities separate from its constituent members. Parties will solely be responsible for all debts, obligations and liabilities accruing and arising out of this Confirmation. Each Party agrees that it shall have no rights and shall not make any claims, take any actions or assert any remedies against either Parties constituent members, or the officers, directors, advisors, contractors, consultants or employees of either Party or either Parties constituent members, in connection with this Confirmation.

6.8 Other WSPP Agreement Changes

For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 9.4 is deleted in its entirety and replaced with the following:

"In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with

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interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in writing within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) months after the close of the month during which performance of a Transaction occurred, the right to payment for such performance is waived."

(b) Section 22.1 is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(c) Section 22.2(b) is amended by inserting "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(d) Section 22.3(c) is amended by deleting the third sentence thereof and replacing it with the following: "If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

(e) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

(f) In Section 22.3(f), delete the entire provision and replace it with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that the Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

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(g) Section 28.1 is applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(h) Section 30.1 is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(i) Subsections 34.1 and 34.2 are deleted and replaced with the following:

"34.1 INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

(j) The phrase "arbitration or" is deleted from the first line of Section 34.4.

(k) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN

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ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(l) Section 37 is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(m) Section 41 "Witness" shall become Section 42 and the following "Standard of Review" Section shall be substituted in its place:

"The Parties agree as follows:

From the date of entering into a Transaction under this Agreement and throughout the term of such Transaction, the Parties each warrant and covenant as follows:

(i) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine) and clarified in Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008) and NRG Power Marketing LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010).

(ii) The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

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6.9 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

6.10 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[*Signatures appear on the following page.*]

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AGREED AS OF THE EFFECTIVE DATE:

Peninsula Clean Energy Authority	**Silicon Valley Clean Energy Authority**
By: DocuSigned by: Janis C. Pepper AF3E8A7990AD404...	By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Name: Janis Pepper	Name: Girish Balachandran
Title: CEO	Title: CEO

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APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Purchaser in accordance with the terms of Section 2.3.

"CAISO" means the California ISO or the successor organization to the functions thereof.

"Capacity Attributes" means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

"CIRA Tool" means the CAISO Customer Interface for Resource Adequacy.

"Compliance Obligations" means, as applicable, RAR, Local RAR and FCR.

"Compliance Showings" means the applicable LSE's compliance with the resource adequacy requirements of the CPUC for an applicable Showing Month.

"Contingent Firm RA Product" has the meaning set forth in Article 1 herein.

"CPUC Decisions" means any currently effective or future decisions, resolutions, or rulings related to resource adequacy.

"CPUC Filing Guide" is the document issued annually by the CPUC which sets forth the guidelines, requirements and instructions for load serving entities to demonstrate compliance with the CPUC's resource adequacy program.

"Effective Flexible Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Environmental Costs" means (i) costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, (ii) the Product's compliance with all applicable environmental laws, rules, and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, (iii) all operating and maintenance costs for operation of pollution mitigation or control equipment, (iv) costs of permit maintenance fees and emission fees as applicable, (v) the costs of all emission reductions that have been authorized by a local air pollution control district or emissions trading credits or units pursuant to the California Health & Safety Code, market based incentive programs such as the South Coast Air Quality Management District's Regional Clean Air Incentives Market, authorizations to emit sulfur dioxide and oxides of nitrogen by the Environmental Protection Agency, and any costs related to greenhouse gas emissions required by any applicable

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environmental laws, rules, regulations, or permits to operate, and (vi) costs associated with the disposal, clean-up, decontamination or remediation, on or off site, of hazardous substances.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, and (b) for Contingent Firm RA Product, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity of Product that Seller has elected to provide Alternate Capacity, less any reductions to Contract Quantity consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

"FCR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's FCR.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

"Governmental Body" means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

"Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

"Local RAR" means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

"Local RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's Local RAR.

"LSE" means "Load Serving Entity" as such term is used in Section 40.9 of the Tariff.

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"MW" means megawatt.

"Net Qualifying Capacity" has the meaning given in CAISO's FERC-approved Tariff.

"Notification Deadline" is twenty (20) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

"Planned Outage" means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

"Product" means RAR Attributes, Local RAR Attributes and FCR Attributes, each for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications contained in Appendix B.

"Prorated Percentage of Unit Factor" means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prorated Percentage of Unit Flexible Factor" means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Purchaser under this Transaction.

"Prudent Operating Practice" means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

"RAR Attributes" means, with respect to a Shown Unit, any and all resource adequacy attributes of the Shown Unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction over Compliance Obligations, that can be counted toward an LSE's RAR.

"Replacement Unit" has the meaning set forth in Section 2.3.

"Resource Adequacy Requirements" or "RAR" means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations, not including Local RAR or FCR.

"Resource Category" shall be as described in the annual CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

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"SC" means Scheduling Coordinator as defined in the Tariff.

"Showing Month" means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

"Shown Unit" means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan. "Subsequent Purchaser" means the purchaser of Product from Purchaser in a re-sale of Product by Purchaser.

"Tariff" means the CAISO Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means the generation unit described in Appendix B. A Unit or Shown Unit may not be a coal-fired generating facility.

"Unit EFC" means the lesser of the Unit's Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

"Unit NQC" means the lesser of the Unit's Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

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APPENDIX B
PRODUCT AND UNIT INFORMATION

Product:

☒ RAR ☐ Local RAR ☒ Flexible Capacity

and all Capacity Attributes related to such Product.

Additional Product Information (fill in all that apply):
CAISO Zone: _____
Resource Category (MCC Bucket): 4
CPUC Local Area (if applicable): N/A
Flexible Capacity Category (if applicable): 1

Delivery period: [redacted]

Contract Quantity and Contract Price:

RAR and Local RAR, as applicable

Showing Month and Year	Contract Quantity (MW)	Contract Price ($/kW-mo)
[redacted]		

Flexible Capacity, if applicable

Showing Month and Year	Contract Quantity (MW)	Contract Price ($/kW-mo)
[redacted]		

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Unit 1

Unit Specific Information	
Resource Name	REDONDO GEN STA. UNIT 8
Physical Location	Redondo Beach, CA
CAISO Resource ID	REDOND_7_UNIT 8
SCID of Resource	EDFR
Unit NQC by month (e.g., Jan=50,Feb=65):	480
Unit EFC by month (e.g., Jan=30, Feb=50)	350
Resource Type (e.g., gas, hydro, solar, etc.)	Natural Gas Steam
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	1
TAC Area (e.g., PG&E, SCE)	SCE
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	LA Basin
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

[Information for specific Shown Units may be provided after the Effective Date pursuant to the Confirmation.]

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APPENDIX C
NOTICE INFORMATION

Seller: Peninsula Clean Energy Authority	Purchaser: Silicon Valley Clean Energy Authority
All Notices:	**All Notices:**
[redacted]	[redacted]

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APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

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TRANSACTION CONFIRMATION
CARBON FREE ENERGY

This confirmation ("Confirmation") confirms the transaction between Central Coast Community Energy, a California joint powers authority ("Seller") and Silicon Valley Clean Energy Authority, a California joint powers authority ("Purchaser" or "Buyer"), each individually a "Party" and together the "Parties", effective as of September 30, 2021 (the "Effective Date"), by which Seller agrees to sell and deliver, and Purchaser agrees to purchase and receive, the Product (the "Transaction"). This Transaction is governed by the WSPP Agreement effective as of July 28, 2020. The WSPP Agreement and this Confirmation shall be referred to herein as the "Agreement." Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the WSPP Agreement.

IDENTIFICATION OF PARTIES:		
[redacted]	**PURCHASER:**	**SELLER:**
	Silicon Valley Clean Energy Authority	Central Coast Community Energy
Contact Information:	Silicon Valley Clean Energy Authority 333 W. El Camino Real, Suite 330 Sunnyvale, CA 94087	Central Coast Community Energy 70 Garden Court, Suite 300 Monterey, CA 93940
Scheduling Contacts:	[redacted]	
Addresses For Formal Notices:	Same as above in Contact Information	Same as above in Contact Information with Attention to General Counsel

PRODUCT TRANSACTION TERMS:			
Product:		Firm REC	
		Firm Bundled REC	
		Resource Contingent REC	
		Resource Contingent Bundled REC	
		Facility As-Run REC	
		Facility As-Run Bundled REC	
	X	Other (specify):	**Non-Firm Carbon Free Energy**
	Additional Provisions:	1. Seller Delivery Obligation. Seller shall deliver, or cause to be delivered, Carbon Free Energy in the amount of the Contract	

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		Quantity from the Designated Facilities into the CAISO on behalf of Buyer without substituting electricity from another source, as evidenced by e-Tags, or such other format acceptable to Buyer. Deliveries shall be measured for each hour that the Carbon Free Energy is delivered to the CAISO but shall not exceed the lesser of corresponding amounts shown on the e-Tags or meter data from the Designated Facilities. 2. Resources. Carbon Free Energy delivered under this Confirmation shall be delivered from the Designated Facilities, each of which is a Carbon Free Source. Seller is neither the owner nor operator of the Designated Facilities, but has written agreements entitling Seller to procure the Carbon Free Energy generated by the Designated Facilities, including on a unit-contingent and/or transmission-contingent basis. 3. No Resource Shuffling. Each of Seller and Buyer represents and warrants to each other that this Transaction is not part of any plan, scheme, or artifice to receive credit based on emissions reductions that have not occurred, involving the delivery of electricity to the California grid [ref. 17 CCR 95802(a)(252)]; provided, however, that this representation is made based on the assumption that CARB staff Cap-and-Trade Regulations Instructional Guidance "Appendix A: What is Resource Shuffling" November 2012 publication further defines and clarifies the foregoing. 4. Rights to Product. Seller hereby provides and conveys the Carbon Free Energy from the Designated Facilities to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to the Product free and clear of all liens and encumbrances, and Seller agrees to convey and hereby conveys all such Product to Buyer free and clear of all liens and encumbrances as included in the delivery of the Product subject to the terms and conditions contained herein. Title and reporting rights to the Carbon Free Energy shall transfer from Seller to Buyer upon delivery of Product to the Delivery Point. 5. Reporting Requirements. Seller shall provide Buyer with all necessary documentation required to support and verify that delivery requirements have been met according to the Applicable Program, including but not limited to documentation demonstrating that the Carbon Free Source meets the CARB requirements of a Specified Source, the Carbon Free Energy is traceable to a specific generating facility, and that the electricity source claimed has been sold once and only once to a retail consumer. Upon request from time to time by Buyer, Seller shall use commercially reasonable efforts to report to Buyer the amount of Carbon Free Energy delivered to Buyer, by Carbon Free Source, in the aggregate to the date of the report and by month. 6. Resale of Product. Buyer may re-sell all or a portion of the Contract Quantity and any associated rights, in each case, acquired under this Transaction. In the event Buyer re-sells all or a portion of the

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		Contract Quantity, Seller agrees to follow Buyer's reasonable instructions with respect to providing such Product to subsequent purchasers of such Product. Seller further agrees to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Product, including requesting in good faith such changes to the e-Tags as are necessary for a subsequent purchaser to claim the Product under the Applicable Program; provided the foregoing shall not require Seller to enter into any agreements directly with any such subsequent purchaser or take any action hereunder or execute any documents or instruments not already required under this Confirmation. In addition, Buyer acknowledges that this Confirmation is a resale of Carbon Free Energy purchased by Seller pursuant to multiple upstream purchase agreements and Seller's ability to obtain changes to e-Tags under such agreements is subject to the cooperation of the sellers under such agreements and Seller's ability to fulfill such requests from Buyer may be limited, and Seller shall have no liability due to the failure to obtain such changes to e-Tags provided that Seller requests such changes in good faith. Seller acknowledges and agrees that with respect to any resold Product, if Buyer incurs any liability to any purchaser of such resold Product due to the failure of Seller to comply with the terms of this Transaction, and Seller would have had liability to Buyer under this Transaction for such failure had Buyer not sold the Product to a subsequent purchaser, then Seller shall be liable to Buyer under this Confirmation to the extent it would have been liable to Buyer if such Product had not been sold to a subsequent purchaser. Seller shall not be obligated to undertake any actions under this paragraph on less than five (5) Business Days' prior notice of such resale.

Contract Quantity:

"Contract Quantity" means up to [redacted]

Contract Price and Payment:

[redacted]

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Applicable Program:

"Applicable Program" means the Cap and Trade Regulations or the PSD Regulations.

Designated Facilities:

Name	Location	CAISO Resource ID	EIA ID	Resource type, e.g., large hydro
Balch #1 PH	California	BALCHS_7_UNIT 1	217	Large hydro
Balch #2 PH	California	BALCHS_7_UNIT 2 BALCHS_7_UNIT 3	218	Large hydro
Belden	California	BELDEN_7_UNIT 1	219	Large hydro
Bucks Creek	California	BUCKCK_7_PL1X2	220	Large hydro
Butt Valley	California	BUTTVL_7_UNIT 1	221	Large hydro
Caribou 1	California	CARBOU_7_UNIT 1 CARBOU_7_PL2X3	222	Large hydro
Caribou 2	California	CARBOU_7_PL4X5	223	Large hydro
Cresta	California	CRESTA_7_PL1X2	231	Large hydro
Drum #1	California	DRUM_7_PL1X2 DRUM_7_PL3X4	235	Large hydro
Drum #2	California	DRUM_7_UNIT 5	236	Large hydro
Electra	California	ELECTR_7_PL1X3	239	Large hydro
Haas	California	HAASPH_7_PL1X2	240	Large hydro
James B Black	California	BLACK_7_UNIT 1 BLACK_7_UNIT 2	249	Large hydro
Kerckhoff #2 PH	California	KERKH2_7_UNIT 1	682	Large hydro
Kings River	California	KINGRV_7_UNIT 1	254	Large hydro
Pit 1	California	PIT1_7_UNIT 1 PIT1_7_UNIT 2	265	Large hydro
Pit 3	California	PIT3_7_PL1X3	266	Large hydro
Pit 4	California	PIT4_7_PL1X2	267	Large hydro
Pit 5	California	PIT5_7_PL1X2 PIT5_7_PL3X4	268	Large hydro
Pit 6	California	PIT6_7_UNIT 1 PIT6_7_UNIT 2	269	Large hydro
Pit 7	California	PIT7_7_UNIT 1 PIT7_7_UNIT 2	270	Large hydro
Poe	California	POEPH_7_UNIT 1 POEPH_7_UNIT 2	272	Large hydro
Rock Creek	California	RCKCRK_7_UNIT1 RCKCRK_7_UNIT 2	275	Large hydro
Salt Springs	California	SALTSP_7_UNITS	279	Large hydro
Stanislaus	California	STANIS_7_UNIT 1	285	Large hydro
Tiger Creek	California	TIGRCK_7_UNITS	287	Large hydro

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South Feather Water and Power Agency (Forbestown and Woodleaf)	California	FORBST_7_UNIT 1 WDLEAF_7_UNIT 1	417 419	Large hydro
NID-Chicago Park	California	CHICPK_7_UNIT 1	412	Large hydro
Hoover	Nevada	SCEHOV_2_HOOVER	8902	Large hydro
GCPD (Priest Rapids and Wanapum)	Washington	MALIN_5_GCPDDYN	3887/3888	Large hydro
Cabinet Gorge	Idaho	N/A	833	Large hydro
Long Lake	Washington	N/A	3867	Large hydro
Little Falls (WA)	Washington	N/A	3866	Large hydro
Noxon Rapids	Montana	N/A	2199	Large hydro
Colgate Powerhouse	California	COLGAT_7_UNIT 2	454, 455	Large hydro
Narrows 2 Powerhouse	California	NAROW2_2_UNIT	455	Large hydro
Stateline Wind (aka FPL Energy Vancycle LLC (WA))	Washington	N/A	55560	Wind
Stateline Wind (aka FPL Energy Vancycle LLC (WA))	Oregon	N/A	55989	Wind

Change in Law Provisions:

If an action is taken by a Governmental Authority after the Effective Date, and the result of such action is that Buyer is precluded from using the Product purchased hereunder as Carbon Free Energy ("Change in Law"), using commercially reasonable efforts, Seller shall make commercially reasonable efforts to comply with a Change in Law, provided that such costs shall not be greater than One Thousand Dollars ($1,000) (the "Capped Amount"). If Seller cannot comply with a Change in Law by spending the Capped Amount or less, the Parties shall work together in good faith to amend this Confirmation to maintain its intended benefits to both Parties. If the Parties are unable to amend this Confirmation to maintain its intended benefits to both Parties, Buyer may elect to terminate this Confirmation by delivering to Seller written notice of such termination not later than sixty (60) days following the beginning of their negotiations to amend this Confirmation. In the event Buyer does not exercise its right to terminate this Confirmation due to a Change in Law within such sixty (60) day period, Buyer may not thereafter terminate this Confirmation due to the Change in Law. A termination of this Confirmation due to a Change in Law shall be effective upon Buyer's delivery of written notice to Seller of such termination, and thereafter:

(a) all Carbon Free Energy not then already transferred and/or delivered by Seller to Buyer shall be terminated and Seller shall have no obligation to make any further deliveries, and Buyer shall have no obligation to accept or pay for any subsequent deliveries, of the Product;

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(b) neither Party shall have any further obligations to the other hereunder (other than for Product already delivered prior to such termination); and

(c) Buyer shall remain obligated to pay the Contract Price for deliveries of Product prior to such termination.

