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 Andrea Pizano at Andrea.Pizano@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.
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.

Adopt Resolution Commending Margaret Abe-Koga for Her Dedicated Service as Chair of the Board of Directors in 2021

Consent Calendar (Action)

1a) Approve Minutes of the December 8, 2021, Board of Directors Meeting
1b) Receive November 2021 Treasurer Report
1c) Adopt Resolution Authorizing Public Meetings to Continue to Be Held Via Teleconferencing Pursuant to Government Code Section 54953(e) and Making Findings
1d) Appoint SVCE Treasurer/Auditor and Board Secretary for 2022
1e) Receive Q4 2021 Decarbonization Programs Update
1f) Executive Committee Report
1g) Finance and Administration Committee Report
1h) Audit Committee Report
1i) California Community Power Report

Regular Calendar

2) CEO Report (Discussion)
3) Elect a Chair and Vice Chair of the SVCE Board of Directors for 2022 (Action)
4) Appoint Directors to the 2022 SVCE Executive Committee (Action)
5) Approve Policy Platform and Identify Focus Areas for the 2022 Legislative and Regulatory Ad Hoc Committee (Action)

Board Member Announcements and Direction on Future Agenda Items

Adjourn
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.
RESOLUTION NO. 2022-01

RESOLUTION OF THE BOARD OF DIRECTORS OF SILICON VALLEY CLEAN ENERGY AUTHORITY COMMENDING MARGARET ABE-KOGA FOR HER DEDICATED SERVICE AS CHAIR OF THE BOARD OF DIRECTORS IN 2021

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

WHEREAS, the Silicon Valley Clean Energy Authority (“SVCEA”) was formed on March 31, 2016, with eleven Cities and Towns and the County of Santa Clara deciding to become the initial members; and

WHEREAS, Chair Abe-Koga served as SVCEA’s Board Chair in 2019 and 2021, being the only Director to serve as Board Chair for two terms; and

WHEREAS, Chair Abe-Koga contributed to the discussions and recommendations of the Executive Committee and 2021 Legislative and Regulatory Responses to Industry Transition Ad Hoc Committee; and

WHEREAS, Chair Abe-Koga supported SVCEA through the coronavirus pandemic by encouraging flexible meeting and work arrangements for the Board of Directors and staff; and

WHEREAS, Chair Abe-Koga helped lead the formation of California Community Power with 10 CCAs to cost-effectively procure clean power and advance solutions to a carbon-free grid; and

WHEREAS, Chair Abe-Koga supported forming the California Community Choice Financing Authority with four CCAs, issuing California’s first ever municipal non-recourse Clean Energy Project Revenue Bonds valued at over $2 billion for thirty-year terms and, for SVCEA, reducing renewable power costs by $1.9 million annually; and

WHEREAS, while Chair Abe-Koga served as a member of the board, SVCEA obtained an ‘A’ credit rating from S&P Global Ratings and maintained a Baa2 Issuer Rating from Moody’s Investors Service, keeping the organization in good financial standing; and

WHEREAS, Chair Abe-Koga guided SVCEA in avoiding 575 million pounds of GHGs in 2021; and

WHEREAS, Chair Abe-Koga committed $1.6 billion in long-term renewable energy contracts totaling more than 700 megawatts of capacity and nearly 175 megawatts of battery storage; and

WHEREAS, Chair Abe-Koga helped customers save $77 million in on-bill savings since launch; and

Resolution 2022-01
WHEREAS, Chair Abe-Koga provided $20,000 annually in scholarships to local students and $50,000 to support student projects focused on climate action and education; and

WHEREAS, Chair Abe-Koga helped invest $28 million in local decarbonization programs since launch and guided the deployment of customer energy programs for the community; and

NOW, THEREFORE, the Board of Directors of SVCEA hereby commends Chair Margaret Abe-Koga and expresses its sincere appreciation for her dedicated service as Chair and as a member of the Board of Directors of the Authority.

ADOPTED AND APPROVED this 12th day of January 2022, by the following vote:

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<th>JURISDICTION</th>
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<td>City of Sunnyvale</td>
<td>Director Klein</td>
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Vice Chair

ATTEST:

Secretary
Pursuant to State of California Gov’t Code Section 54953 (e) the meeting was conducted via teleconference.

DRAFT MINUTES

All present Board members participated via teleconference.

Call to Order:
Chair Abe-Koga called the Regular Meeting to order at 7:00 p.m.

Roll Call
Present:
Margaret Abe-Koga (Chair), Mountain View
Liz Gibbons (Vice Chair), Campbell
Jon Robert Willey, Cupertino
Alt. Sally Meadows, Los Altos
George Tyson, Los Altos Hills
Rob Rennie, Los Gatos
Evelyn Chua, Milpitas (arrived at 7:06 p.m.)
Javed Ellahie, Monte Sereno
Yvonne Martinez Beltran, Morgan Hill
Tina Walia, Saratoga
Gustav Larsson, Sunnyvale
Susan Ellenberg, Santa Clara County

Note: Alt. Director Rebeca Armendariz joined the meeting in progress during the discussion items under the Regular Calendar.

Absent:
None.

Public Comment on Matters Not Listed on the Agenda

Chair Abe-Koga opened public comment. There were no requests to speak.

Consent Calendar

1a) Approve Minutes of the November 10, 2021, Board of Directors Meeting
1b) Receive November 2021 Treasurer Report
1c) Adopt resolution making California Government Code Section 54953(e) Findings
1d) Executive Committee Report
1e) Finance and Administration Committee Report
1f) Audit Committee Report
1g) California Community Power Report
There were no requests from the Board to pull a Consent Calendar Item for discussion; there were no requests from the public to speak on any matter on the Consent Calendar.

**MOTION:** Director Gibbons moved; seconded by Director Larsson to approve the Consent Calendar, Items 1a through 1g.

The motion carried unanimously by verbal roll call vote with Director Chua and Alternate Director Armendariz absent.

**Regular Calendar**

2) **CEO Report (Discussion)**

CEO Balachandran introduced Oren Weiner, the new Power Resources Manager. The CEO also thanked outgoing Interim Clerk Roberts and welcomed Board Clerk Andrea Pizano back from her absence. Board Clerk Pizano was welcomed back by the CEO and the Board.

CEO Balachandran congratulated Board Clerk Andrea Pizano, Pamela Leonard, Communications Manager, and Don Bray, Director of Account Services and Community Relations for their five-year anniversary with SVCE. He commented on their excellent service to the organization.

CEO Balachandran provided an update on the work with California Community Power.

CEO Balachandran thanked the Board for their input on the “Doubling Down” strategy with regard to decarbonization programs discussed at the November meeting. He stated the discussion items were collected and categorized and would be sent to the Board in the next few days. The item would come back to the Board in February with an Operational Plan.

There were no questions from the Board or members of the public.

Chair Abe-Koga recognized the employees aforementioned.

3) **Clean Energy Procurement Informational Update**

Prior to the Presentation by the Director of Power Resources, CEO Balachandran stressed to the Board the rapidly changing nature and costs of power supply, policy, and regulations. He explained there was a two-decade timeframe to transform the Grid to 100% clean energy. He emphasized the need to continue to stay on the cutting-edge and at the same time provide reliable and affordable clean energy. He stressed the need for future frequent updates and regular workshops due to the changing nature of the system.

Monica Padilla, Director of Power Resources proceeded with the Clean Power Update, which included information on the Renewable Portfolio Standard and Carbon Free Goals, Mid-Term Reliability, Procurement Order, Reliability and Resource Adequacy, PPA Updates, and future Clean Energy Goals. Director Padilla also reviewed projects under construction; described projects that were coming online; and detailed future challenges. She ended her presentation by reviewing strategies to meet the goal of 100% clean energy by 2045.

Detailed Board comments and discussion ensued.

Chair Abe-Koga called for public comment.

Bruce Karney thanked Director Padilla for her presentation and commented on the many challenges and fluctuating expectations. He stated the state mandate currently sets the standard to be carbon-neutral in 2045; however, some cities within the SVCE jurisdiction have earmarked 2030 to set that standard. For that to happen, the electricity that SVCE provides to those cities must be 100 percent carbon free during
that timeline. He encouraged jurisdictions served by SVCE understand the issues. He commented on the excellent work done by Director of Power Resources Padilla.

CEO Balachandran commented on the future discussions to be held at upcoming workshops concerning this issue. He explained that the State is moving in a different direction now, because to get lower emissions it is necessary to be extracting emissions on an hourly basis. Annual balancing must change. Discussions on these issues would occur in the previously mentioned workshops anticipated in February and March and would be heard by the Executive Committee prior to coming to the full Board.

4) SVCE Information Update on 2022 SVCE Board Elections

CEO Balachandran reviewed the selection process and timeline for SVCE appointments for Chair, Vice Chair and Committees. He explained after the email and Call for Letters of Interest were distributed to the Board, the selection of the Chair, Vice Chair and Executive Committee members would occur at the annual meeting on January 12, 2022; Committee assignments would be made at the February 9, 2022, Board of Directors meeting.

Chair Abe-Koga called for public comment; there were no requests to speak.

In response to a question posed by Alt. Director Armendariz, Chair Abe-Koga stated that nominations from the floor could be taken at the January meeting.

There were no further questions. Chair Abe-Koga encouraged members to submit Letters of Interest.

Board member announcements and Future Agenda Items:

Vice Chair Gibbons and Director Tyson both commented on their attendance at the California CCA Conference; Director Tyson remarked on the excellent presentation given by CEO Balachandran.

Chair Abe-Koga thanked Directors and Staff and acknowledged Director Ellenberg on her last meeting.

Director Ellahie thanked Chair Abe-Koga for her work as Chair.

No further comments.

Meeting Adjourned at 8:37 p.m.

ATTEST:

_____________________________
Dorothy Roberts, Interim Board Clerk
TREASURER REPORT

Fiscal Year to Date
As of November 30, 2021

(Preliminary & Unaudited)

Issue Date: January 12, 2022

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Financial Highlights for the month of November 2021:

> SVCE operations resulted in a change in net position for the month of negative $4.5 million and fiscal-year-to-date (FYTD) change in net position of negative $3.0 million.

> Retail GWh sales for the month landed 6% below budget.

> FYTD operating margin of negative $0.3 million or negative 0.9% is above budget expectations of a negative 20.6% operating margin for the fiscal year to date.

> FYTD Power Supply costs are 17.4% below budget.

> SVCE is investing ~93% of available funds generating FYTD investment income of $0.04 million.

### Change in Net Position

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<th>Apr</th>
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### Power Supply Costs

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<th>Dec</th>
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<th>Apr</th>
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<th>Sept</th>
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<td>Charge/Credit (IST/Net Rev)</td>
<td>1,189</td>
<td>125</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1056</td>
<td></td>
</tr>
<tr>
<td>Net Power Costs</td>
<td>14,525</td>
<td>17,908</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>32,432</td>
<td>273,561</td>
</tr>
</tbody>
</table>

### Other

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Total</th>
<th>Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Programs</td>
<td>4</td>
<td>13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>17</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>68</td>
<td>123</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>191</td>
<td>7,334</td>
</tr>
</tbody>
</table>

### Load Statistics - GWh

<table>
<thead>
<tr>
<th>Retail Sales Actual</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Total</th>
<th>Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Sales Budget</td>
<td>302</td>
<td>288</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>590</td>
<td></td>
</tr>
<tr>
<td></td>
<td>310</td>
<td>311</td>
<td>327</td>
<td>333</td>
<td>296</td>
<td>314</td>
<td>301</td>
<td>317</td>
<td>341</td>
<td>354</td>
<td>366</td>
<td>343</td>
<td>3,914</td>
<td>3,914</td>
</tr>
</tbody>
</table>

*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.*
### YTD EXPENSES

- Power Supply: 92.3%
- Contract Services: 4.1%
- Depreciation: 0.5%
- Personnel: 2.6%

### Other Statistics and Ratios

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Capital</td>
<td>$167,855,465</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>7.8</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Expense Coverage Days</td>
<td>188</td>
</tr>
<tr>
<td>Long-Term Debt</td>
<td>$0</td>
</tr>
<tr>
<td>Total Accounts</td>
<td>274,781</td>
</tr>
<tr>
<td>Opt-Out Accounts (Month)</td>
<td>20</td>
</tr>
<tr>
<td>Opt-Out Accounts (FYTD)</td>
<td>64</td>
</tr>
<tr>
<td>Opt-Up Accounts (Month)</td>
<td>13</td>
</tr>
<tr>
<td>Opt-Up Accounts (FYTD)</td>
<td>13</td>
</tr>
</tbody>
</table>

### Retail Sales - Month

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>14.7</td>
</tr>
<tr>
<td>Budget</td>
<td>16.3</td>
</tr>
<tr>
<td>FY20/21</td>
<td>19.0</td>
</tr>
</tbody>
</table>

### Retail Sales - YTD

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>32.1</td>
</tr>
<tr>
<td>Budget</td>
<td>32.6</td>
</tr>
<tr>
<td>FY20/21</td>
<td>47.2</td>
</tr>
</tbody>
</table>

### Controllable O&M - Month

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>19.2</td>
</tr>
<tr>
<td>Budget</td>
<td>20.9</td>
</tr>
<tr>
<td>FY20/21</td>
<td>16.4</td>
</tr>
</tbody>
</table>

### Controllable O&M - YTD

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>35.1</td>
</tr>
<tr>
<td>Budget</td>
<td>42.9</td>
</tr>
<tr>
<td>FY20/21</td>
<td>34.8</td>
</tr>
</tbody>
</table>
# Statement of Net Position

As of November 30, 2021

## Assets

<table>
<thead>
<tr>
<th>Current Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$158,876,090</td>
</tr>
<tr>
<td>Accounts Receivable, net of allowance</td>
<td>19,943,576</td>
</tr>
<tr>
<td>Accrued Revenue</td>
<td>10,697,020</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>21,659</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>2,201,018</td>
</tr>
<tr>
<td>Deposits</td>
<td>727,108</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>4,001,093</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>196,467,564</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Noncurrent assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital assets, net of depreciation</td>
<td>318,371</td>
</tr>
<tr>
<td>Deposits</td>
<td>45,330</td>
</tr>
<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td><strong>363,701</strong></td>
</tr>
</tbody>
</table>

| **Total Assets**                      | **196,831,265** |

## Liabilities

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>1,109,443</td>
</tr>
<tr>
<td>Accrued Cost of Electricity</td>
<td>21,984,745</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>781,419</td>
</tr>
<tr>
<td>User Taxes and Energy Surcharges due to other gov'ts</td>
<td>735,399</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>24,611,006</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Noncurrent Liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier security deposits</td>
<td>9,131,250</td>
</tr>
<tr>
<td><strong>Total noncurrent liabilities</strong></td>
<td><strong>9,131,250</strong></td>
</tr>
</tbody>
</table>

| **Total Liabilities**                 | **33,742,256** |

## Net Position

| Net investment in capital assets      | 318,371    |
| Restricted for security collateral   | 4,001,093  |
| Unrestricted (deficit)                | 158,769,545 |
| **Total Net Position**                | **$163,089,009** |
SILICON VALLEY CLEAN ENERGY AUTHORITY

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

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity Sales, Net</td>
<td>$31,986,787</td>
</tr>
<tr>
<td>GreenPrime electricity premium</td>
<td>141,517</td>
</tr>
<tr>
<td>Other income</td>
<td>3,500</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES</strong></td>
<td><strong>32,131,804</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Electricity</td>
<td>32,432,452</td>
</tr>
<tr>
<td>Contract services</td>
<td>1,433,357</td>
</tr>
<tr>
<td>Staff compensation and benefits</td>
<td>914,006</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>344,274</td>
</tr>
<tr>
<td>Depreciation</td>
<td>15,451</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td><strong>35,139,540</strong></td>
</tr>
<tr>
<td><strong>OPERATING INCOME(LOSS)</strong></td>
<td><strong>(3,007,736)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NONOPERATING REVENUES (EXPENSES)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income</td>
<td>36,927</td>
</tr>
<tr>
<td>Financing costs</td>
<td>(22,668)</td>
</tr>
<tr>
<td><strong>TOTAL NONOPERATING REVENUES (EXPENSES)</strong></td>
<td><strong>14,259</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHANGE IN NET POSITION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Position at beginning of period</td>
<td>166,082,486</td>
</tr>
<tr>
<td>Net Position at end of period</td>
<td><strong>$163,089,009</strong></td>
</tr>
</tbody>
</table>
SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2021 through November 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers $ 42,580,640
Other operating receipts 3,561,053
Payments to suppliers for electricity (42,045,460)
Payments for other goods and services (2,153,882)
Payments for staff compensation and benefits (872,213)
Tax and surcharge payments to other governments (1,011,763)
Net cash provided (used) by operating activities 58,375

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Finance costs paid (22,668)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets (4,015)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received 36,927

Net change in cash and cash equivalents 68,619
Cash and cash equivalents at beginning of year 162,808,564
Cash and cash equivalents at end of period $ 162,877,183

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted) $ 158,876,090
Restricted cash 4,001,093
Cash and cash equivalents $ 162,877,183
### RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income (loss)</td>
<td>$(3,007,736)</td>
</tr>
<tr>
<td><strong>Adjustments to reconcile operating income to net cash</strong></td>
<td></td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>15,451</td>
</tr>
<tr>
<td>(Increase) decrease in net accounts receivable</td>
<td>6,046,608</td>
</tr>
<tr>
<td>(Increase) decrease in energy settlements receivable</td>
<td>269,012</td>
</tr>
<tr>
<td>(Increase) decrease in other receivables</td>
<td>208,826</td>
</tr>
<tr>
<td>(Increase) decrease in accrued revenue</td>
<td>3,713,600</td>
</tr>
<tr>
<td>(Increase) decrease in prepaid expenses</td>
<td>177,218</td>
</tr>
<tr>
<td>(Increase) decrease in current deposits</td>
<td>(1,025)</td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable</td>
<td>(440,973)</td>
</tr>
<tr>
<td>Increase (decrease) in accrued payroll &amp; benefits</td>
<td>-</td>
</tr>
<tr>
<td>Increase (decrease) in accrued cost of electricity</td>
<td>(8,902,114)</td>
</tr>
<tr>
<td>Increase (decrease) in accrued liabilities</td>
<td>139,376</td>
</tr>
<tr>
<td>Increase (decrease) in energy settlements payable</td>
<td>59,768</td>
</tr>
<tr>
<td>Increase (decrease) in taxes and surcharges due to other governments</td>
<td>(319,636)</td>
</tr>
<tr>
<td>Increase (decrease) in supplier security deposits</td>
<td>2,100,000</td>
</tr>
<tr>
<td><strong>Net cash provided (used) by operating activities</strong></td>
<td>$ 58,375</td>
</tr>
</tbody>
</table>
# SILICON VALLEY CLEAN ENERGY AUTHORITY
## BUDGETARY COMPARISON SCHEDULE
### October 1, 2021 through November 30, 2021