Tracking System:
(if none specified, then Delivery occurs by Attestation and not by Tracking System crediting)

None

Damages:

Seller shall have no liability under Section 21.3 of the WSPP Agreement for the failure to deliver any portion of the Contract Quantity.

Delivery Term:

From:	October 1, 2021
To:	December 31, 2021

Scheduling (Days and Hours):

Seller will perform all scheduling and tagging requirements for Carbon Free Energy. Energy deliveries shall be scheduled by Seller pursuant to WECC and CAISO requirements to the Delivery Point and, to the extent not inconsistent with the foregoing, in accordance with General Accepted Utility Practice. Unless otherwise mutually agreed between the Parties, Carbon Free Energy will be scheduled to the applicable Delivery Point without an IST.

If the deliveries are an import into CAISO, the CARB ID(s) or equivalent identifying information of the Carbon Free Source shall be entered as the 'Value' in the Misc (Token/Value) field of the e-Tag. Each e-Tag shall show the CAISO Balancing Authority as the last Control Area ("CA") under 'Physical Path'. Seller shall use commercially reasonable efforts to cause the e-Tags to include Buyer, or Buyer's scheduling coordinator, as the last PSE (Purchasing Selling Entity) or 'sink' PSE under 'Physical Path' and to show "Silicon Valley Clean Energy" in the comment field of the e-Tag. In the event Seller is unable to include Buyer, or Buyer's scheduling coordinator, as the last PSE (Purchasing Selling Entity) or 'sink' PSE under 'Physical Path' and to show "Silicon Valley Clean Energy" in the comment field of the e-Tag, delivery may be satisfied by Seller providing (i) documentation (including meter data and e-Tags) to Buyer to establish the quantity of Product actually generated and delivered and (ii) a signed declaration representing and warranting that Seller has not sold the Product to any other party, all in a form acceptable to Buyer.

Delivery Rate:

Seller shall, at its sole discretion, schedule Carbon Free Energy from the Designated Facilities into the CAISO on behalf of Buyer on a day-ahead, hour-ahead, and/or real-time basis.

Delivery Point(s):

Any scheduling point/node within CAISO

Other Provisions:

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1. Additional Definitions.

"Applicable Program" means the Cap and Trade Regulations or the PSD Regulations.

"CAISO" means California Independent System Operator, or its successor.

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively) promulgated by the California Air Resources Board of the California Environmental Protection Agency pursuant to the California Global Warming Solutions Act of 2006.

"CARB" means the California Air Resources Bureau of the California Environmental Protection Agency.

"Carbon Free Energy" means Energy generated by Carbon Free Sources.

"Carbon Free Source" for the purposes of this Agreement means a large hydroelectric facility registered as a Specified Source Facility with CARB that produces Energy with zero carbon emissions, not including any asset controlling supplier (ACS) resource.

"CEC" means the California Energy Commission.

"Change in Law" means any addition or amendment, by a Governmental Authority, to any laws, rules, regulations, orders, or judicial precedent that applies to the Applicable Program and is enacted or issued after the Effective Date and nullifies compliance of the Product with the Applicable Program. An addition or amendment that is enacted or issued before the Effective Date but effective on or after the Effective Date is not a Change in Law.

"Commercially Reasonable Efforts" for the purposes of this Confirmation, "commercially reasonable efforts" or acting in a "commercially reasonable manner" shall not require a Party to undertake extraordinary or unreasonable measures.

"Compliance Obligation" has the meaning set forth by the Cap and Trade Regulations.

"CPUC" means the California Public Utilities Commission.

"Delivery Point" has the meaning set forth above.

"Delivery Term" shall be the period beginning on the Start Date and ending on the End Date, as set forth above.

"Designated Facility" or "Designated Facilities" means the Carbon Free Sources set forth above, which may be updated by Seller from time to time by written notice to Buyer, which shall be provided by Buyer to Seller promptly upon receipt of such information from the seller under the applicable Upstream Purchase Agreement.

"Effective Date" has the meaning set forth in the Reference Section at the beginning of this Confirmation.

"Energy" means electrical energy, measured in MWh.

"e-Tag" means an electronic record meeting WECC requirements that contains the details of a transaction to transfer energy from a source point to a sink where the energy is scheduled for transmission across one or more balancing authority area boundaries. For purposes of this definition, "source point" refers to the generation source of the energy, and "sink" refers to the balancing authority in which the electric load is located.

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"General Accepted Utility Practice" means a practice established by WECC or any successor regional reliability council, as such practice may be revised from time to time, or if no practice is so established, means a practice otherwise generally accepted in the WECC region.

"Governmental Authority" means the United States, a state thereof, any political subdivision or governmental body thereof, including any department or agency, with jurisdiction over a Party or an Applicable Program.

"IST", an abbreviation for Inter-SC Trade, has the meaning set forth in CAISO Tariff.

"Mandatory Reporting Rule" means the regulations entitled Mandatory Greenhouse Gas Emissions Reporting set forth in Article 2 of Subchapter 10 of Title 17 of the California Code of Regulations.

"MW" means megawatt.

"MWh" means megawatt-hour.

"PSD Regulations" means the Power Source Disclosure Program regulations (California Code of Regulations Title 20, Division 2, Chapter 3, Article 5, Sections 1390 through 1394).

"Specified Source Facility" means a power source registered by an electric power entity with CARB that is intended to be claimed in an Emissions Data Report pursuant to section 95111(g)(1) of the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions in the state of California.

"Tariff" means the tariff and protocol provisions, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as amended, supplemented or replaced by CAISO from time to time.

"WECC" means the Western Electricity Coordinating Council or its successor organizations.

2. Additional Representations and Warranties.

(a) During the Term, each Party represents and warrants to the other that: (i) it is an "eligible contract participant" within the meaning of United States Commodity Exchange Act §1a(18), respectively, and this Transaction has been subject to individual negotiation by the Parties.

(b) Seller further represents and warrants to Purchaser that Seller has not sold the Product or any Attribute of the Product to be transferred to Purchaser to any other person or entity.

3. Regulatory. The Parties intend the rates, terms and conditions of service specified in this Confirmation to remain fixed throughout the Delivery Term regardless of any changes in underlying costs that would justify a change in rates under traditional cost of service principles. The Parties agree that they shall not make unilateral application to the Federal Energy Regulatory Commission for a change in rates, terms and conditions herein under Section 205 and/or 206 of The Federal Power Act nor shall either Party seek any change in the rates, terms and conditions herein based upon changes in its costs of service. Neither Party shall unilaterally seek to obtain from the Federal Energy Regulatory Commission any relief changing the rate, charge, classification, or other term or condition of this Confirmation, notwithstanding any subsequent changes in applicable law or market conditions that may occur. Except as expressly provided by this Confirmation, Purchaser and Seller further agree that the standard of review for changes to this Confirmation proposed by any person, including a non-party or the Federal Energy Regulatory Commission acting *sua sponte* shall be the "public interest" application of the "just and reasonable" standard of review set forth in *United Gas Pipe Line Co. V. Mobile Gas Service Corp*., 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co*., 350 U.S. 348 (1956) and clarified by *Morgan Stanley Capital Group, Inc. v. Pub. Util. Dist. No. 1 of*

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Snohomish, 554 U.S. 527 (2008) and *NRG Power Mktg., LLC v. Maine Pub. Util. Comm'n*, 558 U.S. 165 (2010) (the "Mobile-Sierra" doctrine).

4. Confidentiality. Each Party recognizes that this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.).

5. Governing Law. Section 24 of the WSPP Agreement is deleted in its entirety and this Confirmation and any portion of the Agreement applicable to this Confirmation shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof. Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any proceedings relating to this Agreement.

6. No Recourse to Members. The Parties are each organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and are each a public entity separate from their constituent members. Each Party will solely be responsible for all of such Party's debts, obligations and liabilities accruing and arising out of this Confirmation. The Parties will have no rights and will not make any claims, take any actions or assert any remedies against any of the other Party's constituent members, or the officers, directors, advisors, contractors, consultants or employees of the other Party or the other Party's constituent members, in connection with this Confirmation.

7. Credit Requirements. Notwithstanding any other provision of the Agreement, Section 27 of the WSPP Agreement is not applicable to, and credit support is not required for either Party under this Transaction.

8. Counterparts. This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

9. Other Changes to WSPP Agreement. For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 22.1 of the WSPP Agreement is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(b) Section 22.2(b) of the WSPP Agreement is amended by inserting "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

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(c) Section 22.3(c) of the WSPP Agreement is amended by deleting the third sentence thereof and replacing it with the following:

"If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

(d) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

(e) In Section 22.3(f), delete the entire provision and replace it with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that the Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

(f) Section 28.1 of the WSPP Agreement shall be applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP Agreement. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(g) Section 30.1 of the WSPP Agreement is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(h) Subsections 34.1 and 34.2 of the WSPP Agreement are hereby deleted and replaced with the following:

"34.1 INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY

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TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

(i) The phrase "arbitration or" is hereby deleted from the first line of Section 34.4.

(j) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES.

EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(k) Section 37 of the WSPP Agreement is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

10. Entire Agreement; No Oral Agreements or Modifications. This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[*Signatures Appear On Following Page*]

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ACKNOWLEDGED AND AGREED TO AS OF THE EFFECTIVE DATE:

CENTRAL COAST COMMUNITY ENERGY, a California joint powers authority

By: DocuSigned by: Tom Habashi 69C253774488497...

Name: Tom Habashi

Title: CEO

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

CENTRAL COAST COMMUNITY ENERGY, a California joint powers authority

By: DocuSigned by: Robert M. Shaw 398728BE39B342A...

Name: Robert M. Shaw

Title: COO and General Counsel

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CONFIRMATION LETTER
BETWEEN
MORGAN STANLEY CAPITAL GROUP INC.
AND
SILICON VALLEY CLEAN ENERGY AUTHORITY

This confirmation letter ("Confirmation") confirms the Transaction between Morgan Stanley Capital Group Inc. ("Morgan Stanley" or "Seller") and Silicon Valley Clean Energy Authority, a California joint powers authority ("SVCE" or "Buyer"), each individually a "Party" and together the "Parties," dated as of September 29, 2021 (the "Confirmation Effective Date") in which Seller agrees to provide to Buyer the right to the Product. This Transaction is governed by the EEI Master Power Purchase and Sale Agreement dated November 23, 2016, together with any and all exhibits, schedules or supplements thereto or incorporated therein by reference, each in force and effect from time to time between the Parties (collectively, the "Master Agreement"), as amended and supplemented by this Confirmation, under the following terms and conditions. The definitions and provisions contained in this Confirmation, the Master Agreement, the RA Rules (as defined herein), and in the tariffs and/or protocols of the California Independent System Operator ("CAISO") as amended from time to time (the "CAISO Tariff" or the "Tariff"), shall apply to this Confirmation and are incorporated by reference; provided that, to the extent that this Confirmation is inconsistent with any provision of the Master Agreement, this Confirmation shall govern the rights and obligations of the Parties hereunder. Consistent with Section 2.2 of the Master Agreement, this Confirmation, together with all other transactions, confirmations and the Master Agreement, form a single integrated agreement between the Parties and are not separate contracts. This Confirmation supersedes and replaces any prior oral or written confirmation or agreement, including broker confirmations, regarding this Transaction.

ARTICLE 1
PRODUCT 1

1.1. Product 1 – Contract Price, Contract Quantity, Delivery Term and Delivery Point

(a) Product 1: WSPP Agreement Schedule C Firm Energy supplied from the Carbon Free Source (as defined in Exhibit A) ("Carbon Free Firm Energy"). The Product cannot be curtailed by Seller or Buyer for economic reasons.

(b) [redacted]

(c)

(d) Delivery Point: Nevada Oregon Border (NOB) ("NOB"), north to south ("NOB N-S), which is an Intertie. The Parties may subsequently agree to an alternate delivery point in writing, provided a transmission path is specified to such other delivery point and such other delivery point is an Intertie.

(e) Delivery Profile: A minimum of 100 hours per month with deliveries to occur Monday through Saturday, for 4 consecutive hours between 4 pm through 9 pm (hours ending 1700 PPT through hour ending 2100 PPT), in accordance with MCC Bucket obligations during each calendar month (the "Minimum Monthly Delivery Quantity").

(f) MCC Bucket: MCC Bucket Category 1

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(g) Contract Price (Product 1): The Contract Price is an aggregation of three components, as further described in Section 1.2(c).

(h) Passage of Title: Seller represents and warrants that Seller holds the rights to the Product free and clear of all liens and encumbrances, and Seller agrees to convey and hereby conveys all such Product to Buyer free and clear of all liens and encumbrances as included in the delivery of the Product subject to the terms and conditions contained herein. As set forth in Section 10.3 of the Master Agreement, title and reporting rights to the Carbon Free Firm Energy shall pass from Seller to Buyer at the Delivery Point.

(i) Transmission and Agreed Transmission Path: Under this Confirmation and pursuant to Section 10 of the WSPP Agreement, the agreed transmission path for deliveries to the Delivery Point will be from the Carbon Free Source (as listed in Exhibit A) to Big Eddy and Big Eddy to NOB (each, an "Agreed Transmission Path").