<table>
<thead>
<tr>
<th>Item</th>
<th>FYTD Actual</th>
<th>FYTD Adopted Budget</th>
<th>% Variance</th>
<th>FY 2020-21 Adopted Budget</th>
<th>FY 2020-21 Remaining Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy Sales</td>
<td>$31,986,787</td>
<td>$32,479,057</td>
<td>-492,270</td>
<td>-2%</td>
<td>$338,603,000</td>
</tr>
<tr>
<td>Green Prime Premium</td>
<td>141,517</td>
<td>74,586</td>
<td>66,931</td>
<td>90%</td>
<td>470,000</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES</strong></td>
<td>32,128,304</td>
<td>32,553,643</td>
<td>(425,339)</td>
<td>-1%</td>
<td>339,073,000</td>
</tr>
<tr>
<td><strong>ENERGY EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Supply</td>
<td>32,432,452</td>
<td>39,249,990</td>
<td>(6,817,538)</td>
<td>-17.4%</td>
<td>273,561,000</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>(304,148)</td>
<td>(6,696,347)</td>
<td>6,392,199</td>
<td>-95%</td>
<td>65,512,000</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data Management</td>
<td>527,518</td>
<td>541,569</td>
<td>(14,051)</td>
<td>-3%</td>
<td>3,249,000</td>
</tr>
<tr>
<td>PG&amp;E Fees</td>
<td>194,022</td>
<td>241,657</td>
<td>(47,635)</td>
<td>-20%</td>
<td>1,450,000</td>
</tr>
<tr>
<td>Salaries &amp; Benefits</td>
<td>914,006</td>
<td>1,545,187</td>
<td>(631,181)</td>
<td>-41%</td>
<td>9,271,000</td>
</tr>
<tr>
<td>Professional Services</td>
<td>427,126</td>
<td>929,298</td>
<td>(502,172)</td>
<td>-54%</td>
<td>5,648,000</td>
</tr>
<tr>
<td>Marketing &amp; Promotions</td>
<td>100,500</td>
<td>160,682</td>
<td>(60,182)</td>
<td>-37%</td>
<td>919,000</td>
</tr>
<tr>
<td>Notifications</td>
<td>46,142</td>
<td>21,875</td>
<td>24,267</td>
<td>111%</td>
<td>131,000</td>
</tr>
<tr>
<td>Lease</td>
<td>80,039</td>
<td>87,500</td>
<td>(7,461)</td>
<td>-9%</td>
<td>525,000</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>208,977</td>
<td>118,178</td>
<td>90,799</td>
<td>77%</td>
<td>1,213,000</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>2,496,330</td>
<td>3,645,946</td>
<td>(1,147,616)</td>
<td>-31%</td>
<td>22,406,000</td>
</tr>
<tr>
<td><strong>OPERATING INCOME/(LOSS)</strong></td>
<td>(2,802,478)</td>
<td>(10,342,293)</td>
<td>7,539,815</td>
<td>-73%</td>
<td>43,106,000</td>
</tr>
<tr>
<td><strong>NON-OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>3,500</td>
<td>8,333</td>
<td>(4,833)</td>
<td>-58%</td>
<td>50,000</td>
</tr>
<tr>
<td>Investment Income</td>
<td>36,927</td>
<td>50,000</td>
<td>(13,073)</td>
<td>-26%</td>
<td>300,000</td>
</tr>
<tr>
<td><strong>TOTAL NON-OPERATING REVENUES</strong></td>
<td>40,427</td>
<td>58,333</td>
<td>(17,906)</td>
<td>-31%</td>
<td>350,000</td>
</tr>
<tr>
<td><strong>NON-OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing</td>
<td>22,668</td>
<td>6,667</td>
<td>16,001</td>
<td>240%</td>
<td>40,000</td>
</tr>
<tr>
<td><strong>CAPITAL EXPENDITURES, TRANSFERS, &amp; OTHER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>17,055</td>
<td>75,000</td>
<td>(57,945)</td>
<td>-77%</td>
<td>150,000</td>
</tr>
<tr>
<td>Transfer to Programs Fund</td>
<td>326,566</td>
<td>326,566</td>
<td>0%</td>
<td>0%</td>
<td>6,781,000</td>
</tr>
<tr>
<td><strong>TOTAL OTHER USES</strong></td>
<td>343,621</td>
<td>401,566</td>
<td>(57,945)</td>
<td>-14%</td>
<td>6,931,000</td>
</tr>
<tr>
<td><strong>NET INCREASE(DECREASE) IN AVAILABLE FUND BALANCE</strong></td>
<td>-$3,128,340</td>
<td>-$10,692,193</td>
<td>$7,563,853</td>
<td>-71%</td>
<td>$36,485,000</td>
</tr>
</tbody>
</table>
### SILICON VALLEY CLEAN ENERGY AUTHORITY
PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2021 through November 30, 2021

**REVENUE & OTHER SOURCES:**

<table>
<thead>
<tr>
<th>Item</th>
<th>ADOPTED BUDGET</th>
<th>ACTUAL</th>
<th>REMAINING BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from Operating Fund</td>
<td>$6,781,000</td>
<td>$326,566</td>
<td>$6,454,434</td>
</tr>
</tbody>
</table>

**EXPENDITURES & OTHER USES:**

<table>
<thead>
<tr>
<th>Item</th>
<th>ADOPTED BUDGET</th>
<th>ACTUAL</th>
<th>REMAINING BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenditures</td>
<td>7,333,950</td>
<td>190,609</td>
<td>7,143,341</td>
</tr>
</tbody>
</table>

**Net increase (decrease) in fund balance**

<table>
<thead>
<tr>
<th>Item</th>
<th>ADOPTED BUDGET</th>
<th>ACTUAL</th>
<th>REMAINING BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund balance at beginning of period</td>
<td>$5,837,711</td>
<td>$5,973,668</td>
<td></td>
</tr>
<tr>
<td>Fund balance at end of period</td>
<td>$5,973,668</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### CUSTOMER RELIEF & COMMUNITY RESILIENCY FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2021 through November 30, 2021

**REVENUE & OTHER SOURCES:**

<table>
<thead>
<tr>
<th>Item</th>
<th>ADOPTED BUDGET</th>
<th>ACTUAL</th>
<th>REMAINING BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from Operating Fund *</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

**EXPENDITURES & OTHER USES:**

<table>
<thead>
<tr>
<th>Item</th>
<th>ADOPTED BUDGET</th>
<th>ACTUAL</th>
<th>REMAINING BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenditures *</td>
<td>3,000,000</td>
<td>2,698</td>
<td>2,997,302</td>
</tr>
</tbody>
</table>

**Net increase (decrease) in fund balance**

<table>
<thead>
<tr>
<th>Item</th>
<th>ADOPTED BUDGET</th>
<th>ACTUAL</th>
<th>REMAINING BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund balance at beginning of period</td>
<td>$7,990,315</td>
<td>$7,987,617</td>
<td></td>
</tr>
<tr>
<td>Fund balance at end of period</td>
<td>$7,987,617</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SILICON VALLEY CLEAN ENERGY AUTHORITY

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Increase (decrease) in available fund balance per budgetary comparison schedule</td>
<td>$(3,128,340)</td>
</tr>
<tr>
<td>Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position</td>
<td></td>
</tr>
<tr>
<td>Subtract depreciation expense</td>
<td>$(15,451)</td>
</tr>
<tr>
<td>Subtract program expense not in operating budget</td>
<td>$(190,609)</td>
</tr>
<tr>
<td>Subtract CRCR expense not in operating budget</td>
<td>$(2,698)</td>
</tr>
<tr>
<td>Add back transfer to Program fund</td>
<td>$326,566</td>
</tr>
<tr>
<td>Add back capital asset acquisition</td>
<td>$17,055</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td><strong>$(2,993,477)</strong></td>
</tr>
</tbody>
</table>
## OPERATING REVENUES

<table>
<thead>
<tr>
<th></th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity sales, net</td>
<td>$17,365,080</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$14,621,707</td>
<td>$31,986,787</td>
</tr>
<tr>
<td>Green electricity premium</td>
<td>$80,961</td>
<td>$60,556</td>
<td>$60,556</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>141,517</td>
</tr>
<tr>
<td>Other Income</td>
<td>$1,000</td>
<td></td>
<td>$2,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,500</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>17,447,041</td>
<td>14,684,763</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>32,131,804</td>
</tr>
</tbody>
</table>