For the purposes of Section 10 of the WSPP Agreement, "firm transmission" means Firm Transmission (as defined herein).

For the purposes of the Cap and Trade Regulations, the foregoing agreed upon transmission path shall constitute a "continuous physical transmission path" which shall provide for "direct delivery of electricity" (as such terms are defined in the Cap and Trade Regulations).

(j) Seller Delivery Obligation. Seller shall deliver Carbon Free Firm Energy in the amount of the Hourly Contract Quantity from Carbon Free Source into the CAISO on behalf of Buyer without substituting electricity from another source, as evidenced by e-Tags, or such other format acceptable to Buyer. Deliveries shall be measured for each hour that the Carbon Free Firm Energy is delivered to the CAISO but shall not exceed the lesser of corresponding amounts shown on the e-Tags or meter data from the Carbon Free Source.

(k) Reporting Requirements. Seller shall provide Buyer with all necessary documentation required to support and verify that delivery requirements have been met according to the Applicable Program, including but not limited to documentation demonstrating that the Carbon Free Source meets the CARB requirements of a Specified Source Facility, the Carbon Free Firm Energy is traceable to a specific generating facility, and that the electricity source claimed has been sold once and only once to a retail consumer.

1.2. Special Conditions – Product 1

(a) Generally Accepted Utility Practice: All scheduling and tagging shall be in accordance with Generally Accepted Utility Practice.

(b) External Resource: Energy delivered pursuant to this Confirmation will not be sourced from resources internal to the CAISO Balancing Authority Area.

(c) Product 1 Contract Price Components: The Parties acknowledge that the Contract Price is a per megawatt hour aggregation of the following components:

(i) [redacted]

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(ii) [redacted]

(iii)

The Capacity Fee shall be due and payable on the entire Hourly Contract Quantity of Carbon Free Firm Energy each hour (unless energy is not delivered due to an unexcused failure to deliver by Seller), not to exceed the Minimum Monthly Delivery Quantity during any calendar month. For greater certainty, the Parties hereby acknowledge and agree that Seller may deliver more than the Minimum Monthly Delivery Quantity hereunder ("Additional Monthly Quantity") during any calendar month; provided however (A) no Capacity Fee shall be due and payable for any such Additional Monthly Quantity and (B) no Attributes Fee shall be payable for Additional Monthly Quantities in excess of [redacted] MWh. All other components of the Product 1 Contract Price shall be due and payable only on the quantity of energy delivered to the Delivery Point in each hour.

Notwithstanding and without limiting Section 4.2 of the Master Agreement, in determining the Sales Price there will be no obligation or requirement to attribute or include a value attributable to the capacity or the carbon free attributes.

(d) Additional Seller Representations: Seller represents and warrants to Buyer as follows:

(i) The facilities comprising the Carbon Free Source are each external to the CAISO Balancing Authority Area;

(ii) as of the Confirmation Effective Date, the capacity supporting energy to be delivered pursuant to this Confirmation is surplus to the expected capacity requirements of the Carbon Free Source's host balancing authority area and is not committed to another balancing authority area (*i.e.* no double-counting);

(iii) throughout the Delivery Term, Seller will not commit the capacity necessary to support delivery of Carbon Free Firm Energy from the Carbon Free Source to a third party or other balancing authority area;

(iv) the Hourly Contract Quantity of Carbon Free Firm Energy sold to Buyer hereunder has been sold once and only once by Seller;

(v) throughout the Delivery Term, Carbon Free Firm Energy will be delivered to the Delivery Point using Firm Transmission on the last segment immediately preceding the CAISO balancing authority; and

(vi) throughout the Delivery Term, Seller's firm energy obligation under Product 1 is and will be supported (backed) each hour by operating reserves (including required contingency reserves and sufficient balancing reserves) in the Carbon Free Source's host balancing authority area necessary to ensure there is sufficient energy available for Seller to meet its obligation throughout the applicable operating hour.

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For greater certainty, Seller's performance (and failure to perform) hereunder is and remains subject to the terms of the Product and the Master Agreement.

ARTICLE 2
PRODUCT 2

2.1. Product 2 – Scheduling Coordinator Services

(a) Seller: Morgan Stanley

(b) Buyer: SVCE

(c) Product 2: Scheduling Coordinator Services as described below for Carbon Free Firm Energy procured by Buyer as Product 1.

2.2. Overview

The purpose of Product 2 is for Morgan Stanley to perform the required scheduling coordinator functions for the "resource" (as such term is used by the CPUC in D. 20-06-028, the Carbon Free Firm Energy). Although D.20-06-028 required the Buyer to take responsibility for ensuring that energy associated with an import RA contract is bid into, and delivered to, the CAISO markets, the CPUC's decision also permitted the Buyer to designate another party to act on its behalf as a scheduling coordinator to bid and deliver the energy into the CAISO markets.

Morgan Stanley is a Scheduling Coordinator recognized by CAISO pursuant to the CAISO Tariff and has the requisite experience, skill and capability to perform the scheduling obligations assumed by it in providing the Scheduling Coordinator Services (as defined below). In providing the Scheduling Coordinator Services, Morgan Stanley will perform, and assume all costs, risks and liabilities associated with performing, the scheduling responsibilities defined below for the limited purpose of submitting Bid(s) and physically scheduling and delivering Buyer's Carbon Free Firm Energy procured as Product 1 from the Delivery Point to the Sink as required and contemplated by CPUC D.20-06-028 and the resource adequacy requirements established by CAISO pursuant to the CAISO Tariff.

2.3. Scheduling Coordinator Services

Morgan Stanley agrees to assume the scheduling functions required to schedule and deliver the Carbon Free Firm Energy purchased by Buyer as Product 1 at and from the Delivery Point to the Sink, being an Aggregated Pricing Node in the CAISO Balancing Authority Area, as set forth below ("Scheduling Coordinator Services"):

(a) For each hour in which energy is to be delivered to the Delivery Point, consistent with the Minimum Monthly Delivery Quantity, Morgan Stanley will Bid or Self-Schedule (as such terms are defined in the CAISO Tariff) the Carbon Free Firm Energy into the CAISO Day Ahead Market and Real-Time Market, *provided* if Morgan Stanley submits Bid(s) (other than Self-Schedule) such Bid(s) for each hour that is an Availability Assessment Hour, Morgan Stanley's Bid(s) shall be at a price between negative $150/MWh and $0/MWh ("Bidding Requirement") until the Minimum Monthly Delivery Quantity has been met.

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(b) Working with CAISO and Buyer to set up a Resource ID associated with Morgan Stanley's SCID for purposes of undertaking the services in paragraph (a) above ("RA Resource ID"), which shall be set up as a CAISO system resource;

(c) Submitting a monthly and annual Supply Plan using the RA Resource ID for each month of the Delivery Term on or prior to the deadline in the CAISO Tariff;

(d) Undertaking all scheduling and tagging requirements in accordance with Generally Accepted Utility Practice from the Delivery Point to the Sink, including inserting the following in each NERC E-Tag:

(i) Morgan Stanley's Scheduling Coordinator PSE in the "physical path" at and from the Delivery Point to the Sink,

(ii) Buyer's PSE in the "market path" at the Delivery Point,

(iii) Buyer's PSE as the last PSE in the "physical path",

(iv) RA Resource ID (MSCG_NOB_I_F_IMS010) in the Misc(Token/Value) field in "physical path" at and from the Delivery Point to the Sink, and

(v) A CAISO Aggregated Pricing Node as the Sink; and

(e) performing such other ancillary requirements under the CAISO Tariff to give effect to the foregoing.

A sample NERC E-Tag is attached hereto as Exhibit B for informational purposes. Actual NERC E-Tags generated for deliveries hereunder may vary from the sample attached as Exhibit B due to changes in Carbon Free Source, CAISO or WECC tagging practices or otherwise as required to be consistent with Generally Accepted Utility Practice.

2.4. Seller's Scheduling Contacts

[redacted]

2.5. Buyer's Identifiers

Buyer's SCID: LSVCE

Buyer's PSE: LSVCE

2.6. Special Conditions – Product 2

(a) Resource Adequacy Plan: Buyer shall submit (or cause to be submitted) a monthly and annual Resource Adequacy Plan ("RA Plan"), as required by the CAISO Tariff, that

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explicitly identifies the Delivery Profile hours as the temporal constraint/limitation and such RA Plan shall otherwise match the Supply Plan submitted by Morgan Stanley.

(b) CAISO Acceptance/Rejection: Morgan Stanley shall be entitled to retain any and all revenues received from (and if prices are negative, liable for all payments to) CAISO as a result of CAISO accepting the Bid(s) (including Self-Schedule(s)) submitted by Morgan Stanley. If, in any hour of the Delivery Term, CAISO rejects the Bid(s) (including Self-Schedule) submitted by Morgan Stanley in the CAISO Day Ahead Market and Real-Time Market, then

(i) if Morgan Stanley Self-Schedules or Bids in accordance with the Bidding Requirement, the Parties agree to treat such rejection by CAISO as Uncontrollable Force such that each Party shall be excused from their respective obligation to sell and deliver or purchase and receive the Carbon Free Firm Energy for that hour, and

(ii) if Morgan Stanley does not Bid in accordance with the Bidding Requirement, the Parties agree to treat such rejection by CAISO as a failure to deliver by Seller, no Capacity Fee shall be due for such hour, and, unless Seller is otherwise excused from its delivery obligations, Buyer shall be entitled to such remedies as are provided hereunder and in the Master Agreement.

(c) [redacted]

ARTICLE 3
GENERAL PROVISIONS

3.1 Uncontrollable Force/Force Majeure

The Parties agree that Product 1 shall be subject to Uncontrollable Force and Product 2 shall be subject to Force Majeure. The Parties agree, for the purposes of Section 10 of the WSPP Agreement, Section 3.3 of the Master Agreement and the definition of Force Majeure, that:

(a) any limitation, interruption or curtailment on the applicable Agreed Transmission Path, at the Delivery Point or from the Delivery Point to Sink by the transmission provider pursuant to the applicable OATT or transmission service contract (including CAISO pursuant to CAISO Tariff), by or at the direction of WECC or any applicable NERC-recognized regional reliability coordinator, including for unscheduled flow mitigation, planned outage(s) and full or partial de-rate(s), whether or not known or anticipated as of the Confirmation Effective Date, will be considered Uncontrollable Force and Force Majeure,

(b) a limitation, interruption or curtailment described in paragraph (a) may result in Bid(s), schedule(s) or E-Tag(s) not being submitted or created, as applicable, for one or more hours depending on the timing and circumstances of the qualifying limitation, interruption or curtailment, Generally Accepted Utility Practice and requirements and practices pursuant to CAISO Tariff,

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(c) if and to the extent any of the events or circumstances described in paragraphs (a) and (b) above prevents (i) delivery of the Hourly Contract Quantity of Carbon Free Energy from the Carbon Free Source to Sink for any hour(s) of the Delivery Term or (ii) Bid(s), schedule(s) or E-Tag(s) being submitted or created, as applicable, by Morgan Stanley for any hour(s) of the Delivery Term, subject to Section 1.2(c), Morgan Stanley and Buyer shall be relieved of their obligation to sell and deliver or purchase and receive, respectively, the Carbon Free Firm Energy at the Delivery Point for such hour(s) and Morgan Stanley shall be relieved of its SC Services obligations for such hour(s), and

(d) Morgan Stanley will use commercially reasonable efforts to communicate (verbally or electronically in writing, including via eTags) any limitations, interruptions or curtailments on the Agreed Transmission Path known prior to the day-ahead pre-scheduling deadline and advise as to what quantities, if any, of Carbon Free Firm Energy Morgan Stanley is able to deliver to Buyer during the affected hours.

3.2 Monthly Reporting

The Parties acknowledge that in each month of the Delivery Term non-delivery of energy can reasonably be expected from time to time as a result of, among other things, Uncontrollable Force (*e.g.* transmission limitations, interruptions and/or curtailments) and CAISO rejecting Bid(s) meeting the Bid Requirement, including during conditions of oversupply and congestion. For transparency, in addition to Buyer having delivery visibility through inclusion on all NERC E-Tags, Morgan Stanley will provide a monthly report that includes a lessor of analysis showing eTags, and meter readings from the Carbon Free Source.

3.3 Electricity Importer

As a result of the provision of Scheduling Services, Morgan Stanley will be the electricity importer into California for purposes of the Cap and Trade Regulations for the Carbon Free Firm Energy delivered pursuant to this Confirmation. The Parties acknowledge that Morgan Stanley will be responsible for satisfying any Compliance Obligation (as defined in the Cap and Trade Regulations) associated with the energy that is scheduled and imported into California pursuant to this Confirmation.

3.4 Confidentiality

Notwithstanding anything to the contrary in Section 10.11 of the Master Agreement, the Parties agree that either Party may disclose a copy of this Confirmation to a Governmental Authority if required or if requested by such Governmental Authority or for the purposes set forth in Section 3.5(b), provided such Party shall redact commercial terms (*e.g.* Contract Price) prior to disclosure or disclose the Confirmation confidentially to the Governmental Authority unless redactions or confidential treatment is not permitted by the Governmental Authority. Each Party recognizes that this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.).

3.5 RA Requirements / Change in Law

(a) The Parties acknowledge that Buyer has entered into this transaction to, among other things, use Product 1 toward meeting its RA Requirements. Buyer acknowledges that Seller makes no representation or warranty that Product 1 as procured by Buyer will be

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eligible for or can be used or counted toward Buyer's resource adequacy obligations pursuant to the RA Requirements.

(b) The Parties agree that either or both Parties may provide a copy of this Confirmation to the CPUC confidentially prior to the time required for Buyer's compliance filings to obtain the CPUC's guidance or advice as to the eligibility of Product 1 for meeting the RA Requirements, provided if Seller provides a copy it shall redact or exclude Buyer's name.

(c) It is Buyer's sole responsibility to (i) ensure it has obtained sufficient intertie import capability at the Delivery Point such that it may use Product 1 toward its RA Requirements and (ii) determine the appropriate maximum cumulative capacity bucket(s).

(d) If there is a Change in Law that (i) materially adversely changes or affects a Party's obligations hereunder or (ii) results in Buyer being unable to use Product 1 to meet its RA Requirements, the Parties shall work in good faith to try and revise this Confirmation, which may include changes to commercial terms, to appropriately address the material adverse change or effect or permit Buyer to be able to use Product 1 toward its RA Requirements. In the event the Parties cannot reach agreement on any such amendments to this Confirmation within 30 days' written notice from one Party following the Change in Law ("Negotiation Period"), then either Party may terminate this Confirmation within thirty (30) days after the Negotiation Period upon written notice to the other Party, which, subject to Section 3.8, shall be effective the next Business Day after such notice is received. Any termination in accordance with this paragraph shall be without liability of either Party to the other on the termination date as a result of such termination, *provided* for greater certainty each Party shall remain liable for any payments arising from performance (and non-performance) up to and including the termination date. Termination of this Confirmation pursuant to this paragraph shall not result in termination (or give rise to a right of termination) of any other transactions between the Parties *provided* that if multiple transactions between the Parties are similarly affected by the Change in Law the terminating Party must concurrently terminate all such transactions unless the other Party otherwise agrees.

3.6 Seller Indemnification / Termination

To the extent Seller fails to fulfill its obligations under this Confirmation and such failure is not excused under the terms of either Product, this Confirmation or the Master Agreement or caused by a failure to perform by Buyer or other third party contracting directly or indirectly with Buyer, then

(a) Seller agrees to indemnify Buyer for any monetary penalties directly resulting from Seller's nonperformance hereunder as assessed against Buyer by the CPUC pursuant to the RA Requirements, but only to the extent such penalties being assessed could not be avoided by Buyer following notice from Seller of its nonperformance; and

(b) in addition to Buyer's other remedies hereunder, if such failure meets all the criteria for a RA Termination Event, Buyer may terminate this Confirmation upon written notice to Seller, *provided* such notice is provided no later than two (2) Business Days after such RA Termination Event having occurred. If timely termination notice is provided to Seller, subject to Section 3.8, termination shall be effective the next Business Day after such notice is received. Any termination in accordance with this paragraph shall be without liability of either Party to the other on the termination date as a result of such termination, *provided*

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for greater certainty each Party shall remain liable for any payments arising from performance (and non-performance) up to and including the termination date. Termination of this Confirmation pursuant to this paragraph shall not result in termination (or give rise to a right of termination) of any other transactions between the Parties.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize any such monetary penalties or the impact of any Seller non-performance; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize such penalties.

3.7 Survival

To the extent this Confirmation is terminated by either Party as provided in Section 3.5 or 3.6 and Morgan Stanley, in performing its obligations hereunder, has submitted a monthly Supply Plan or has other binding obligations or commitments to CAISO that cannot be rescinded without Morgan Stanley incurring penalties or other charges, all applicable terms, conditions and provisions of this Confirmation shall survive termination until all binding obligations or commitments to CAISO as at the effective date of such termination have been fully performed, including, without limiting the generality of the foregoing, the purchase and sale of Carbon Free Firm Energy. For greater certainty, neither Party will make any further binding commitments to CAISO (*e.g.* no filing of monthly RA Plans or Supply Plans) after the effective date of termination.

3.8 Relationship of the Parties

The Parties are independent contractors, and will not be deemed to be partners, joint venturers or agents of each other for any purpose. Nothing contained in this Confirmation will be construed to create a partnership, joint venture, agency or other relationship that may invoke fiduciary obligations between the Parties.

[*Signatures appear on the following page.*]

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Acknowledged and agreed to as of the Confirmation Effective Date.

MORGAN STANLEY CAPITAL GROUP INC.

Sign: _____

Print: Parker Corbin

Title: Chairman, President, CEO

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Print: Girish Balachandran

Title: CEO

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EXHIBIT A

CARBON FREE SOURCE

In any delivery hour, the Carbon Free Firm Energy will be generated by any one or more of the following large hydro generating facilities listed below (in aggregate, the "Carbon Free Source").

NERC Source	Facility and Unit Name	Location	CARB ID#
MSCG_GCPD	Wanapum Dam	Washington State	500054
MSCG_GCPD	Priest Rapids Dam	Washington State	500054
Chelan System	Rocky Reach Dam	Washington State	500055
Chelan System	Rock Island Dam	Washington State	500003
Idaho System	Lucky Peak Dam	Idaho State	500046

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EXHIBIT B

SAMPLE NERC E-TAG

Market Path

PSE	Product	Contract	Misc Info
MSCG01	G-F		Yes
LSVCE	L		No

Physical Path

BA	TSP	MO	PSE	POR	POD	Sched Entities	Contract	Misc Info	Loss
GCPD			MSCG01	**Source:**	MSCG_GCPD			No	
	BPAT		MSCG01	BPAT.GCPD	BigEddy	BPAT		No	
	BPAT		MSCG01	BigEddy	NOB	BPAT		No	
	CISO	CISO	MSCG01	NOB	SYLMAR	LDWP		No	
	CISO	CISO	MSCG01	SYLMAR	SP15	CISO		Yes	
CISO		CISO	LSVCE	**Sink:**	SP15			No	

Transmission Allocation

TSP	Owner	Product	OASIS	NITS Resource	Misc Info
BPAT (1)	MSCG01	7-F	10031		No
BPAT (2)	MSCG01	7-F	10031		No
CISO (1)	MSCG01	7-F	MSCG_NOB_I_F_IMS010		No
CISO (2)	MSCG01	7-F	MSCG_NOB_I_F_IMS010		No

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EXHIBIT C

DEFINITIONS

Capitalized terms not otherwise defined herein that are defined in the CAISO Tariff shall have the meanings ascribed thereto in the CAISO Tariff.

"AAH" or "Availability Assessment Hours" means the five consecutive hour period pre-defined by CAISO pursuant to the CAISO Tariff as the Availability Assessment Hours for resources providing system resource adequacy for the applicable month of the Delivery Term. The Parties acknowledge that, as of the Confirmation Effective Date, CAISO has determined the Availability Assessment Hours for resources providing system resource adequacy for the applicable months of the Delivery Term are hour ending ("HE") 1700 through HE 2100 (5 hours per day), Monday through Friday (5 days per week), excluding Federal Holidays.

"Applicable Program" means the Cap and Trade Regulations or the PSD Regulations.

"Buyer", as used in the Master Agreement, means Buyer.

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively).

"CARB" means the California Air Resources Bureau of the California Environmental Protection Agency.

"CAISO Tariff" means the FERC-approved electric tariff of the California Independent System Operator Corporation ("CAISO") and any current applicable CAISO-published Operating Procedures and Business Practice Manuals, in each case as amended or supplemented from time to time.

"Change in Law" means any changes, revisions, additions or clarifications to or of (i) the RA Requirements by the CPUC, or (ii) the CAISO Tariff by CAISO, including CAISO changing the five consecutive hour period for the Availability Assessment Hours for any month of the Delivery Term such that it is no longer HE 1700 through HE 2100 (5 hours per day), Monday through Friday (5 days per week), excluding Federal Holidays, in either case occurring after the Confirmation Effective Date.

"CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for load serving entities to demonstrate compliance with the RA Requirements.

"Federal Holidays" means legal public holidays as set forth in 5 USC § 6103(a).

"Firm Transmission" means NERC Transmission Service Reservation Priority 7-F (firm point-to-point transmission), and includes conditional firm point-to-point transmission.

"Flat" means all Off-Peak and On-Peak hours (24x7).

"Generally Accepted Utility Practice" means a practice established by the Western Electricity Coordinating Council ("WECC") or any successor regional reliability council, as such practice may be revised from time to time, or if no practice is so established, means a practice otherwise generally accepted in the WECC region.

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"Governmental Authority" means any national, state, provincial or local government, any political subdivision thereof, or any other governmental, regulatory, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, department, bureau, or entity with authority over a Party or the subject matter of this Agreement, and includes, without limitation, the Federal Energy Regulatory Commission ("FERC") and California Public Utilities Commission ("CPUC").

"LMP Index" means, for any day of delivery, the day-ahead hourly Locational Marginal Price ("LMP") at TH_NP15_GEN-APND (or any successor Aggregated Pricing Node for NP 15) ("NP 15 Trading Hub") for the applicable hours of delivery as published by the CAISO. In the event the CAISO fails to publish the LMP for the NP 15 Trading Hub, such failure shall be addressed by the Parties in a manner consistent with the Master Agreement provisions applicable to Market Disruption Events. In the event the CAISO subsequently corrects the LMP for the NP15 Trading Hub, such correction shall be addressed by the Parties in a manner consistent with the Master Agreement provisions applicable to price corrections. Notwithstanding any other provision of this Confirmation or the Master Agreement, the LMP Index shall not be revised as a result of a correction to the LMP for the NP 15 Trading Hub made any time after 6 months from the end of the Delivery Term.

"MCC Bucket(s)" means the maximum cumulative capacity bucket categories adopted and defined by the CPUC in CPUC Decision 20-06-031 pursuant to which CPUC-jurisdictional LSEs are required to categorize their resource adequacy resources based on availability (as defined in the D. 20-06-031). There are five MCC Bucket categories: DR, 1, 2, 3 and 4.

"MCC Bucket Category 1" means, as provided in D. 20-06-031, the resource has availability (as defined in the D. 20-06-031) as updated by the "2022 Filing Guide for System, Local and Flexible Resource Adequacy (RA) Compliance Filings" in R.19-11-009, issued September 24, 2021 (the "2022 RA Guide") every Monday through Saturday, for 4 consecutive hours between 4 pm through 9 pm, and at least 100 hours per month from May through September.

"NERC Holiday" means any day designated as a holiday by NERC.

"Off-Peak" means HE 0100 through HE 0600 and HE 2300 through HE 2400 PPT and all hours on (i) Sundays or (ii) any NERC Holiday.

"On-Peak" means HE 0700 through HE 2200 (16 hours per day) PPT, Monday through Saturday (6 days per week), excluding NERC Holidays.

"PSD Regulations" means the Power Source Disclosure Program regulations (California Code of Regulations Title 20, Division 2, Chapter 3, Article 5, Sections 1390 through 1394).

"RA Requirements" means (i) the resource adequacy requirements established for CPUC jurisdictional load serving entities by the CPUC pursuant to the CPUC's currently effective or future decisions, resolutions, or rulings related to resource adequacy as applicable to system resource adequacy and the availability, eligibility and use of imports for system resource adequacy, including CPUC Decision 20-06-028 and (ii) CPUC Decision 20-06-031 solely for the purposes of the eligibility of Product 1 for an MCC Bucket category if specified in this Confirmation.

"RA Termination Event" means, for any Availability Assessment Hour in the Delivery Term, (i) Seller fails to (x) satisfy the Bidding Requirement or (y) deliver the Carbon Free Firm Energy to the Delivery Point, and in either case such failure is not excused pursuant to the terms hereof, *and* (ii) such unexcused failure by Seller is likely to cause Buyer to not (or no longer) be able to count Product 1 toward its RA Requirements.

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"Scheduling Coordinator" has the meaning given in the CAISO Tariff.

"Self-Schedule" has the meaning given in the CAISO Tariff.

"Sink" means the final point of delivery for the energy, which shall be a point within the CAISO Balancing Authority Area.

"Specified Source Facility" means a power source registered by an electric power entity with CARB that is intended to be claimed in an Emissions Data Report pursuant to section 95111(g)(1) of the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions in the state of California.

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Execution Version

CONFIRMATION

Reference:
Master Power Purchase and Sale Agreement
Between Morgan Stanley Capital Group Inc. ("Seller")
And
Silicon Valley Clean Energy Authority, a California joint powers authority ("Buyer")

dated: November 23, 2016

Transaction Date: October 1, 2021 (the "Effective Date")

RECITALS:

WHEREAS, pursuant to California Public Utilities Code Sections 366.1, et. seq., Buyer has been registered as a Community Choice Aggregator (the "CCA");

WHEREAS, Buyer is a California joint powers authority, which has established Silicon Valley Clean Energy Authority for purposes of delivering CCA service to certain customers located within the County of Santa Clara;

WHEREAS, pursuant to California Public Utilities Code Section 366.2, Buyer submitted Buyer's CCA Implementation Plan and Statement of Intent ("Implementation Plan") to the CPUC;

WHEREAS, the CPUC certified the Implementation Plan on September 27, 2016;

WHEREAS, Seller and Buyer desire to set forth the terms and conditions pursuant to which Seller shall supply the Product to Buyer, and Buyer shall take and pay for such supply of Product subject to satisfaction of the conditions herein; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements in this Confirmation and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. DEFINITIONS. Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"ACS" means "asset-controlling supplier" as that term is defined in the Cap and Trade Regulations.

"Applicable Law" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Project(s), or the terms of the Agreement.

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"CAISO" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

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

"California RPS" or "California Renewables Portfolio Standard" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively) promulgated by the California Air Resources Board of the California Environmental Protection Agency pursuant to the California Global Warming Solutions Act of 2006.

"Carbon Free Energy" means Energy generated by Carbon Free Sources.

"Carbon Free Source" means any energy source, except for nuclear-powered generation assets, that is located within the WECC and that is considered by the State of California to have zero Greenhouse Gas emissions in accordance with the Cap and Trade Regulations. Carbon Free Source does not include any Category 3 Renewables, ACS resources or any energy source with an e-tag with a source point associated with a nuclear or coal-fired generating facility.

"Category 1 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(1) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 2 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(2) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 3 Renewable" means the Renewable Energy Credits that satisfy the requirements of Section 399.16(b)(3) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"CEC" means the California Energy Commission.

"Change in Law" has the meaning set forth in Section 2.2 hereof.

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"Commercially Reasonable Efforts" for the purposes of this Confirmation, "commercially reasonable efforts" or acting in a "commercially reasonable manner" shall not require a Party to undertake extraordinary or unreasonable measures.

"Compliance Obligation" has the meaning set forth by the Cap and Trade Regulations.

"CPUC" means the California Public Utilities Commission.

"Customers" means the residential, commercial, industrial, and all other retail end use customers that have not opted out of the Silicon Valley Clean Energy Program, as designated from time to time by Buyer as being served by Buyer within the jurisdictional boundaries of the County of Santa Clara.

"Delivery Period" shall be the period beginning on the Start Date and ending on the End Date, as set forth in Section 3 below.

"Delivery Point" has the meaning set forth in Section 4 hereof.

"Effective Date" has the meaning set forth in the Reference Section at the beginning of this Confirmation.

"Eligible Renewable Energy Resource" or "ERR" means an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16.

"Energy" means electrical energy, measured in MWh.

"Energy Contract Price" means the price ($/MWh) to be paid by Buyer to Seller for the Energy Contract Quantity delivered hereunder, as set forth on Exhibit A.

"Energy Contract Quantity" means the quantity of Energy set forth in Exhibit A, which will be delivered to the CAISO by Seller and scheduled with Buyer as an IST.

"Exhibits" shall be those certain Exhibits, which are attached hereto and made a part hereof.

"FERC" means the Federal Energy Regulatory Commission.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Implementation Plan" has the meaning set forth in the Recitals hereof.

"Inter-SC Trade" or "IST" has the meaning set forth in the Tariff.

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"Mandatory Reporting Rule" means the regulations entitled Mandatory Greenhouse Gas Emissions Reporting set forth in Article 2 of Subchapter 10 of Title 17 of the California Code of Regulations.

"MW" means megawatt.

"MWh" means megawatt-hour.

"PG&E" means the Pacific Gas and Electric Company, its successors and assigns.

"Product" has the meaning set forth in Section 2.1 hereof.

"Project" shall mean the Eligible Renewable Energy Resource(s) used to provide Renewable Energy hereunder.

"Prudent Industry Practices" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of generating facilities similar to the Project(s) in the United States during the relevant time period) that, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result, giving due regard to manufacturers' warranties and recommendations, contractual obligations, the requirements or guidance of Governmental Authority, including CAISO, Applicable Law(s), the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Industry Practices shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

"REC Vintage" means the date of Energy generation found on a WREGIS Certificate.

"Renewable Energy" means Energy and associated Renewable Energy Credits generated by an Eligible Renewable Energy Resource where the source of power is wind, solar or hydroelectric.

"Renewable Energy Contract Price" shall mean the price ($/REC) to be paid by Buyer to Seller for Renewable Energy delivered hereunder, as set forth on Exhibit B.