## OPERATING EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of electricity</td>
<td>14,524,607</td>
<td>17,907,845</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>32,432,452</td>
</tr>
<tr>
<td>Staff compensation and benefits</td>
<td>448,844</td>
<td>465,162</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>914,006</td>
</tr>
<tr>
<td>Data manager</td>
<td>263,759</td>
<td>263,759</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>527,518</td>
</tr>
<tr>
<td>Service fees - PG&amp;E</td>
<td>97,254</td>
<td>96,768</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>194,022</td>
</tr>
<tr>
<td>Consultants and other professional fees</td>
<td>370,413</td>
<td>341,404</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>711,817</td>
</tr>
<tr>
<td>General and administration</td>
<td>209,985</td>
<td>134,289</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>344,274</td>
</tr>
<tr>
<td>Depreciation</td>
<td>7,289</td>
<td>8,162</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>15,451</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>15,922,151</td>
<td>19,217,389</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>35,139,540</td>
</tr>
</tbody>
</table>

## Operating income (loss)

<table>
<thead>
<tr>
<th></th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income (loss)</td>
<td>1,524,890</td>
<td>(4,532,626)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(3,007,736)</td>
</tr>
</tbody>
</table>

## NONOPERATING REVENUES (EXPENSES)

<table>
<thead>
<tr>
<th></th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>18,545</td>
<td>18,382</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>36,927</td>
</tr>
<tr>
<td>Financing costs</td>
<td>(11,042)</td>
<td>(11,626)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(22,668)</td>
</tr>
<tr>
<td>Total nonoperating revenues (expenses)</td>
<td>7,503</td>
<td>6,756</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14,259</td>
</tr>
</tbody>
</table>

## CHANGE IN NET POSITION

<table>
<thead>
<tr>
<th></th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,532,393</td>
<td>(4,525,870)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(2,993,477)</td>
</tr>
</tbody>
</table>
## SILICON VALLEY CLEAN ENERGY AUTHORITY
### INVESTMENTS SUMMARY
October 1, 2021 through November 30, 2021

<table>
<thead>
<tr>
<th>Return on Investments</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$18,545</td>
<td>$18,382</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$36,927</td>
</tr>
</tbody>
</table>

### Portfolio Invested

**Average daily portfolio available to invest**
- October: 152,976,979
- November: 155,897,345

**Average daily portfolio invested**
- October: 141,994,910
- November: 145,456,026

**% of average daily portfolio invested**
- October: 92.8%
- November: 93.3%

### Detail of Portfolio

<table>
<thead>
<tr>
<th>Money Market - River City Bank</th>
<th>Opening Rate</th>
<th>November Rate</th>
<th>Carrying Value</th>
<th>Interest Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.26%</td>
<td>0.15%</td>
<td>$151,240,029</td>
<td>$17,934</td>
</tr>
</tbody>
</table>

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

RESIDENTIAL ACCOUNTS

<table>
<thead>
<tr>
<th>Month</th>
<th>Actual</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct</td>
<td>246.9</td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td>247.2</td>
<td></td>
</tr>
</tbody>
</table>

NON-RESIDENTIAL ACCOUNTS

<table>
<thead>
<tr>
<th>Month</th>
<th>Actual</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct</td>
<td>27.7</td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td>27.6</td>
<td></td>
</tr>
</tbody>
</table>
### SILICON VALLEY CLEAN ENERGY AUTHORITY
### ACCOUNTS RECEIVABLE AGING REPORT

<table>
<thead>
<tr>
<th></th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 30 days</td>
<td>74.6%</td>
<td>66.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 to 60 days</td>
<td>8.3%</td>
<td>11.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>3.1%</td>
<td>3.7%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>91 to 120 days</td>
<td>2.0%</td>
<td>2.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over 120 days</td>
<td>12.0%</td>
<td>15.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Accounts Receivable Days

- **25 Days**

### TOTAL DUE

- **$23,072,329**

### Bad Debt % (Budget)

- **1%**

### AGE SUMMARY

- **<30 days**: $15,360,993
- **<60 days**: $2,681,108
- **<90 days**: $858,431
- **<120 days**: $676,977
- **Older**: $3,494,820

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November 2021 Treasurer Report
Staff Report – Item 1c

Item 1c: Adopt Resolution 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: 1/12/2022

RECOMMENDATION
To continue meetings to be held via teleconferencing pursuant to Government Code Section 54953(e), adopt the attached Resolution 2022-02 making the findings required by Section 54953(e)(3).

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. In addition, the Health Officer has described the new Omicron variant as significantly more transmissible than prior variants of the virus.

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.

On November 10, 2021 and December 8, 2021, the Board adopted Resolutions 2021-26 and 2021-27 authorizing public meetings to continue to be held via teleconferencing pursuant to Government Code Section 54953(e) and directing staff to return with a resolution to make the findings necessary to continue meeting pursuant to Government Code section 54953(e).

**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. As required by Government Code Section 54953(e)(3), the resolution makes the findings as of January 7, 2022 and provides that the findings will cover the period of time until the next regular meeting of the Board. 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 2022-02 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. 2022-02

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 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. As required by Government Code Section 54953(e)(3), the findings made pursuant to this Section 2 shall apply as of January 7, 2022 and shall cover the period of time until the next regular meeting of the Board.

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 12th day of January 2022, by the following vote:

<table>
<thead>
<tr>
<th>JURISDICTION</th>
<th>NAME</th>
<th>AYE</th>
<th>NO</th>
<th>ABSTAIN</th>
<th>ABSENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Campbell</td>
<td>Director Gibbons</td>
<td></td>
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RESOLUTION 2022-02
<table>
<thead>
<tr>
<th>City</th>
<th>Director</th>
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</thead>
<tbody>
<tr>
<td>City of Cupertino</td>
<td>Director Willey</td>
</tr>
<tr>
<td>City of Gilroy</td>
<td>Director Hilton</td>
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<tr>
<td>City of Los Altos</td>
<td>Director Fligor</td>
</tr>
<tr>
<td>Town of Los Altos Hills</td>
<td>Director Tyson</td>
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<tr>
<td>Town of Los Gatos</td>
<td>Director Rennie</td>
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<tr>
<td>City of Milpitas</td>
<td>Director Chua</td>
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<td>City of Monte Sereno</td>
<td>Director Ellahie</td>
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<tr>
<td>City of Morgan Hill</td>
<td>Director Martinez Beltran</td>
</tr>
<tr>
<td>City of Mountain View</td>
<td>Director Abe-Koga</td>
</tr>
<tr>
<td>County of Santa Clara</td>
<td>Director Ellenberg</td>
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<tr>
<td>City of Saratoga</td>
<td>Director Walia</td>
</tr>
<tr>
<td>City of Sunnyvale</td>
<td>Director Klein</td>
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_____________________________________

Chair

ATTEST:

_____________________________________

Andrea Pizano, Board Clerk

RESOLUTION 2022-02
Item 1d: Appoint SVCE Treasurer/Auditor and Board Secretary for 2022

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 1/12/2022

RECOMMENDATION
Appoint Amrit Singh, SVCE Chief Financial Officer (CFO) and Director of Administrative Services, as the Board Treasurer/Auditor and Andrea Pizano, SVCE Board Clerk/Executive Assistant, as the Board Secretary for 2022.

BACKGROUND
Pursuant to Section 4.11.3 of the Joint Powers Agreement, the Board shall appoint a qualified person to act as Treasurer and a qualified person to serve as Auditor. The Board may appoint a qualified person to serve as both Treasurer/Auditor. The Treasurer/Auditor acts as the depository of the Authority’s funds and has custody of all the money of the Authority. The Treasurer/Auditor reports directly to the Board in the performance of his or her duties as Treasurer/Auditor and must comply with the requirements for treasurers of general law cities. Government Code Section 6505.5 and Section 6 of the Joint Powers Agreement further specifies the duties and obligations of the Treasurer/Auditor.

Pursuant to Section 4.11.2 of the Silicon Valley Clean Energy Authority Joint Powers Agreement, the Board of Directors of the Authority shall appoint a Secretary. The Secretary is responsible for keeping the minutes of all Board meetings (that is, ensuring the minute meetings are completed and retained) and keeping other official records of the Authority. The secretary does not have to be a member of the Board.

The Treasurer/Auditor was last appointed in January 2021, and an Interim Secretary in August 2021.

ANALYSIS & DISCUSSION
SVCE’s CFO and Director of Administrative Services Amrit Singh was appointed to serve as the Treasurer/Auditor in January 2021. Staff is requesting the board authorize CFO and Director of Administrative Services Singh continue in this role through 2022.

SVCE Board Clerk/Executive Assistant Andrea Pizano has served as the Board Secretary since 2017. Staff recommends that she continue serving in this capacity for 2022.

STRATEGIC PLAN
N/A

ALTERNATIVE
The Board can elect to appoint other individuals for Board Treasurer/Auditor and/or Board Secretary.

FISCAL IMPACT
No fiscal impact as a result of the appointments.
Item 1e: Receive Q4 2021 Decarbonization Programs Update

From: Girish Balachandran, CEO

Prepared by: Justin Zagunis, Manager of Decarbonization and Grid Innovation Programs

Date: 1/12/2022

RECOMMENDATION
Staff recommends the Board accept the Q4 2021 Update of the Decarbonization Strategy and Programs Roadmap.

BACKGROUND
To achieve its mission to reduce dependence on fossil fuels by providing carbon-free, affordable, and reliable electricity and innovative programs for the community, SVCE established a decarbonization strategy and programs roadmap (abbv. "Roadmap"). In December 2018, the Board approved the Roadmap, and since that time, staff have been working on implementation.

ANALYSIS & DISCUSSION
Attachment 1 is the most recent quarterly update, covering October through December 2021. The quarterly update includes bulleted highlights and a table with a summary of updates and next steps for each initiative.

STRATEGIC PLAN
This item supports SVCE’s 2021-2022 Strategic Plan Goal 8, to “coordinate development of decarbonization strategy, lead design of local policy and programs, and support program deployment,” to support achieving energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030.

FISCAL IMPACT
Accepting the Q4 2021 Update of the Decarbonization Strategy & Programs Roadmap has no fiscal impact.

ATTACHMENTS
1. Decarbonization Strategy & Programs Roadmap – Q4 2021 Update
Decarbonization Strategy & Programs Roadmap
Q4 2021 Update
January 12, 2021 BOD Meeting

<table>
<thead>
<tr>
<th>Sector</th>
<th>Program</th>
<th>Q4 2021 Activities</th>
<th>Q1 2022 Outlook</th>
</tr>
</thead>
</table>
| Power Supply    | C&I Clean Power Offerings                    | • Developed contract language in conjunction with customer for 24x7 carbon-free offering.  
• Customer agreed to supply portfolio options for ‘GreenPrime 24x7’ carbon-free offering  
• Performed EcolInvest margin analysis based on new rates set forth in November AET                                                                 | • Execute contract for EcolInvest for large commercial customer  
• Execute contract for 24x7 carbon-free offering with large commercial customer  
• Continue detailed operational work for billing and tracking of 24x7 carbon-free  
• Continue detailed design work for GreenPrime Direct offering and pilot terms                                                                                      |
|                 | Develop, market and sell additional SVCE power offerings to address large C&I customers seeking to buy clean power at competitive rates |                                                                                                                                                                                                                     |                                                                                                                                                                    |
| Built Environment| Reach Codes                                  | • The County of Santa Clara passed an all-electric reach code on 12/7  
• 12 jurisdictions have now passed Reach Codes or a gas ban ordinance  
• Developed draft model codes for 2022 code cycle  
• Developing options for existing building electrification  
• Engaged ADM to perform EM&V on first set of reach codes                                                                                                      | • Reach Codes 2.0 will launch in January 2022  
• Technical support, outreach, and grants available  
• Expanded focus on existing buildings                                                                                                                        |
<p>|                 | Provide model energy code supportive of all-electric design and EV infrastructure to member agencies along with consultant support |                                                                                                                                                                                                                     |                                                                                                                                                                    |
|                 | All-Electric Showcase Grants                 | • Previously finalized the Building Decarb Joint Action Plan, which did not identify incentives at the time of new construction as a priority for accelerating building decarbonization. Therefore, this program is closed. | • N/A                                                                                                                                                           |
|                 | Provide incentives for all-electric buildings and share case studies about them and the professionals involved in their design |                                                                                                                                                                                                                     |                                                                                                                                                                    |</p>
<table>
<thead>
<tr>
<th><strong>FutureFit Heat Pump Water Heaters</strong></th>
<th><strong>Streamlining Community-Wide Electrification</strong></th>
<th><strong>Building Decarb Joint Action Plan</strong></th>
<th><strong>Resilience at Community Facilities</strong></th>
<th><strong>FutureFit Fundamentals</strong></th>
<th><strong>CRCR Bill Relief</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide incentives for electric heat pump water heaters and service panel upgrades to residents using natural gas currently</td>
<td>Benchmark and streamline member agency’s permitting and inspection processes to identify barriers and opportunities to electrification</td>
<td>Develop a joint action plan with member agencies to prioritize strategies and programs to advance building decarbonization</td>
<td>Increase the individual and collective capacity of SVCE and our member agencies to reduce adverse impacts of power outages.</td>
<td>Provide financial relief to contractors by expanding their knowledge of electrification technologies</td>
<td>Provide immediate bill relief to residential CARE/FERA customers, and to qualifying small business customers</td>
</tr>
<tr>
<td><strong>Phase 2 (approved by Board in 2020) launched July 2020 and currently has 441 reservations processed, 137 project completions</strong></td>
<td><strong>Hosted two meetings to update SVCE staff on Phase 2.0 program design and plan next steps</strong></td>
<td><strong>(COMPLETED)</strong></td>
<td><strong>(COMPLETED)</strong></td>
<td><strong>Conducted targeted outreach to contractors in service territory</strong></td>
<td><strong>EM&amp;V finalized with ADM</strong></td>
</tr>
<tr>
<td><strong>Combined 239 HPWHs installed to date</strong></td>
<td><strong>Phase 2.0 will focus on trainings, funding, and technical assistance for buildings depts</strong></td>
<td></td>
<td></td>
<td><strong>Held meetings with San Jose, Palo Alto, and Milpitas to discuss potential partnership</strong></td>
<td><strong>Program Complete</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Streamlining enrollment process</strong></td>
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</tbody>
</table>
| Future Fit Homes & Buildings | • Executed task order with SMUD to complete incentive roadmap and program scoping | • Review of incentive roadmap and program recommendations  
• Begin scoping RFP for first phase of program implementation |
<table>
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<tbody>
<tr>
<td><strong>Regional Coordination</strong></td>
<td>• No activities in Q4</td>
<td>• May begin coordination &amp; design efforts</td>
</tr>
<tr>
<td>SVCE will initiate regular regional stakeholder convenings to coordinate program alignment across building decarbonization workstreams.</td>
<td></td>
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</tbody>
</table>
| **Accessible Financing**    | • Attending Technology and Equipment for Clean Heating (TECH) workshop on tariffed on-bill financing (TOB) pilot | • Attending final TECH pilot meeting  
• Supporting TECH-BDC-CCA TOB proposal to CPUC Clean Energy Finance proceeding due Spring 2022 |
| Assesses feasibility of financing mechanisms to unlock equitable financing for energy efficiency and electrification across the region, particularly for low-income communities. |                                                                                       |                                                                     |
| **Local Policy to Decarbonize Existing Buildings** | • Initial research and evaluating how this fits in with Reach Codes. | • Proposed part of “doubling down” on programs. Next set of program details to be brought to the Board in Q1 2022. |
| Assess and support potential policy levers Member Agencies can explore to mitigate emissions from existing buildings. |                                                                                       |                                                                     |
| **Feasibility Assessment for Natural Gas Phase Out By 2045** | • Work to begin in FY22 | • Work to begin in FY22 |
| Carry out a feasibility assessment to identify technical, legal and economic barriers and opportunities for phasing out natural gas service by 2045, in the SVCE service territory. |                                                                                       |                                                                     |
| **EV Infrastructure Strategy & Plan** | • (COMPLETED) | • (COMPLETED) |
| Develop a near- to mid-term strategy for EV infrastructure and a set of program implementation plans |                                                                                       |                                                                     |