"Renewable Energy Contract Quantity" shall mean the quantity of RECs to be delivered by Seller to Buyer hereunder, as set forth on Exhibit B. Such Renewable Energy Contract Quantity, shall be comprised of (i) Minimum Renewable Energy Quantity and (ii) Optional Incremental Renewable Energy Quantity, if any.

"Renewable Energy Credits" or "REC" has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision D.08-08-028, as applicable to the specific REC Vintage(s) transferred hereunder.

"RPS Adjustment" means the reduction in the Compliance Obligation of an electricity importer authorized by and calculated in accordance with section 95852 (b)(4) of the Cap and Trade Regulations and section 95111(b)(5) of the Mandatory Reporting Rule.

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"Security Documents" has the meaning set forth in the Master Agreement.

"Silicon Valley Clean Energy Program" means the community choice aggregation program operated by Buyer.

"Specified Sources of Power" means electricity that is traceable to a specific generation source by any auditable contract trail or equivalent, including a tradable commodity system, that provides commercial verification of the power source.

"Tariff" means the tariff and protocol provisions, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as amended, supplemented or replaced by CAISO from time to time.

"Unspecified Sources of Power" means electricity that is not traceable to a specific generation source by any auditable contract trail or equivalent, including a tradable commodity system, that provides commercial verification that the electricity has been sold once and only once.

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

"WREGIS Certificate" means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.

"WREGIS Operating Rules" means the operating rules and requirements adopted by WREGIS.

2. PRODUCT.

2.1 Seller Delivery Obligation. Throughout the Delivery Period, Seller shall sell and deliver or make available, or cause to be sold and delivered or made available to Buyer, the "Product," which is comprised of one or more of the following:

(a) the quantity of Energy specified in Section 7.1;

(b) the quantity of Renewable Energy (Category 1 Renewable) specified in Section 7.2; and

(c) the quantity of Carbon Free Energy specified in Section 7.3.

2.2 Change in Law.

If due to any action by the CPUC or any Governmental Authority, or any change in Applicable Law (a "Change in Law") occurring after the Effective Date that results in material changes to Buyer's or Seller's obligations with regard to the Products sold hereunder and that has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the implementation of this Confirmation becomes impossible or impracticable, or otherwise modifies the California RPS or language required to conform to the California RPS, the Parties shall work in good

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faith to try and revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of Products sold hereunder or Buyer's compliance with California RPS obligations in order to maintain the original intent of the Parties under this Confirmation. In the event the Parties cannot reach agreement on any such amendments to this Confirmation within sixty (60) days following the Change in Law, to the extent practicable and lawful, Seller shall perform its obligations hereunder with regard to any Product hereunder or compliance with California RPS obligations in accordance with the Applicable Law immediately prior to the Change in Law; provided, however, that notwithstanding the foregoing or anything to the contrary herein, Seller shall not be obligated to perform any obligation hereunder to the extent that doing so would cause Seller to be materially adversely affected. These Change in Law provisions are independent of those set forth in the RPS Standard Terms and Conditions below.

2.3 RPS Standard Terms and Conditions.

STC 6: Eligibility

Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-1: Transfer of Renewable Energy Credits

Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-2: Tracking of RECs in WREGIS

Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy

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Generation Information System will be taken prior to the first delivery under this contract.

STC 17: Applicable Law

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

2.4 Resources. For Renewable Energy and Carbon Free Energy delivered under this Confirmation, Seller shall use Specified Sources of Power, as further detailed in Exhibit B & C respectively; provided however, Seller may designate additional Specified Sources of Power upon 5 (five) days written notice to Buyer thereof; provided further any such additional Specified Sources of Power shall meet the requirement of Renewable Energy and Carbon Free Source as defined herein. For other Energy deliveries hereunder, if any, Seller may use Unspecified Sources of Power; provided that any Energy delivered under this Confirmation (including incremental energy associated with Category 2 Renewable products) shall not be procured from unit-specific sources that are nuclear or coal-fired resources. The Energy supplied in connection with any Renewable Energy shall comply with applicable California RPS requirements for such Product.

2.5 Delivery of WREGIS Certificates. Throughout the Delivery Period, following generation of the Renewable Energy by the Project(s), Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with the Renewable Energy Contract Quantity are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard for Buyer.

Seller shall comply with all Applicable Law, including, without limitation, the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. The Parties acknowledge and agree that, as of the Effective Date, the WREGIS Certificates associated with the Renewable Energy Contract Quantity for a month are not available for transfer to Buyer until approximately ninety (90) days after the end of such month. Seller shall transfer such WREGIS Certificates in a timely manner after such WREGIS Certificates are available for transfer to Buyer for Buyer's sole benefit.

Upon receiving written or electronic confirmation from WREGIS that a transfer order has been initiated by Seller, Buyer shall confirm such transfer order in WREGIS within fourteen (14) days to the extent that the WREGIS Certificates included in such transfer conform to the specifications reflected in this Confirmation. In the event that certain WREGIS Certificates fail to conform to the

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applicable California RPS requirements or WREGIS specifications reflected in this Confirmation, Buyer shall be entitled to reject the transfer of any non-conforming WREGIS Certificates and Seller shall replace the non-conforming WREGIS Certificates with an equivalent amount of WREGIS Certificates of the same REC Vintage and that meet the applicable California RPS requirements or WREGIS specifications reflected in this Confirmation;

Upon either Party's receipt of notice from WREGIS that a transfer of WREGIS Certificates was not recognized, that Party will immediately notify the other Party, providing a copy of such notice, and both Parties will cooperate in taking such actions as are necessary and commercially reasonable to cause such transfer to be recognized and completed. Each Party agrees to provide copies of its applicable reports to the extent reasonably necessary for WREGIS to verify the accuracy of any fact, statement, charge or computation made pursuant hereto if requested by the other Party.

2.6 Retirement of RECs. Buyer agrees to retire the RECs purchased from Seller hereunder no later than four months after the year in which such RECs are produced in accordance with Title 17 CCR Section 95852(b)(3)(D) and to provide Seller with the WREGIS retirement report.

2.7. Additional Terms and Conditions

(1) Seller Representations and Warranties: Seller represents and warrants:

(a) Seller has not sold the Product or any Program Attributes of the Product to be transferred to Buyer to any other person or entity;

(b) For the sale of Renewable Energy and Carbon Free Energy, Seller receives compensation directly from the CAISO for energy imported or scheduled to the CAISO in real-time on Buyer's behalf; and

(c) If and to the extent that the Renewable Energy sold by Seller is a resale of part or all of a contract between Seller and one or more third parties, Seller represents, warrants and covenants that the resale complies with the following conditions in (i) through (iv) below as of the Effective Date and throughout the Delivery Period:

i. The original upstream third party contract(s) meets the criteria of California Public Utilities Code Section 399.16(b)(1)(A);

ii. This Agreement transfers only Renewable Energy that has not yet been generated prior to the later of the Effective Date or the Delivery Period;

iii. The Energy transferred hereunder is transferred to Buyer in real time; and

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iv. If the Project has an agreement to dynamically transfer electricity to a California balancing authority, the transactions implemented under this Agreement are not contrary to any condition imposed by a balancing authority participating in the dynamic transfer arrangement.

3. **DELIVERY PERIOD**. This Confirmation shall be in full force and effect as of the Effective Date. The terms set forth herein shall apply from the Start Date through the End Date, which entire period will comprise the Delivery Period. This Confirmation shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless earlier terminated pursuant to the terms hereof.



4. **DELIVERY POINT**.

Product	Delivery Point
Energy	TH_NP15_GEN-APND
Renewable Energy	CAISO or a California Balancing Authority inside the California State boundaries
Carbon Free Energy	CAISO or a California Balancing Authority inside the California State boundaries

5. **SCHEDULING**. Seller will perform all scheduling requirements applicable to the transaction(s) contemplated under this Confirmation. All scheduling shall be performed consistent with all applicable CAISO and WECC prevailing protocols. The Energy will be scheduled to Buyer on a Day-Ahead basis using an Inter-SC Trade (IST). Unless otherwise mutually agreed between the Parties, Carbon Free Energy and Renewable Energy will be scheduled to the applicable delivery point without (an) IST.

6. **PRICING**.

6.1 Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Energy Contract Quantity delivered

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and scheduled in accordance with this Confirmation multiplied by the Energy Contract Price specified in Exhibit A.

6.2 Renewable Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to: a) the applicable Renewable Energy Contract Price as specified in Exhibit B multiplied by the portion of the Renewable Energy Contract Quantity delivered by Seller as evidenced by the quantity of WREGIS Certificates in Seller's WREGIS account that are available for transfer to Buyer. Seller shall transfer RECs associated with the applicable Renewable Energy Contract Quantity to Buyer through WREGIS within five (5) days of receipt of payment from Buyer.

6.3 Carbon Free Energy Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Carbon Free Energy Contract Quantity delivered in such month multiplied by the Carbon Free Energy Price specified in Exhibit C.

7. CONTRACT QUANTITIES.

7.1 Energy. Energy Contract Quantities and the Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit A.

7.2 Renewable Energy. Renewable Energy Contract Quantities and Renewable Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit B. The Renewable Energy sold by Seller to Buyer shall also include any and all Renewable Energy Credits associated with such Renewable Energy. By mutual agreement, and with notification by December 1, 2021, the parties may increase the Renewable Energy Contract Quantity by any portion of the volume specified under Optional Incremental Renewable Energy Quantity.

7.3 Carbon Free Energy. Carbon Free Energy Contract Quantities and Carbon Free Energy Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit C.

8. MONTHLY BILLING SETTLEMENT.

8.1 Monthly Invoice Timeline. Seller agrees to use commercially reasonable efforts to deliver each monthly invoice to Buyer no later than the fifteenth (15th) day of each month for the previous calendar month. The Parties hereby agree that all invoices under this Confirmation shall be due and payable on the twenty-fifth (25th) day of the month following the month in which Seller delivered such invoice, provided that if such day is not a Business Day, then such invoice will be due and payable on the next Business Day that occurs after the twenty-fifth (25th) day of the month.

9. COMPLIANCE REPORTING. Buyer shall be responsible for submitting compliance reports to the CPUC and/or other Governmental Authorities on its own behalf and will require resource information, electronic tagging information, and other documentation to be provided by Seller. Seller shall provide all reasonable information to Buyer necessary

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for Buyer to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to any Product.

10. **NO RESTRICTION**. Nothing in this Confirmation shall limit Buyer's ability to develop its own generation facilities or prevent Buyer from purchasing Energy from other parties or prevent Seller from selling Energy to other parties; provided, however, that Buyer shall remain responsible to pay Seller for the Contract Quantities represented in Exhibits A, B and C.

11. **STANDARD OF CARE AND GOOD FAITH**. When performing its obligations hereunder, Seller shall act in good faith and shall perform all work in a manner consistent with Prudent Industry Practices.

12. **SECURITY PROVISIONS**.

12.1 **Buyer Reporting Requirements**. During the entire period this Confirmation remains in effect, Buyer shall provide Seller with the report(s) required below and shall also provide Seller with any clarifications requested regarding such report(s) and such other information that Seller reasonably requests regarding Buyer's financial performance, Buyer's performance of its obligations under this Confirmation or the ongoing viability of the CCA.

(a) Annual Reports. The following report shall be provided by Buyer to Seller not later than 180 days following the end of Buyer's fiscal year, shall be with regard to such previous fiscal year and shall be as follows: Buyer's financial reports consisting of, at a minimum, statement of revenues, expenses and changes in fund net assets, statement of net assets, and statement of cash flows on a consolidating basis (as applicable), each as prepared in accordance with generally accepted accounting principles and audited by an independent certified public accountant.

This Confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated November 23, 2016 (the "Master Agreement") between Buyer and Seller, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement. This Confirmation and the Master Agreement, including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement.

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This Confirmation is subject to the Exhibits identified below and that are attached hereto:
Exhibit A – Energy Contract Quantity and Price Schedule **Exhibit B – Renewable Energy Contract Quantity and Price Schedule** **Exhibit C – Carbon Free Energy Contract Quantity and Price Schedule**

MORGAN STANLEY CAPITAL GROUP INC.

Sign: _____

Print: Parker Corbin

Title: Chairman, President, CEO

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Print: Girish Balachandran

Title: CEO

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Exhibit A

Energy Contract Quantity and Price Schedule

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Exhibit B

Renewable Energy Contract Quantity and Price Schedule and Specified Sources

Category 1 Renewable

Vintage Year	Minimum Renewable Energy Quantity (MWh)	Optional Incremental Renewable Energy Quantity (MWh)	Renewable Energy Price ($/MWh)
[redacted]			

Unit Name	State	Technology	RPS ID	EIA Code	WREGIS ID
Sagebrush Power Partners, LLC	Washington	Wind	60939A	56858	W1876
Harvest Wind Project	Washington	Wind	60857A	57152	W1306
Klondike Wind Power III	Oregon	Wind	60602A	56468	W237
Upper Falls HED	Washington	Hydroelectric Water	60499A	9096	W217
Nine Mile HED	Washington	Hydroelectric Water	60497A	3869	Unit 1 = W216; Unit 2 = W283
Monroe Street HED	Washington	Hydroelectric Water	60496A	9095	W218
Post Falls HED	Idaho	Hydroelectric Water	60498A	835	Unit 1 = W220; Unit 2 = W794; Unit 3 = W795; Unit 4 = W796

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Exhibit C

Carbon Free Energy Contract Quantity and Price Schedule and Specified Sources

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Execution Version

CONFIRMATION

Reference:
Master Power Purchase and Sale Agreement
Between Morgan Stanley Capital Group Inc. ("Seller")
And
Silicon Valley Clean Energy Authority, a California joint powers authority ("Buyer")

dated: November 23, 2016

Transaction Date: October 1, 2021 (the "Effective Date")

RECITALS:

WHEREAS, pursuant to California Public Utilities Code Sections 366.1, et. seq., Buyer has been registered as a Community Choice Aggregator (the "CCA");

WHEREAS, Buyer is a California joint powers authority, which has established Silicon Valley Clean Energy Authority for purposes of delivering CCA service to certain customers located within the County of Santa Clara;

WHEREAS, pursuant to California Public Utilities Code Section 366.2, Buyer submitted Buyer's CCA Implementation Plan and Statement of Intent ("Implementation Plan") to the CPUC;

WHEREAS, the CPUC certified the Implementation Plan on September 27, 2016;

WHEREAS, Seller and Buyer desire to set forth the terms and conditions pursuant to which Seller shall supply the Product to Buyer, and Buyer shall take and pay for such supply of Product subject to satisfaction of the conditions herein; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements in this Confirmation and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. DEFINITIONS. Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"ACS" means "asset-controlling supplier" as that term is defined in the Cap and Trade Regulations.

"Applicable Law" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Project(s), or the terms of the Agreement.

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"CAISO" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

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

"California RPS" or "California Renewables Portfolio Standard" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively) promulgated by the California Air Resources Board of the California Environmental Protection Agency pursuant to the California Global Warming Solutions Act of 2006.

"Carbon Free Energy" means Energy generated by Carbon Free Sources.

"Carbon Free Source" means any energy source, except for nuclear-powered generation assets, that is located within the WECC and that is considered by the State of California to have zero Greenhouse Gas emissions in accordance with the Cap and Trade Regulations. Carbon Free Source does not include any Category 3 Renewables, ACS resources or any energy source with an e-tag with a source point associated with a nuclear or coal-fired generating facility.

"Category 1 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(1) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 2 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(2) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 3 Renewable" means the Renewable Energy Credits that satisfy the requirements of Section 399.16(b)(3) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"CEC" means the California Energy Commission.

"Change in Law" has the meaning set forth in Section 2.2 hereof.

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"Commercially Reasonable Efforts" for the purposes of this Confirmation, "commercially reasonable efforts" or acting in a "commercially reasonable manner" shall not require a Party to undertake extraordinary or unreasonable measures.

"Compliance Obligation" has the meaning set forth by the Cap and Trade Regulations.

"CPUC" means the California Public Utilities Commission.

"Customers" means the residential, commercial, industrial, and all other retail end use customers that have not opted out of the Silicon Valley Clean Energy Program, as designated from time to time by Buyer as being served by Buyer within the jurisdictional boundaries of the County of Santa Clara.

"Delivery Period" shall be the period beginning on the Start Date and ending on the End Date, as set forth in Section 3 below.

"Delivery Point" has the meaning set forth in Section 4 hereof.

"Effective Date" has the meaning set forth in the Reference Section at the beginning of this Confirmation.

"Eligible Renewable Energy Resource" or "ERR" means an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16.

"Energy" means electrical energy, measured in MWh.

"Energy Contract Price" means the price ($/MWh) to be paid by Buyer to Seller for the Energy Contract Quantity delivered hereunder, as set forth on Exhibit A.

"Energy Contract Quantity" means the quantity of Energy set forth in Exhibit A, which will be delivered to the CAISO by Seller and scheduled with Buyer as an IST.

"Exhibits" shall be those certain Exhibits, which are attached hereto and made a part hereof.

"FERC" means the Federal Energy Regulatory Commission.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Implementation Plan" has the meaning set forth in the Recitals hereof.

"Inter-SC Trade" or "IST" has the meaning set forth in the Tariff.

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"Mandatory Reporting Rule" means the regulations entitled Mandatory Greenhouse Gas Emissions Reporting set forth in Article 2 of Subchapter 10 of Title 17 of the California Code of Regulations.

"MW" means megawatt.

"MWh" means megawatt-hour.

"PG&E" means the Pacific Gas and Electric Company, its successors and assigns.

"Product" has the meaning set forth in Section 2.1 hereof.

"Project" shall mean the Eligible Renewable Energy Resource(s) used to provide Renewable Energy hereunder.

"Prudent Industry Practices" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of generating facilities similar to the Project(s) in the United States during the relevant time period) that, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result, giving due regard to manufacturers' warranties and recommendations, contractual obligations, the requirements or guidance of Governmental Authority, including CAISO, Applicable Law(s), the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Industry Practices shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

"REC Vintage" means the date of Energy generation found on a WREGIS Certificate.

"Renewable Energy" means Energy and associated Renewable Energy Credits generated by an Eligible Renewable Energy Resource where the source of power is wind, solar or hydroelectric.

"Renewable Energy Contract Price" shall mean the price ($/REC) to be paid by Buyer to Seller for Renewable Energy delivered hereunder, as set forth on Exhibit B.

"Renewable Energy Contract Quantity" shall mean the quantity of RECs to be delivered by Seller to Buyer hereunder, as set forth on Exhibit B. Such Renewable Energy Contract Quantity, shall be comprised of (i) Minimum Renewable Energy Quantity and (ii) Optional Incremental Renewable Energy Quantity, if any.

"Renewable Energy Credits" or "REC" has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision D.08-08-028, as applicable to the specific REC Vintage(s) transferred hereunder.

"RPS Adjustment" means the reduction in the Compliance Obligation of an electricity importer authorized by and calculated in accordance with section 95852 (b)(4) of the Cap and Trade Regulations and section 95111(b)(5) of the Mandatory Reporting Rule.

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"Security Documents" has the meaning set forth in the Master Agreement.

"Silicon Valley Clean Energy Program" means the community choice aggregation program operated by Buyer.

"Specified Sources of Power" means electricity that is traceable to a specific generation source by any auditable contract trail or equivalent, including a tradable commodity system, that provides commercial verification of the power source.

"Tariff" means the tariff and protocol provisions, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as amended, supplemented or replaced by CAISO from time to time.

"Unspecified Sources of Power" means electricity that is not traceable to a specific generation source by any auditable contract trail or equivalent, including a tradable commodity system, that provides commercial verification that the electricity has been sold once and only once.

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

"WREGIS Certificate" means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.

"WREGIS Operating Rules" means the operating rules and requirements adopted by WREGIS.

2. PRODUCT.

2.1 Seller Delivery Obligation. Throughout the Delivery Period, Seller shall sell and deliver or make available, or cause to be sold and delivered or made available to Buyer, the "Product," which is comprised of one or more of the following:

(a) the quantity of Energy specified in Section 7.1;

(b) the quantity of Renewable Energy (Category 1 Renewable) specified in Section 7.2; and

(c) the quantity of Carbon Free Energy specified in Section 7.3.

2.2 Change in Law.

If due to any action by the CPUC or any Governmental Authority, or any change in Applicable Law (a "Change in Law") occurring after the Effective Date that results in material changes to Buyer's or Seller's obligations with regard to the Products sold hereunder and that has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the implementation of this Confirmation becomes impossible or impracticable, or otherwise modifies the California RPS or language required to conform to the California RPS, the Parties shall work in good

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faith to try and revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of Products sold hereunder or Buyer's compliance with California RPS obligations in order to maintain the original intent of the Parties under this Confirmation. In the event the Parties cannot reach agreement on any such amendments to this Confirmation within sixty (60) days following the Change in Law, to the extent practicable and lawful, Seller shall perform its obligations hereunder with regard to any Product hereunder or compliance with California RPS obligations in accordance with the Applicable Law immediately prior to the Change in Law; provided, however, that notwithstanding the foregoing or anything to the contrary herein, Seller shall not be obligated to perform any obligation hereunder to the extent that doing so would cause Seller to be materially adversely affected. These Change in Law provisions are independent of those set forth in the RPS Standard Terms and Conditions below.

2.3 RPS Standard Terms and Conditions.

STC 6: Eligibility

Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-1: Transfer of Renewable Energy Credits

Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-2: Tracking of RECs in WREGIS

Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy

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Generation Information System will be taken prior to the first delivery under this contract.

STC 17: Applicable Law

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

2.4 Resources. For Renewable Energy and Carbon Free Energy delivered under this Confirmation, Seller shall use Specified Sources of Power, as further detailed in Exhibit B & C respectively; provided however, Seller may designate additional Specified Sources of Power upon 5 (five) days written notice to Buyer thereof; provided further any such additional Specified Sources of Power shall meet the requirement of Renewable Energy and Carbon Free Source as defined herein. For other Energy deliveries hereunder, if any, Seller may use Unspecified Sources of Power; provided that any Energy delivered under this Confirmation (including incremental energy associated with Category 2 Renewable products) shall not be procured from unit-specific sources that are nuclear or coal-fired resources. The Energy supplied in connection with any Renewable Energy shall comply with applicable California RPS requirements for such Product.

2.5 Delivery of WREGIS Certificates. Throughout the Delivery Period, following generation of the Renewable Energy by the Project(s), Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with the Renewable Energy Contract Quantity are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard for Buyer.

Seller shall comply with all Applicable Law, including, without limitation, the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. The Parties acknowledge and agree that, as of the Effective Date, the WREGIS Certificates associated with the Renewable Energy Contract Quantity for a month are not available for transfer to Buyer until approximately ninety (90) days after the end of such month. Seller shall transfer such WREGIS Certificates in a timely manner after such WREGIS Certificates are available for transfer to Buyer for Buyer's sole benefit.

Upon receiving written or electronic confirmation from WREGIS that a transfer order has been initiated by Seller, Buyer shall confirm such transfer order in WREGIS within fourteen (14) days to the extent that the WREGIS Certificates included in such transfer conform to the specifications reflected in this Confirmation. In the event that certain WREGIS Certificates fail to conform to the

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applicable California RPS requirements or WREGIS specifications reflected in this Confirmation, Buyer shall be entitled to reject the transfer of any non-conforming WREGIS Certificates and Seller shall replace the non-conforming WREGIS Certificates with an equivalent amount of WREGIS Certificates of the same REC Vintage and that meet the applicable California RPS requirements or WREGIS specifications reflected in this Confirmation;

Upon either Party's receipt of notice from WREGIS that a transfer of WREGIS Certificates was not recognized, that Party will immediately notify the other Party, providing a copy of such notice, and both Parties will cooperate in taking such actions as are necessary and commercially reasonable to cause such transfer to be recognized and completed. Each Party agrees to provide copies of its applicable reports to the extent reasonably necessary for WREGIS to verify the accuracy of any fact, statement, charge or computation made pursuant hereto if requested by the other Party.

2.6 Retirement of RECs. Buyer agrees to retire the RECs purchased from Seller hereunder no later than four months after the year in which such RECs are produced in accordance with Title 17 CCR Section 95852(b)(3)(D) and to provide Seller with the WREGIS retirement report.

2.7. Additional Terms and Conditions

(1) Seller Representations and Warranties: Seller represents and warrants:

(a) Seller has not sold the Product or any Program Attributes of the Product to be transferred to Buyer to any other person or entity;

(b) For the sale of Renewable Energy and Carbon Free Energy, Seller receives compensation directly from the CAISO for energy imported or scheduled to the CAISO in real-time on Buyer's behalf; and

(c) If and to the extent that the Renewable Energy sold by Seller is a resale of part or all of a contract between Seller and one or more third parties, Seller represents, warrants and covenants that the resale complies with the following conditions in (i) through (iv) below as of the Effective Date and throughout the Delivery Period:

i. The original upstream third party contract(s) meets the criteria of California Public Utilities Code Section 399.16(b)(1)(A);

ii. This Agreement transfers only Renewable Energy that has not yet been generated prior to the later of the Effective Date or the Delivery Period;

iii. The Energy transferred hereunder is transferred to Buyer in real time; and

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iv. If the Project has an agreement to dynamically transfer electricity to a California balancing authority, the transactions implemented under this Agreement are not contrary to any condition imposed by a balancing authority participating in the dynamic transfer arrangement.

3. **DELIVERY PERIOD**. This Confirmation shall be in full force and effect as of the Effective Date. The terms set forth herein shall apply from the Start Date through the End Date, which entire period will comprise the Delivery Period. This Confirmation shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless earlier terminated pursuant to the terms hereof.



4. **DELIVERY POINT**.

Product	Delivery Point
Energy	TH_NP15_GEN-APND
Renewable Energy	CAISO or a California Balancing Authority inside the California State boundaries
Carbon Free Energy	CAISO or a California Balancing Authority inside the California State boundaries

5. **SCHEDULING**. Seller will perform all scheduling requirements applicable to the transaction(s) contemplated under this Confirmation. All scheduling shall be performed consistent with all applicable CAISO and WECC prevailing protocols. The Energy will be scheduled to Buyer on a Day-Ahead basis using an Inter-SC Trade (IST). Unless otherwise mutually agreed between the Parties, Carbon Free Energy and Renewable Energy will be scheduled to the applicable delivery point without (an) IST.

6. **PRICING**.

6.1 Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Energy Contract Quantity delivered

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and scheduled in accordance with this Confirmation multiplied by the Energy Contract Price specified in Exhibit A.

6.2 Renewable Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to: a) the applicable Renewable Energy Contract Price as specified in Exhibit B multiplied by the portion of the Renewable Energy Contract Quantity delivered by Seller as evidenced by the quantity of WREGIS Certificates in Seller's WREGIS account that are available for transfer to Buyer. Seller shall transfer RECs associated with the applicable Renewable Energy Contract Quantity to Buyer through WREGIS within five (5) days of receipt of payment from Buyer.

6.3 Carbon Free Energy Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Carbon Free Energy Contract Quantity delivered in such month multiplied by the Carbon Free Energy Price specified in Exhibit C.

7. CONTRACT QUANTITIES.

7.1 Energy. Energy Contract Quantities and the Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit A.

7.2 Renewable Energy. Renewable Energy Contract Quantities and Renewable Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit B. The Renewable Energy sold by Seller to Buyer shall also include any and all Renewable Energy Credits associated with such Renewable Energy. By mutual agreement, and with notification by December 1, 2021, the parties may increase the Renewable Energy Contract Quantity by any portion of the volume specified under Optional Incremental Renewable Energy Quantity.

7.3 Carbon Free Energy. Carbon Free Energy Contract Quantities and Carbon Free Energy Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit C.

8. MONTHLY BILLING SETTLEMENT.

8.1 Monthly Invoice Timeline. Seller agrees to use commercially reasonable efforts to deliver each monthly invoice to Buyer no later than the fifteenth (15th) day of each month for the previous calendar month. The Parties hereby agree that all invoices under this Confirmation shall be due and payable on the twenty-fifth (25th) day of the month following the month in which Seller delivered such invoice, provided that if such day is not a Business Day, then such invoice will be due and payable on the next Business Day that occurs after the twenty-fifth (25th) day of the month.

9. COMPLIANCE REPORTING. Buyer shall be responsible for submitting compliance reports to the CPUC and/or other Governmental Authorities on its own behalf and will require resource information, electronic tagging information, and other documentation to be provided by Seller. Seller shall provide all reasonable information to Buyer necessary

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for Buyer to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to any Product.

10. **NO RESTRICTION**. Nothing in this Confirmation shall limit Buyer's ability to develop its own generation facilities or prevent Buyer from purchasing Energy from other parties or prevent Seller from selling Energy to other parties; provided, however, that Buyer shall remain responsible to pay Seller for the Contract Quantities represented in Exhibits A, B and C.

11. **STANDARD OF CARE AND GOOD FAITH**. When performing its obligations hereunder, Seller shall act in good faith and shall perform all work in a manner consistent with Prudent Industry Practices.

12. **SECURITY PROVISIONS**.

12.1 **Buyer Reporting Requirements**. During the entire period this Confirmation remains in effect, Buyer shall provide Seller with the report(s) required below and shall also provide Seller with any clarifications requested regarding such report(s) and such other information that Seller reasonably requests regarding Buyer's financial performance, Buyer's performance of its obligations under this Confirmation or the ongoing viability of the CCA.

(a) Annual Reports. The following report shall be provided by Buyer to Seller not later than 180 days following the end of Buyer's fiscal year, shall be with regard to such previous fiscal year and shall be as follows: Buyer's financial reports consisting of, at a minimum, statement of revenues, expenses and changes in fund net assets, statement of net assets, and statement of cash flows on a consolidating basis (as applicable), each as prepared in accordance with generally accepted accounting principles and audited by an independent certified public accountant.

This Confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated November 23, 2016 (the "Master Agreement") between Buyer and Seller, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement. This Confirmation and the Master Agreement, including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement.

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This Confirmation is subject to the Exhibits identified below and that are attached hereto:
Exhibit A – Energy Contract Quantity and Price Schedule **Exhibit B – Renewable Energy Contract Quantity and Price Schedule** **Exhibit C – Carbon Free Energy Contract Quantity and Price Schedule**

MORGAN STANLEY CAPITAL GROUP INC.

Sign: _____

Print: Parker Corbin

Title: Chairman, President, CEO

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...