Q4 2021 Updates
<table>
<thead>
<tr>
<th><strong>Mobility</strong></th>
<th></th>
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<tbody>
<tr>
<td><strong>California Electric Vehicle Infrastructure Project (CALeVIP)</strong>  &lt;br&gt; Work with California Energy Commission to launch a regional CALeVIP project</td>
<td>• Completed additional internal summary statistics  &lt;br&gt; • Year 2 funding for L2 chargers released in December</td>
<td>• Review year 2 applications  &lt;br&gt; • Track progress of projects  &lt;br&gt; • Evaluate multifamily property participation</td>
</tr>
<tr>
<td><strong>Priority Zone DCFC</strong>  &lt;br&gt; Competitive application to receive an additional incentive (on top of CALeVIP) for DCFC in “priority zones” that support nearby SVCE-designated multifamily housing clusters</td>
<td>• Worked on updated design for a new solicitation round for DCFC</td>
<td>• Finalize updated design  &lt;br&gt; • Open the updated program and evaluate applications for projects</td>
</tr>
<tr>
<td><strong>MUD &amp; S/M Workplace Technical Assistance</strong>  &lt;br&gt; Technical assistance and help applying for pertinent CALeVIP rebates for charging at multifamily housing and small and medium workplace properties</td>
<td>• Targeted 973 customers for technical assistance and completed 22 site assessments since launch  &lt;br&gt; • Continued outreach to additional properties</td>
<td>• Conduct on-going outreach – 2nd round of targeted sites  &lt;br&gt; • Continue to develop site assessments  &lt;br&gt; • Continue to connect customers to relevant rebates and incentive opportunities</td>
</tr>
<tr>
<td><strong>MUD Charging Incentives</strong>  &lt;br&gt; Develop incentive program for EV charging at hard-to-reach multifamily properties</td>
<td>• Design stage of MUD EV charging incentive program targeting multifamily properties that have participated in technical assistance program</td>
<td>• Continue to develop and launch MUD EVI incentive program for eligible properties</td>
</tr>
<tr>
<td><strong>Fleet Electrification Grants</strong>  &lt;br&gt; Competitive application for SVCE’s fleet electrification planning support and funding for site upgrades. Targeting a broad set of fleet types, to create widely applicable fleet electrification planning templates</td>
<td>• No further development work  &lt;br&gt; • Tracked other programs also supporting fleets</td>
<td>• Continue to track other programs, otherwise keep on hold</td>
</tr>
</tbody>
</table>
| **Silicon Valley Transportation Electrification Clearinghouse (SVTEC)** | • Held December meeting focused on EV permitting, included Assemblymember McCarty, GoBiz staff, EVSE companies, and local building officials  
• Tracked emerging funding opportunity for EV charging and MUD properties and evaluated partnership opportunities  
• Continue to hold meetings with EVSE companies to develop permitting and interconnection initiatives | • Continue to hold quarterly meetings  
• Further develop and continue to execute regional initiatives aimed at reducing soft costs of EVI deployment |
| --- | --- | --- |
| **GridShift: EV Charging**  
Managed EV charging app that optimizes charging to reduce associated costs and emissions. In-app “events” support additional emission reductions and load flexibility | • Wrapped up “Critical GridShift Hours” event season  
• Kicked off “low-carbon events” season, which will run through May 2022  
• Conducted additional marketing and outreach - now at >250 active participants | • Promote GridShift: EV Charging, support expansion of eligible vehicles  
• Upcoming integrations: Chevy, Ford, BMW |
| **Other Virtual Power Plant Programs**  
Support “virtual power plants” made up of cloud-based aggregations of customer-sited resources to support grid integration and monetize value from connected, controllable loads | • By way of background, SVCE joined EBCE, PCE and Silicon Valley Power in the joint issuance of an RFP for resource adequacy from behind-the-meter solar and storage systems in Q4 2019. Staff executed a contract with Sunrun in Q3 2020. Provided marketing support and had project management discussion this quarter.  
• Continued Sunrun program support, and track program participation and installs  
• Exploring options for additional VPP program(s) and/or a local DER marketplace | • Continue Sunrun program support, and track program participation and installs  
• Work on next steps for additional VPP program(s) and/or a local DER marketplace |
| **Customer Resource Center (eHub)**  
Develop online customer resource center to enable engagement, education and action related to clean electricity, EVs and home electrification. | • Continue to run search ad campaign for heat pump water heaters, smart thermostats, electric dryers, induction cooktops, heat pump HVAC  
• Launched promotion for induction cooktops in which customers can get $50 off induction cooktops  
• Delivered email campaigns focused on:  
  o eHub resources and ways to fight climate change by going all-electric at home and on the road | • Continue tracking engagement metrics  
• **88,738 Unique eHub Engagements** since launching in September 2020 to November 2021  
  • Metrics October 1 - December 15:  
    o 3,239 unique visits to the SVCE eHub webpages  
    o 1,956 unique visits to the EV Assistant tool  
    o 775 unique visits to the Solar+Battery Assistant tool |
### Community Engagement Grants
Partner with local organizations in hard-to-reach customer segments to promote SVCE offerings and programs
- Future launch date TBD; on-hold due to COVID-19
- Explore possibility of reviving program as part of the programs equity framework development

### Portable Batteries for Medical Baseline Customers
Pilot program to deploy ~50 portable batteries to qualified customers who rely on power for medical equipment
- Met with local agency to continue discussing partnership opportunity and administrative support
- Evaluating devices and purchase options
- Finalize contract with regional agency to serve as program administrator
- Purchase batteries
- Develop program advertising materials
- Potentially launch at the end of Q1

### Innovation Partners
Engage with key strategic partners to participate in the local innovation ecosystem and provide a voice for SVCE customers and the decarb mission
- No activities for Q4
- No planned activities for Q1

### IN2: Innovation Onramp
Provide small grants to support innovation through pilot projects with external partners
- Launch of NeoCharge pilot
- Near completion of 2 mobility-focused pilots. Ongoing management of previous cycles’ pilots.
- Team decided not to host fifth call for applications (originally planned for fall 2021) based on staff resource constraints
- Completion of XeroHome seed round pilot
- Preparation for potential Spring 2022 call for applications
Item 1f: Executive Committee Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 1/12/2022

No report as the Executive Committee has not met since November 17, 2021.

The next meeting of the Executive Committee is expected January 28, 2022 at 2:45pm; this date and/or time may change based on member availability following Executive Committee member selections at the January 12, 2022 Board Meeting.

Materials will be posted no later than 72 hours in advance of the meeting.
Item 1g: Finance and Administration Committee Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Rob Rennie, Chair of the Finance and Administration Committee

Date: 1/12/2022

The Finance and Administration Committee met December 16, 2021 and discussed staff’s plans on updating SVCE’s Investment Policy and hiring of an investment portfolio manager, and staff’s update on SVCE’s first prepay transaction.

CFO and Director of Administrative Services, Amrit Singh, introduced consultant Jim Steele of Management Partners who provided a presentation on updating SVCE’s Investment Policy and plans for hiring an investment portfolio manager. Staff requested the Finance and Administration’s concurrence to engage in contract discussions with PFM Asset Management LLC to develop a cash flow forecast and update SVCE’s Investment Policy for subsequent Board adoption. The committee discussed the RFP process, asked questions regarding PFM Asset Management LLC’s other clients, and discussed the potential improvement in investment returns if a professional portfolio manager were hired. Following the discussion, the Committee was in consensus to support staff’s recommendation. The updated Investment Policy along with an investment strategy will be brought to the Board of Directors for approval once complete.

The CFO and Director of Administrative Services, Amrit Singh, presented an update to the Committee on SVCE’s first prepay transaction that closed on September 23, 2021. The presentation included timeline of SVCE’s effort on the prepay transaction, goals of prepay, Board authorization execution parameters, summary of the executed transaction terms, cost of issuance, and next steps.

Materials from the December 16, 2021 meeting can be found here: SVCE Finance and Administration Committee Meeting Materials, 12/16/21

The next meeting of the Finance and Administration Committee is to be determined; materials will be posted no later than 72 hours in advance of the meeting.
Staff Report – Item 1h

Item 1h: Audit Committee Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 1/12/2022

No report as the Audit Committee has not met since August 18, 2021.

The next meeting of the Audit Committee will be in early 2022; materials will be posted no later than 72 hours in advance of the meeting.
Item 1i: California Community Power Report

To: Silicon Valley Clean Energy Board of Directors

From: Girish Balachandran, CEO

Date: 1/12/2022

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 its regular board meeting on Wednesday, December 15, 2021.

Attached is a summary report from Interim General Manager Timothy Haines; materials from the regular board meeting can be found here on the CC Power website: [CC Power Meeting, 12/15/21](https://cacommunitypower.org/meetings/)

The next meeting of the board will be January 19, 2022 at 1:00 p.m.; meeting materials can be found on the CC Power website: [https://cacommunitypower.org/meetings/](https://cacommunitypower.org/meetings/)

ATTACHMENTS:
CA Community Power Board Meeting Summary from Interim General Manager Timothy Haines, December 15, 2021
TO: CC Power Board of Directors  DATE: 11/16/21
FROM: Tim Haines – Interim General Manager
SUBJECT: Report on CC Power Board of Directors Meeting – December 15, 2021

The CC Power Board of Directors held its normally scheduled meeting on Wednesday, December 15, 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.** None.

• **Public Comment.** None.

• **Consent Calendar** - The Board unanimously approved the following items:
  o Minutes of the November 10, 2021 Regular Board Meeting
  o Resolution 21-12-01 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

• **Board Chair’s Report.** None.

• **General Manager’s Report. Long Duration Storage and Budget**
  o **Projects:** Interim GM Haines reviewed the status of the long duration storage and firm clean resources. Final Board approval of the Tumbleweed contracts is scheduled for the January 19, 2022 Board meeting. Mr. Haines described the steps including individual participating member board approvals leading to the fully executed agreement. Mr. Haines also informed the Board that responses have been received to CC Power’s RFO for clean resources. SJCE and SCP are co-leading the evaluation and negotiation effort. Final contracts will be expected in July. The board discussed the timing of the CC Power Board and that of participating members.
  o **Budget:** The Interim GM reviewed the lessons learned from the 2021 LDS contracting effort, the feedback from the Board ad hoc committee on budget proposals and the recommended 2022 budget and cash calls. The Board discussed the contract negotiation process and expressed an interest in costs coming in under the budget. The Chair asked the budget ad hoc committee to monitor the plan to manage costs. The Board unanimously approved the 2022 budget.
  o **Consulting Contracts:** The Board voted to extend existing consulting contracts consistent with the 2022 budget.

• **2022 Board Meetings.** The Board set the 3rd Wednesday of the month in 2022 as the regular meeting dates though, consistent with the budget, only six meetings will occur in 2022.
Staff Report – Item 2

Item 2: CEO Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Girish Balachandran, CEO

Date: 1/12/2022

REPORT

SVCE Staff Update
Peter Mustacich joined SVCE as an Energy Services Lead on January 10th. Peter’s background includes both the deep technical expertise of an energy engineer specializing in building retrofits and the policy savvy gained from advising IOU’s on EV reach code development. His career started as an HVAC engineer and then grew to focus on building electrification, demand response, and transportation electrification. As an Energy Services Lead, Peter will play a key role in the permit simplification and reach codes programs. In addition to his clean energy expertise, Peter is a Jazz musician.