Print: Girish Balachandran

Title: CEO

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Exhibit A

Energy Contract Quantity and Price Schedule

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Exhibit B

Renewable Energy Contract Quantity and Price Schedule and Specified Sources

Category 1 Renewable

Vintage Year	Minimum Renewable Energy Quantity (MWh)	Optional Incremental Renewable Energy Quantity (MWh)	Renewable Energy Price ($/MWh)
[redacted]			

Unit Name	State	Technology	RPS ID	WREGIS ID
Sagebrush Power Partners, LLC	Washington	Wind	60939A	W1876
Harvest Wind Project	Washington	Wind	60857A	W1306
Klondike Wind Power III	Oregon	Wind	60602A	W237
Upper Falls HED	Washington	Hydroelectric Water	60499A	W217
Nine Mile HED	Washington	Hydroelectric Water	60497A	Unit 1 = W216; Unit 2 = W283
Monroe Street HED	Washington	Hydroelectric Water	60496A	W218
Post Falls HED	Idaho	Hydroelectric Water	60498A	Unit 1 = W220; Unit 2 = W794; Unit 3 = W795; Unit 4 = W796
Coso Finance partners	California	Geothermal	60309A	(Unit 1 = W453) (Unit 2 = W746) (Unit 3 = W747)
Coso Energy Developers	California	Geothermal	60322A	(Unit 7 & 8 = W460) (Unit 9 = W748)
Coso Power Developers	California	Geothermal	60321A	W459

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Exhibit C

Carbon Free Energy Contract Quantity and Price Schedule and Specified Sources

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Execution Copy

CONFIRMATION

Reference:
Master Power Purchase and Sale Agreement
Between Exelon Generation Company, LLC, a Pennsylvania limited liability company ("Seller")
And
Silicon Valley Clean Energy Authority, a California joint powers authority ("Buyer")
dated November 28, 2016
Transaction Date: October 8, 2021 (the "Effective Date")

RECITALS:

WHEREAS, pursuant to California Public Utilities Code Sections 366.1, et. seq., Buyer has been registered as a Community Choice Aggregator (the "CCA");

WHEREAS, Buyer is a California joint powers authority, which has established Silicon Valley Clean Energy for purposes of delivering CCA service to certain customers located within the County of Santa Clara;

WHEREAS, pursuant to California Public Utilities Code Section 366.2, Buyer submitted Buyer's CCA Implementation Plan and Statement of Intent ("Implementation Plan") to the CPUC;

WHEREAS, the CPUC certified the Implementation Plan on September 27, 2016;

WHEREAS, Seller and Buyer desire to set forth the terms and conditions pursuant to which Seller shall supply the Product to Buyer, and Buyer shall take and pay for such supply of Product subject to satisfaction of the conditions herein; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements in this Confirmation and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. DEFINITIONS. Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"ACS" means "asset-controlling supplier" as that term is defined in the Cap and Trade Regulations.

"Applicable Law" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Project(s), or the terms of the Agreement.

"Buyer Facilities" has the meaning set forth in Section 10 hereof.

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"CAISO" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

"California RPS" or "California Renewables Portfolio Standard" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (8th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively) promulgated by the California Air Resources Board of the California Environmental Protection Agency pursuant to the California Global Warming Solutions Act of 2006.

"Carbon Free Energy" means Energy deliveries from Carbon Free Sources.

"Carbon Free Source" means any energy source, except for nuclear-powered generation assets, that is located within the WECC and that is considered by the State of California to have zero Greenhouse Gas emissions in accordance with the Cap and Trade Regulations. Carbon Free Source does not include any Category 3 Renewables, ACS resources or any energy source with an e-tag with a source point associated with a nuclear or coal-fired generating facility.

"Category 1 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(1) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 2 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(2) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 3 Renewable" means the Renewable Energy Credits that satisfy the requirements of Section 399.16(b)(3) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"CEC" means the California Energy Commission.

"Change in Law" has the meaning set forth in Section 2.2 hereof.

"Commercially Reasonable Efforts" for the purposes of this Confirmation, "commercially reasonable efforts" or acting in a "commercially reasonable manner" shall not require a Party to undertake extraordinary or unreasonable measures.

"Compliance Obligation" has the meaning set forth by the Cap and Trade Regulations.

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"CPUC" means the California Public Utilities Commission.

"Customers" means the residential, commercial, industrial, and all other retail end use customers that have not opted out of the Silicon Valley Clean Energy Program, as designated from time to time by Buyer as being served by Buyer within the jurisdictional boundaries of the County of San Mateo.

"Delivery Period" shall be the period beginning on the Start Date and ending on the End Date, as set forth in Section 3 below.

"Debt Service" means the obligations payable by Buyer for interest on loans outstanding and any principal repayments and any capital leases, but excluding any interest on or principal repayments of inter-company working capital loans between Buyer and one or more of its Affiliates.

"Debt Service Coverage Ratio" means, the ratio of (a) EBITDA to (b) Debt Service, for the preceding twelve (12) month period measured annually as of each fiscal year end, beginning September 1, 2017.

"Delivery Point" has the meaning set forth in Section 4 hereof.

"Effective Date" has the meaning set forth in the Reference Section at the beginning of this Confirmation.

"Eligible Renewable Energy Resource" or "ERR" means an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16.

"Energy" means electrical energy, measured in MWh.

"Energy Contract Price" means the price ($/MWh) to be paid by Buyer to Seller for the Energy Contract Quantity delivered hereunder, as set forth on Exhibit A.

"Energy Contract Quantity" means the quantity of Energy set forth in Exhibit A, which will be delivered to the CAISO by Seller and scheduled to Buyer's Third Party SC as an IST.

"Exhibits" shall be those certain Exhibits, which are attached hereto and made a part hereof.

"FERC" means the Federal Energy Regulatory Commission.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Implementation Plan" has the meaning set forth in the Recitals hereof.

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"Inter-SC Trade" or "IST" has the meaning set forth in the Tariff.

"Mandatory Reporting Rule" means the regulations entitled Mandatory Greenhouse Gas Emissions Reporting set forth in Article 2 of Subchapter 10 of Title 17 of the California Code of Regulations.

"MW" means megawatt.

"MWh" means megawatt-hour.

"PG&E" means the Pacific Gas and Electric Company, its successors and assigns.

"Product" shall have the meaning set forth in Section 2.1 below.

"Project" shall mean the Eligible Renewable Energy Resource(s) used to provide Renewable Energy hereunder.

"Prudent Industry Practices" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of generating facilities similar to the Project(s) in the United States during the relevant time period) that, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result, giving due regard to manufacturers' warranties and recommendations, contractual obligations, the requirements or guidance of Governmental Authority, including CAISO, Applicable Law(s), the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Industry Practice shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

"REC Vintage" means the date of Energy generation found on a WREGIS Certificate.

"Renewable Energy" means Energy and associated Renewable Energy Credits generated by an Eligible Renewable Energy Resource.

"Renewable Energy Contract Price" shall mean the price ($/REC) to be paid by Buyer to Seller for Renewable Energy delivered hereunder, as set forth on Exhibit B.

"Renewable Energy Contract Quantity" shall mean the quantity of RECs to be delivered by Seller to Buyer hereunder, as set forth on Exhibit B.

"Renewable Energy Credits" or "REC" has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision D.08-08-028, as applicable to the specific REC Vintage(s) transferred hereunder. For avoidance of doubt, the Parties agree that RECs do not include any production tax credits associated with the construction or operation of an ERR or other financial incentives in the form of credits, reductions, or allowances associated with an ERR that are created by state or federal tax laws.

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"RPS Adjustment" means the reduction in the Compliance Obligation of an electricity importer authorized by and calculated in accordance with section 95852 (b)(4) of the Cap and Trade Regulations and section 95111(b)(5) of the Mandatory Reporting Rule.

"Security Documents" has the meaning set forth in the Master Agreement.

"Silicon Valley Clean Energy Program" means the community choice aggregation program operated by Buyer.

"Specified Sources of Power" means electricity that is traceable to a specific generation source by any auditable contract (e.g., a Transaction Confirmation).

"Tariff" means the FERC-approved California Independent System Operator Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as may be amended, supplemented or replaced from time to time.

"Third Party SC" means a third party designated by Buyer to provide the Scheduling Coordinator (as defined in the Tariff) functions for the benefit of Buyer.

"Unspecified Sources of Power" means electricity that is not traceable to a specific generation source (e.g., what is commonly known as "market" or "system" power) by any auditable contract (e.g., a Transaction Confirmation).

"WECC" means the Western Electricity Coordinating Council, or its successor.

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

"WREGIS Certificate" means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.

"WREGIS Operating Rules" means the operating rules and requirements adopted by WREGIS.

2. PRODUCT.

2.1 Seller Delivery Obligation. Throughout the Delivery Period, Seller shall sell and deliver or make available, or cause to be sold and delivered or made available to Buyer, the "Product," which is comprised of one or more of the following:

(a) the quantity of Energy determined in accordance with Section 7.1;

(b) the quantity of Renewable Energy determined in accordance with in Section 7.2; and

(c) the quantity of Carbon Free Energy determined in accordance with Section 7.3.

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For avoidance of doubt, Product does not include any resource adequacy or capacity attributes.

2.2 Change in Law.

If due to (i) any action by the CPUC or any other Governmental Authority, or (ii) any change in Applicable Law, including any modification of the California RPS or the Cap and Trade Regulation (i and ii, collectively, a "Change in Law") occurring after the Effective Date that results in material changes to Buyer's or Seller's obligations with regard to the Products sold hereunder and that has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the implementation of this Confirmation becomes impossible or impracticable, the Parties shall work in good faith to try and revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of Products sold hereunder or Buyer's compliance with California RPS obligations in order to maintain the original intent of the Parties under this Confirmation. In the event the Parties cannot reach agreement on any such amendments to this Confirmation within 60 days following the Change in Law, to the extent practicable and lawful, Seller shall perform its obligations hereunder with regard to any Product hereunder or compliance with California RPS obligations in accordance with the Applicable Law immediately prior to the Change in Law; provided, however, that notwithstanding the foregoing or anything to the contrary herein, Seller shall not be obligated to perform any obligation hereunder to the extent that doing so would cause Seller to be materially adversely affected. These Change in Law provisions are independent of those set forth in the RPS Standard Terms and Conditions below and in Section 2.8.

2.3 RPS Standard Terms and Conditions.

STC 6: Eligibility

Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-1: Transfer of Renewable Energy Credits

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Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-2: Tracking of RECs in WREGIS

Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under this contract.

2.4 No New Construction. Seller does not intend to construct any new facilities in California to meet its supply obligations hereunder. Notwithstanding the foregoing, to the extent that Seller constructs any new facilities in California to meet its supply obligation hereunder, Seller covenants and agrees that the construction and operation of such facility(ies) will be in accordance with any and all Applicable Law.

2.5 Resources. For Category 1 Renewable Energy and Carbon Free Energy delivered under this Confirmation, Seller shall use Specified Sources of Power. For other Energy deliveries, if any, Seller may use either (i) Unspecified Sources of Power or (ii) Specified Sources of Power; provided that any such Energy delivered under this Confirmation (including incremental energy associated with Category 2 Renewable products) from Specified Sources of Power shall not be procured from nuclear or coal-fired resources. The Energy supplied in connection with any Renewable Energy shall comply with applicable California RPS requirements for such Product.

2.6 Delivery of WREGIS Certificates. Buyer and Seller agree that the obligation to deliver RECs hereunder shall be evidenced by the delivery of WREGIS Certificates in WREGIS. Throughout the Delivery Period, following generation of the Renewable Energy by the Project(s), Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with the Renewable Energy Contract Quantity are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard for Buyer. Prior to the start of each calendar quarter, Seller shall provide Buyer with an indicative, non-binding forecast of the amount of RECs it expects to deliver during such calendar quarter. Such indicative, non-

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binding forecast shall also identify, if known to Seller, the Eligible Renewable Energy Resource(s) that Seller expects to generate the RECs.

Seller shall comply with all Applicable Law, including, without limitation, the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. The Parties acknowledge and agree that, as of the Effective Date, the WREGIS Certificates associated with the Renewable Energy Contract Quantity for a month are not available for transfer to Buyer until approximately ninety (90) days after the end of such month. Seller shall transfer such WREGIS Certificates in a timely manner after such WREGIS Certificates are available for transfer to Buyer and in any event no later than May 1 following the delivery year.

Upon receiving written or electronic confirmation from WREGIS that a transfer order has been initiated by Seller, Buyer shall confirm such transfer order in WREGIS within fourteen (14) days to the extent that the WREGIS Certificates included in such transfer conform to the specifications reflected in this Confirmation. In the event that certain WREGIS Certificates fail to conform to the specifications reflected in this Confirmation, Buyer shall be entitled to reject the transfer of any non-conforming WREGIS Certificates and Seller shall promptly replace the non-conforming WREGIS Certificates with an equivalent amount of WREGIS Certificates of the same REC Vintage and that meet the specifications reflected in this Confirmation; provided, however, that if replacement WREGIS Certificates are not immediately available, Seller may provide replacements once available, but in any event shall provide replacement WREGIS Certificates to Buyer within ninety (90) days after Seller's rejection of such non-conforming WREGIS Certificates.

Upon either Party's receipt of notice from WREGIS that a transfer of WREGIS Certificates was not recognized, that Party will immediately notify the other Party, providing a copy of such notice, and both Parties will cooperate in taking such actions as are necessary and commercially reasonable to cause such transfer to be recognized and completed. Each Party agrees to provide copies of its records to the extent reasonably necessary for WREGIS to verify the accuracy of any fact, statement, charge or computation made pursuant hereto if requested by the other Party.

2.7 Retirement of RECs. To facilitate compliance with obligations of suppliers of Renewable Energy as first deliverers of electricity, as defined in Title 17, California Code of Regulations ("CCR") Section 95802, to comply with mandatory greenhouse gas reporting requirements in Title 17 CCR Section 95101 et seq., and to comply with the requirements of the Cap and Trade Regulations in Title 17 CCR Section 95111 and 17 CCR Section 95852 with respect to such Renewable Energy, Buyer agrees to retire the RECs purchased from Seller hereunder for each renewable generation period and to provide WREGIS reports to Seller by no later than May 15 of the year following delivery that (1) evidence retirement of the RECs and (2) provide REC serial numbers.

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2.8 RPS Adjustment. The Parties acknowledge that the RPS Adjustment is currently applicable to the Category 2 Renewable Product. In the event that the RPS Adjustment is eliminated from the Cap and Trade Regulations and is no longer applicable to the Category 2 Renewable Product, the Parties agree to discuss in good faith amendments to this Transaction. In the event that the Parties are unsuccessful in revising or amending this Transaction or unable to agree upon a mutually acceptable resolution within thirty (30) days after the request of either Party to amend the Transaction pursuant to this Section 2.8 by either Party, either Party may, by written notice to the other, immediately terminate the undelivered portion of Renewable Energy Contract Quantities of Category 2 Renewable Product without penalty, termination payment or liability of either Party.

3. DELIVERY PERIOD. This Confirmation shall be in full force and effect as of the Effective Date. The terms set forth herein shall apply from the Start Date through the End Date, which entire period will comprise the Delivery Period. This Confirmation shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless earlier terminated pursuant to the terms hereof.