Clean Power Purchase Agreements
On January 1, 2022 SVCE began receiving electricity under the Coso Geothermal Power Purchase Agreement (PPA). This is the first project to deliver Renewable Portfolio Standard (RPS) energy under SVCE’s 13 long-term PPAs. The Slate solar with storage project experienced commissioning and interconnection delays and is now expected to come on-line on January 12, 2022. Once Slate is on-line, it will be the first new project delivering clean energy to SVCE.

California Community Power – LS Power Tumbleweed Long Duration Storage Project
SVCE staff had planned to bring the Tumbleweed Long Duration Storage Project to the SVCE Board for approval at the January 2022 meeting. Finalization of the agreements is still in process between CC Power and LS Power. The expectation is to have near final agreements ready for CC Power’s Board consideration on January 19, 2022. Assuming CC Power approves the agreements at its January meeting, staff will bring the agreements to the SVCE board in February 2022 for consideration.

Power Resources – Master Consultant Agreement Update
As approved at the November 14, 2018 Board of Directors Meeting, Resolution 2018-15 granted authority to the CEO to execute a Master Consultant Agreement between Ascend Analytics, Flynn Resources Consulting, Inc., and Hanover Strategy Advisors, LLC to provide various strategic consulting, support, and risk management services to SVCE in an amount up to $1,000,000, through the end of FY2021. In October 2020, via Resolution 2020-27, the Board of Directors approved an increase in the total budget to $1,500,000, and extended the term until March 31, 2022. In November 2021, the Board approved the termination of the Master Consulting Agreement, electing to contract individually with Ascend Analytics over a three-year term ending Sept. 30, 2024. The remaining three agreements will end on March 31, 2022, but no funds will be reallocated to them.
Agenda Item: 2

Agenda Date: 1/12/2022

The following table outlines the remaining balance of the master agreement:

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Ascend Analytics</td>
<td>$16,720.00</td>
<td>$872,038.84</td>
<td>$20,000.00</td>
<td>$1,500,000.00</td>
</tr>
<tr>
<td>Energy &amp; Environmental Economics (E3)</td>
<td>-</td>
<td>$10,000.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Flynn Resources Consulting, Inc.</td>
<td>-</td>
<td>$33,107.50</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hanover Strategy Advisors, LLC</td>
<td>-</td>
<td>$24,700.00</td>
<td>-</td>
<td>Remaining Balance</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$16,720.00</td>
<td><strong>$939,846.34</strong></td>
<td><strong>$3,280.00</strong></td>
<td><strong>$560,153.66</strong></td>
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</tbody>
</table>

With the dissolution of the Master Consulting Agreement, this will be the final update to the Board.

**Programs – Master Consultant Agreement Update**

As approved at the June 12, 2019 Board of Directors Meeting, Resolution 2019-10 granted authority to the CEO to execute a Master Consultant Agreement between Sacramento Municipal Utility District (SMUD), Center for Sustainable Energy (CSE), and ADM, Associates, Inc. (ADM) to provide consulting and support related to decarbonization and innovation program design, implementation, management, and evaluation to SVCE in an amount up to $1,000,000, through the end of FY2021. In September 2020, via Resolution 2020-25, the Board of Directors approved an increase in the total budget up to $2,500,000 and extended the term until Dec. 31, 2022. The following table outlines the remaining balance of the master agreement:

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>Expenses 2019-2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sacramento Municipal Utility District</td>
<td>$491,488.09</td>
</tr>
<tr>
<td>Center for Sustainable Energy</td>
<td>$156,121.27</td>
</tr>
<tr>
<td>ADM Associates, Inc.</td>
<td>$113,152.50</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$760,761.86</strong></td>
</tr>
</tbody>
</table>

An update of agreement expenses and balances will be reported on a biannual basis as part of the CEO Report to the Board.

**CEO Agreements Executed**

The following agreements have been executed by the CEO, consistent with the authority delegated by the Board:

1) Wilson Sonsini Goodrich & Rosati, Amendment, Advising and Consulting Services re: Renewable Energy Supply Agreements, not to exceed $190,000, extends to 12/21/22

2) NewGen Strategies & Solutions, Amendment: Advice and expert testimony, redistributed current money amongst tasks

3) Beth Sussman Consulting, Amendment: Hogan 360 Degree Feedback Process, extends date to 9/30/22

4) Capital Projects Grant – City of Milpitas, Agreement: Capital Projects Grant, not to exceed $700,702

5) Spruce Hill Advisors, Amendment: Business Consulting Services, extends date to 5/31/22

6) MRG, Amendment: Human Resources Services, not to exceed $50,625, extends date to 12/31/22

7) DWGP, Agreement: Monitoring Services, not to exceed $5,600, 1/1/22 – 12/31/22

8) Management Partners, Inc., Amendment: Management Consulting Services, extends date to 3/31/22

9) ADM, Task Order: Electrification Reach Codes Study, not to exceed $31,150

10) Camus Energy, Amendment: Software as a service, amended timeline within term, redistributed money within the compensation
## CEO Power Supply Agreements Executed

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Counterparty Name</th>
<th>Execution/Effective Date</th>
<th>Transaction Type</th>
<th>Product</th>
<th>Start Date</th>
<th>End Date</th>
<th>Notional Value</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TransAlta</td>
<td>11/19/2021</td>
<td>Purchase</td>
<td>Hedge Energy</td>
<td>1/1/2022</td>
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<td>6/30/2022</td>
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<td>1</td>
<td>NextEra</td>
<td>11/19/2021</td>
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<td>1</td>
<td>SDG&amp;E</td>
<td>12/3/2021</td>
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<td>Resource Adequacy</td>
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<td>2/28/2022</td>
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<tr>
<td>1</td>
<td>Central Coast Community Energy</td>
<td>12/6/2021</td>
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<td>Resource Adequacy</td>
<td>2/1/2022</td>
<td>2/28/2022</td>
<td>$148,400.00</td>
<td>Linked to Transaction 2</td>
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<tr>
<td>2</td>
<td>Central Coast Community Energy</td>
<td>12/6/2021</td>
<td>Sale</td>
<td>Resource Adequacy</td>
<td>2/1/2022</td>
<td>2/28/2022</td>
<td>$137,800.00</td>
<td>Linked to Transaction 1</td>
</tr>
</tbody>
</table>

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 Board Meeting, December 15th, report included on the Consent Calendar

ATTACHMENTS
1. Decarb & Grid Innovation Programs Update, January 2022
2. Account Services & Community Relations Update, January 2022
3. Legislative and Regulatory Update, January 2022
First Reports on Program Results Published
A key piece of SVCE’s decarbonization approach and value to the community is to share learnings and outcomes from our initiatives to inform others. Reports have now been posted online for SVCE’s first Heat Pump Water Heater program, bill credits given to CARE/FERA customers in response to COVID, and the pilot with Ecology Action to install low-power charging at lower-income multifamily properties. These and additional, upcoming reports are posted online at www.svcleanenergy.org/researchandanalysis/.

Meeting with Local Community Advocates
On December 6, staff met with community leaders representing local environmental advocacy groups, sustainability commissions and youth organizations to gather community input and feedback on several key initiatives. Topics included the Reach Codes 2.0 effort, programs double down strategy and the programs equity framework development. These informal meetings with community members take place quarterly.

SVTEC Meeting Focused on EVI Permitting
SVCE hosted the quarterly Silicon Valley Transportation Electrification Clearinghouse (SVTEC) meeting focused on accelerating EVI permitting in California. Assemblymember Kevin McCarty spoke on the goals of AB 970, which further advances permit streamlining for EV charging installations. The Governor’s Office of Business and Economic Development (GO-Biz) presented on how they will work with municipalities to implement the bill, and representatives from Tesla and EVgo spoke about the challenges and opportunities they see for EVI permitting.
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

Funding: ≤$7.4M
Goal: 750 Single-Family + 5 Multi-Family Projects Completed by 2023

Lights On Silicon Valley
Provide incentives for enrolling solar and battery systems in the SVCE grid services program

= 10 Completed Installations

= 1 CARE/FERA Installation

= 25 Single-Family Projects
= 1 Multi-Family Property Project
(Number of households varies)
**CALeVIP**

Provide incentives for electric vehicle (EV) chargers as part of a regional program

- **Goal:** 25 Level 2 Installations
- **Participants:** 150

**FutureFit Fundamentals**

Provide financial relief to contractors by expanding their knowledge of electrification technologies

- **Goal:** 5 DCFC Installations
- **Participants:** 5

---

*$1.5M of the reserved funding is under a final review and validation.*
### Programs at a Glance