[redacted]

4. DELIVERY POINT.

Product	Delivery Point
Energy	TH_NP15_GEN-APND
Renewable Energy	Any scheduling point within the CAISO system
Carbon Free Energy	Any scheduling point within the CAISO system

5. SCHEDULING. The Product will be scheduled to Buyer's Third Party SC on a Day-Ahead basis using an Inter-SC Trade.

6. PRICING.

6.1 Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Energy Contract Quantity delivered and scheduled in accordance with this Confirmation multiplied by the Energy Contract Price specified in Exhibit A.

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6.2 Renewable Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to: a) the applicable Renewable Energy Contract Price as specified in Exhibit B multiplied by the portion of the Renewable Energy Contract Quantity transferred from Seller to Buyer through WREGIS during such month plus b) the Day-Ahead LMP (as defined under the Tariff) at the Delivery Point for each MWh of the Renewable Energy Contract Quantity delivered and scheduled in accordance with this Confirmation in such month.

6.3 Carbon Free Energy Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Carbon Free Energy Contract Quantity delivered in such month multiplied by the Carbon Free Energy Price specified in Exhibit C plus b) the Day-Ahead LMP at the Delivery Point for each MWh of the Carbon Free Energy Contract Quantity delivered and scheduled in accordance with this Confirmation in such month.

7. CONTRACT QUANTITIES.

7.1 Energy. Energy Contract Quantities and the Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit A.

7.2 Renewable Energy. Renewable Energy Contract Quantities and Renewable Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit B. The Renewable Energy sold by Seller to Buyer shall also include any and all Renewable Energy Credits associated with such Renewable Energy.

7.3 Carbon Free Energy. Carbon Free Energy Contract Quantities and Carbon Free Energy Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit C.

8. MONTHLY BILLING SETTLEMENT.

8.1 Collection of Customer Payments. In accordance with the Security Documents, Buyer shall direct PG&E to deposit into a lockbox account, all of the proceeds of all of the Customer account receipts (net of the amounts to be paid to PG&E) received from the sale of the Product to the Customers. Seller shall receive, in accordance with the Security Documents, payments for its invoices due and payable, and after Seller's invoice is paid and agreed to reserves have been funded, the amounts remaining in such lockbox shall be immediately released to Buyer or its designee in accordance with the Security Documents. The Parties agree that the lockbox account shall be in the name of Buyer, and any interest earned thereon shall accrue to Buyer, as more fully set forth in the Security Documents.

8.2 Monthly Invoice Timeline. Seller agrees to use commercially reasonable efforts to deliver each monthly invoice to Buyer not later than the fifteenth (15th) day of each month for the previous calendar month. The Parties hereby agree that all invoices under this Confirmation shall be due and payable on the twenty-fifth (25th) day of the month following the month in which Seller delivered such invoice, provided

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that if such day is not a Business Day, then such invoice will be due and payable on the next Business Day that occurs after the twenty-fifth (25th) day of the month.

9. **COMPLIANCE REPORTING**. Buyer shall be responsible for submitting compliance reports to the CPUC and/or other Governmental Authorities on behalf of Silicon Valley Clean Energy and will require resource information, electronic tagging information, and other documentation to be provided by Seller. Seller shall provide all reasonable information to Buyer necessary for Buyer to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to any Product. Each party shall provide all reasonable information to the other party necessary to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to any Product. Buyer agrees to cooperate with any informational requests Seller may receive from a Governmental Authority, including but not limited to supplying WREGIS reports for Seller's compliance with Cap and Trade Regulations.

10. **NO RESTRICTION**. Nothing in this Confirmation shall limit Buyer's ability to develop its own generation facilities ("Buyer Facilities") or prevent Buyer from purchasing energy from other parties or Seller from selling energy to other parties.

11. **STANDARD OF CARE AND GOOD FAITH**. When performing its obligations hereunder, Seller shall act in good faith and shall perform all work in a manner consistent with Prudent Utility Practices.

12. **SECURITY PROVISIONS**.

12.1 **Compliance with Security Documents**. During the entire period that this Confirmation remains in effect, Buyer shall comply with the Security Documents. Upon the occurrence of an Event of Default (after giving effect to any applicable cure periods) by Buyer under any Security Document or a termination of any Security Document by Seller due to Buyer's failure to perform in accordance with the terms thereof, such event shall constitute an Event of Default of Buyer in accordance with Article Five of the Master Agreement and Buyer shall therefore be the 'Defaulting Party' with regard to such failure to perform.

12.2 **Buyer Reporting Requirements**. During the entire period this Confirmation remains in effect, Buyer shall provide Seller with the report(s) required below and shall also provide Seller with any clarifications requested regarding such report(s) and such other information that Seller reasonably requests regarding Buyer's financial performance, Buyer's performance of its obligations under this Confirmation or any Security Document or the ongoing viability of the CCA. In the event Buyer fails to provide Seller with any required reports set forth below in Section 15.2(a) and such failure is not remedied within fifteen (15) Business Days of Seller's written request therefore and notice of a potential Event of Default, such failure shall be an Event of Default of Buyer in accordance with Article V of the Master Agreement and Buyer shall therefore be the 'Defaulting Party' with regard to such failure to perform; provided, however, that should any such reports, not be

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available on a timely basis due to a delay in preparation or certification, or otherwise outside of the reasonable control of Buyer, such delay shall not be an Event of Default of Buyer so long as Buyer diligently pursues the preparation and delivery of the required reports.

(a) Monthly Reports. The following reports shall be provided by Buyer to Seller not later than twenty (20) days following the end of each calendar month for items (i) through (vi) below, and each report shall be with regard to such previous calendar month or other period as applicable:

(i) Customer deposit report including a complete and detailed report of all collateral Buyer is holding from any Customer in the format agreed to between the Parties but shall not include the identity or personal details (name, address, telephone number, family size, social security number, bank account number, credit score, payment history, etc.) of any Customer nor any information that may allow Seller to determine a Customer's identity;

(ii) Customer on-bill prepayment report including a complete and detailed report of all Customer on-bill payments that were deposited into the Primary Secured Account (as defined in the Security Documents);

(iii) Cash reconciliations and bank statements for each of Buyer's banking accounts;

(iv) Summary of payments made by Customers or other entities to Buyer and a summary of delinquent accounts regarding Customers, such information to be provided on an aggregate basis (i.e. not by Customer) and shall include information segregated for delinquencies for each of the following time periods: 30 days, 60 days, 90 days and 120 days, plus the total account receivable balance owed to Buyer from its Customers; and

(v) Summary of all net meter data, grossed-up meter data and the difference between the two amounts on a daily and hourly interval basis.

(b) Annual Reports. The following report shall be provided by Buyer to Seller not later than 180 days following the end of Buyer's fiscal year, shall be with regard to such previous fiscal year and shall be as follows: Buyer's financial reports consisting of, at a minimum, statement of revenues, expenses and changes in fund net assets, statement of net assets, and statement of cash flows on a consolidating basis (as applicable), each as prepared in accordance with generally accepted accounting principles and audited by an independent certified public accountant.

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12.3 **Debt Service Coverage Ratio Covenant** From September 1, 2017 through the remainder of the Delivery Period, Buyer shall establish and maintain a Debt Service Coverage Ratio of at least 1.25 to 1.0 (measured annually as of each fiscal year end beginning September 1, 2017). If at any time after September 1, 2018, Buyer fails to maintain such Debt Service Coverage Ratio for the prior fiscal year, such event shall constitute an Event of Default of Buyer in accordance with Article V of the Master Agreement and Buyer shall therefore be the 'Defaulting Party' with regard to such event.

[SIGNATURE PAGE FOLLOWS]

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This Confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated November 28, 2016 (the "Master Agreement") between Buyer and Seller, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement. This Confirmation and the Master Agreement, including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement."

This Confirmation is subject to the Exhibits identified below and that are attached hereto:
Exhibit A – Energy Contract Quantity and Price Schedule **Exhibit B – Renewable Energy Contract Quantity and Price Schedule** **Exhibit C – Carbon Free Energy Contract Quantity and Price Schedule**

EXELON GENERATION COMPANY, LLC

PJW

Sign: _____
Print: Ravi Ganti
Title: SVP, Portfolio Management & Strategy

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Print: Girish Balachandran
Title: CEO

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Exhibit A

Energy Contract Quantity and Price Schedule

Energy Contract Quantity	Energy Contract Quantity	Energy Contract Price
[redacted]		

"ATC" means Hour Ending 0100-2400 Pacific Prevailing Time Monday through Sunday, including NERC holidays.

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Exhibit B

Renewable Energy Contract Quantity and Price Schedule

N/A

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Exhibit C

Carbon Free Energy Contract Quantity and Price Schedule

N/A

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CONFIRMATION

This confirmation agreement ("Confirmation") confirms the Transaction between **TransAlta Energy Marketing (U.S.) Inc.** ("Seller") and **Silicon Valley Clean Energy Authority** ("Purchaser"), each individually a "Party" and together the "Parties," dated as of October 18, 2021 ("Effective Date") regarding the sale and purchase of electric capacity and/or electric energy under the terms and conditions set forth below.

Transaction Number:	
Purchaser:	Silicon Valley Clean Energy Authority
Seller:	TransAlta Energy Marketing (U.S.) Inc.
Trade Date:	October 18, 2021
Type of Transaction:	[redacted]
Term and Delivery Period:	[redacted]
Contract Quantity:	**MW Per Month** [redacted]
Contract Volume:	
Contract Price:	
Delivery Point:	

Governing Terms: This Transaction is governed by the terms and conditions of the EEI Master Agreement dated July 24, 2017, as amended August 15, 2019, along with any schedules and amendments thereto (collectively, the "Master Agreement"), and is subject to all the terms and provisions of such agreement. The Master Agreement andthis Confirmation shall be collectively referred to herein as the "Agreement". If there is any conflict between the terms set forth in this Confirmation and the Master Agreement, the terms set forth in this Confirmation shall govern. Capitalized terms not otherwise defined in this Confirmation have the meaningsascribed to them in the Master Agreement.

Counterparts: This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparty were upon a single instrument. Delivery of an executed signature page of this Confirmation by electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

Entire Agreement; No Oral Agreements Or Modifications: This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire Agreement between the

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Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Confirmation may be entered into only by a written agreement executed by both Parties, and no amendment or modification to this Confirmation shall be enforceable except through a written agreement executed by both Parties.

ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.

TRANSALTA ENERGY MARKETING (U.S.) Inc.	**SILICON VALLEY CLEAN ENERGY AUTHORITY**
By: DocuSigned by: 096142E7F96040F...	By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Name: Michael J. Taylor	Name: Girish Balachandran
Title: Vice President & Head Trader	Title: CEO
Date: 19 October 2021 | 12:48 PM MDT	Date: 10/19/2021

DS

DocuSign Envelope ID: 1AF59B37-B7C7-4FF3-B9FA-280FC1400552

Morgan Stanley

Commodities

Morgan Stanley Capital Group Inc.
Attn: Commodities
1585 Broadway
New York, NY 10036-8293

Date:	October 18, 2021
To:	SILICON VALLEY CLEAN ENERGY AUTHORITY 333 W EL CAMINO REAL #330, SUNNYVALE CA 94087
Attention:	Affirmation Team
Contact:	Commodity Confirms
Phone:	[redacted]
Fax:	
Email:	CommodConfsNY@morganstanley.com
Reference No.:	E8895241 v. 1
Trade Date:	October 18, 2021

This electronic communication and any attachments hereto, are intended only for use by the addresses(s) named herein and may contain legally privileged and/or confidential information, which is exempt from disclosure under applicable law. If you are not the intended recipient of this electronic communication, you are hereby notified that any examination, dissemination, disclosure, distribution, or copying of, or reliance on or use of this electronic communication, and any attachments hereto, is strictly prohibited. If you have received this electronic communication in error, please notify me immediately on the above telephone number and permanently destroy all copies of this electronic communication.

This confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the sale of firm energy (the "Transaction") to SILICON VALLEY CLEAN ENERGY AUTHORITY . The terms are as follows:

Purchaser:	SILICON VALLEY CLEAN ENERGY AUTHORITY
Seller:	MSCGI
Term:	[redacted]
Delivery Hours:	Monday through Sunday, including NERC holidays, HE 0100 through 2400 (24 Hours) Pacific Prevailing Time (PPT)

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Contract Quantity: [redacted]

Delivery Point:

Energy Price:

Special Conditions: This purchase and sale of energy is Firm (LD). The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

Monthly Billing Settlement:
Collection of Customer Payments. In accordance with the Security Documents, Buyer shall direct PG&E to deposit into a lockbox account, all of the proceeds of all of the Customer account receipts (net of the amounts to be paid to PG&E) received from the sale of the Product to the Customers. Seller shall receive, in accordance with the Security Documents, payments for its invoices due and payable, and after Seller's invoice is paid and agreed to reserves have been funded, the amounts remaining in such lockbox shall be immediately released to Buyer or its designee in accordance with the Security Documents. The Parties agree that the lockbox account shall be in the name of Buyer, and any interest earned thereon shall accrue to Buyer, as more fully set forth in the Security Documents.
Security Provisions:
Compliance with Security Documents. During the entire period that this Confirmation remains in effect, Buyer shall comply with the Security Documents. Upon the occurrence of an Event of Default (after giving effect to any applicable cure periods) by Buyer under any Security Document or a termination of any Security Document by Seller due to Buyer's failure to perform in accordance with the terms thereof, such event shall constitute an Event of Default of Buyer in accordance with Article Five of the Master Agreement and Buyer shall therefore be the 'Defaulting Party' with regard to such failure to perform.

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a Scheduling Coordinator ("SC") to SC transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff.

A CAISO "Schedule Adjustment" (defined as a schedule change implemented by the CAISO that is neither caused by or within the control of either Party) shall not constitute an Uncontrollable Force; rather if there is a CAISO Schedule Adjustment, the Party negatively impacted shall notify the other Party and the Parties shall be obligated to exercise their reasonable efforts to reach an equitable resolution that reflects as nearly as practicable, the intention of the Transaction as originally negotiated. All terms used within the definition of CAISO Energy but not defined in the Agreement shall have the meaning ascribed to them in the Tariff.

Morgan Stanley Real-Time Communications and Scheduling

Option Exercise Line:
Prescheduling:
Real Time (24 hour): [redacted]

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The parties agree that this transaction is a Forward Contract within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into:

(a) It is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and

(b) It intends to make or take physical delivery of the specified commodity.

This letter is being provided pursuant to and in accordance with the EEI Master Agreement for purchase and sale of Physically settled Electricity in the US and Canada dated November 23, 2016, the ("Agreement") between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the Agreement.

If the recipient of the confirmation disagrees with any of the terms summarized herein, it shall promptly notify MSCGI by telephone and facsimile transmission. Failure by the recipient to execute and return this confirmation or to notify MSCGI of its disagreement within three (3) Business Days of receiving this confirmation constitutes the Counterparty's agreement to the terms set forth herein. Please confirm that terms stated herein accurately reflect the agreement reached between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

Yours Sincerely, Parker Corbin Authorised Signatory **Morgan Stanley Capital Group Inc.**	Confirmed as of the date first written above: SILICON VALLEY CLEAN ENERGY AUTHORITY By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3... Name: Girish Balachandran Title: CEO