**JANUARY 2022**

<table>
<thead>
<tr>
<th>Power Supply</th>
<th>BUILT ENVIRONMENT</th>
<th>MOBILITY</th>
<th>GRID INTEGRATION</th>
<th>EDUCATION OUTREACH</th>
<th>INNOVATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>- C&amp;I Clean Power Offerings</td>
<td>- Reach Codes</td>
<td>- EV Infrastructure Strategy &amp; Plan</td>
<td>- Virtual Power Plant</td>
<td></td>
<td></td>
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<tr>
<td>- Reach Codes</td>
<td>- All-Electric Showcase Grants</td>
<td>- CA Electric Vehicle Infrastructure Project (CALeVIP)</td>
<td></td>
<td></td>
<td>- Innovation Partners</td>
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<tr>
<td>- All-Electric Showcase Grants</td>
<td>- FutureFit Heat Pump Water Heater</td>
<td>- Priority Zone DCFC</td>
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<td></td>
<td>- ev.energy</td>
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<tr>
<td>- FutureFit Heat Pump Water Heater</td>
<td>- Streamlining Community-Wide Electrification</td>
<td>- MUD Technical Assistance</td>
<td></td>
<td></td>
<td>- Span.IO</td>
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<tr>
<td>- Streamlining Community-Wide Electrification</td>
<td>- Building Decarb Joint Action Plan</td>
<td>- Fleet Electrification Grants</td>
<td></td>
<td></td>
<td>- Electron</td>
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<tr>
<td>- Building Decarb Joint Action Plan</td>
<td>- Resilience at Community Facilities</td>
<td>- SV Transportation Electrification Clearinghouse (SVTEC)</td>
<td></td>
<td></td>
<td>- Stanford</td>
</tr>
<tr>
<td>- Resilience at Community Facilities</td>
<td>- FutureFit Fundamentals</td>
<td>- Regional Recognition</td>
<td></td>
<td></td>
<td>- NeoCharge</td>
</tr>
<tr>
<td>- FutureFit Fundamentals</td>
<td>- CRCR Bill Relief</td>
<td></td>
<td></td>
<td></td>
<td>- NeoCharge</td>
</tr>
<tr>
<td>- CRCR Bill Relief</td>
<td>- FutureFit Homes &amp; Buildings</td>
<td>- Customer Resource Center (eHub)</td>
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<td></td>
<td>- Outthink</td>
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<tr>
<td>- FutureFit Homes &amp; Buildings</td>
<td>- Regional Coordination</td>
<td>- Community Engagement Grants</td>
<td></td>
<td></td>
<td>- Extensible Energy / Community Energy Labs</td>
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<tr>
<td>- Regional Coordination</td>
<td>- Accessible Financing</td>
<td>- Innovation Onramp</td>
<td></td>
<td></td>
<td>- Electron</td>
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<tr>
<td>- Accessible Financing</td>
<td>- Local Policy to Decarbonize Existing Buildings</td>
<td>- Innovation Partners</td>
<td></td>
<td></td>
<td>- Stanford</td>
</tr>
<tr>
<td>- Local Policy to Decarbonize Existing Buildings</td>
<td>- Feasibility Assessment - Natural Gas Phase Out By 2045</td>
<td>- ev.energy</td>
<td></td>
<td></td>
<td>- NeoCharge</td>
</tr>
<tr>
<td>- Feasibility Assessment - Natural Gas Phase Out By 2045</td>
<td></td>
<td>- Span.IO</td>
<td></td>
<td></td>
<td>- XeroHome</td>
</tr>
</tbody>
</table>

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**Active** - Green

**In Development** - Blue

**Complete** - Orange

**Click for More Information**
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.

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month of December</td>
<td>NA</td>
<td>Trim a Tree @ Los Altos— sponsored &amp; decorated tree</td>
<td>Downtown Los Altos</td>
</tr>
<tr>
<td>December 4</td>
<td>4:30 – 6:30 PM</td>
<td>Ice Rink Tree Lighting – sponsored &amp; tabled</td>
<td>Downtown Sunnyvale</td>
</tr>
<tr>
<td>December 6</td>
<td>5 – 8:30 PM</td>
<td>Mountain View Tree Lighting Celebration – sponsored &amp; tabled</td>
<td>Downtown Mountain View</td>
</tr>
<tr>
<td>December 10</td>
<td>6 – 8 PM</td>
<td>Ice Rink iHeart DJ Night– sponsored &amp; tabled</td>
<td>Downtown Sunnyvale</td>
</tr>
<tr>
<td>December 16</td>
<td>4 – 7 PM</td>
<td>Holiday Magic on Main Street Carol-oke Night – sponsored &amp; tabled</td>
<td>Downtown Milpitas</td>
</tr>
<tr>
<td>December 18</td>
<td>4 – 7 PM</td>
<td>Silicon Valley Youth Climate Action Holiday Party –</td>
<td>Cupertino</td>
</tr>
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</table>
2. Customer Participation

<table>
<thead>
<tr>
<th></th>
<th>Participation Rate</th>
<th>Overall Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>96.34%</td>
<td>96.34%</td>
</tr>
<tr>
<td>Commercial</td>
<td>96.36%</td>
<td>96.34%</td>
</tr>
</tbody>
</table>
The following agenda items were presented and discussed:

- Clean Power Update
- NEM Successor Tariff
- Reach Codes 2.0
- eHub Year 1 Metrics and Performance
• CCCFA Issues California’s First Municipal Clean Energy Project Revenue Bonds Worth over $2 Billion.
• CCCFA Issues California's First Municipal Clean Energy Project Revenue Bonds Worth over $2 Billion,
• California Community Choice Financing Authority issues first municipal clean energy bonds
• Calif. CCAs Issue First Ever Clean Energy Bonds Valued At More Than $2 Billion
• CCCFA Issues California's First Municipal Clean Energy Project Revenue Bonds Worth over $2 Billion,
• California nonprofits issue $2 billion in bonds to buy 30 years of renewable energy upfront,
• Financial JPA Issues $2B in Power-Purchase Bonds Aiding Three CCAs
• First Ever Tax Exempt Bonds Issued for Community Energy Renewables,
SVCE Legislative and Regulatory Update

January 12, 2022
Policy Updates

1. **Regulatory Update:**
   1. Power Charge Indifference Adjustment (PCIA)
   2. Electricity Planning and Procurement
      1. Integrated Resource Planning (IRP)
      2. Resource Adequacy (RA)
   3. Net Energy Metering (NEM)

2. **Legislative Update:**
   1. Federal Bipartisan Infrastructure Framework and Build Back Better Bill
Update
PG&E’s latest forecast proposes a 59% decrease in the Power Charge Indifference Adjustment (PC/A) and a 33% increase in their generation rate.

<table>
<thead>
<tr>
<th>2021 Rates PG&amp;E AET*</th>
<th>2022 Rates PG&amp;E Nov. Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E Gen Rate ($/kWh)</td>
<td>0.1096</td>
</tr>
<tr>
<td>PCIA ($/kWh)</td>
<td>0.0459</td>
</tr>
</tbody>
</table>

*AET is the Annual Electric True-up that finalizes the rates based on changes across all proceedings.

The CPUC has delayed rate implementation in order to determine how to mitigate the large rate increase to bundled customers. Rate implementation expected on March 1, 2022.

Next Steps:
- CPUC will issue a proposed decision in late December/early January in response to the PG&E rate filing and party comments to the filing.
PCIA: Allocation of RPS Resources to CCA’s is Underway

In May 2021, the CPUC granted CCA’s access to legacy RPS resources beginning in 2023. Implementing the new PCIA rules:

- May 2021: The CPUC determined that the IOU’s must sell RPS resources from their portfolio to the CCAs based on loadshare.
- Fall 2021: CPUC is still reviewing the utilities’ plan for implementation.
- January 2021: PG&E will work with the CCA’s to finalize the agreement. Utilities will inform CCAs of RPS allocation shares in early 2022.

Next Steps:
- Staff is analyzing whether or not to accept the allocation and if yes, whether all or a portion should be accepted.

CLEAN ENERGY
Electricity Planning and Procurement: New rules imposed and more changes expected

Procurement obligations continue to evolve throughout 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 [ ]
- SVCE responsible for 237 [ ]
- CPUC is ordering 2000 – 3000 MW statewide to be online by summer 2022 [ ]

**New Reliability Development**
- [ ] Resource Adequacy program
Integrate Resource Planning (IRP) is a process to ensure that the electricity sector is on track to meet its portion of the State’s GHG reduction and reliability goals. New procurement mandate for utilities to meet summer needs:

- December 2021: CPUC adopted new requirements to meet 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. Procurement costs will be recovered via IOU and CCA customers through rates.
- 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:

- The utilities begin implementation of new requirements.
RA Program: RA Program reform is underway

Resource Adequacy (RA) is a program developed to ensure that there will be sufficient resources available to serve electric demand under most conditions.

- Fall/Winter 2021: A series of 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 to meet RA requirements.
  - 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.
Net Energy Metering (NEM) compensates customers who generate their own electricity, predominately from rooftop solar, to serve their onsite electricity needs.

- Reduces the NEM compensation from the retail rate (N25 cents/kWh) to a rate based on the “avoided cost” of generation (N5 cents/kWh).
- Establishes a new monthly grid connection fee (averaging $40 - 50/month for typical installation).
- Compensates new NEM customers with a “Market Transition Credit” of $5.25/month per kW of solar installed, declining 25%/year.
- Exempts low-income customers from grid connection fees.
- Existing solar customers can stay on old NEM rate for up to 15 years.

Next Steps:
Comments on the proposed decision were submitted on January 7th. The CPUC is scheduled to vote on the decision on January 27th.
Legislative Update
The Infrastructure Investment and Jobs Act invests in clean energy initiatives to meet Biden’s goal of net-zero emissions by 2030.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Energy Transmission: creates a new Grid Deployment Authority to oversee transmission upgrades, invests in R&amp;D for advanced T&amp;D technologies and promotes smart grid technologies</td>
<td></td>
</tr>
<tr>
<td>Climate Resilience: protects against extreme weather events and invest in home weatherization</td>
<td></td>
</tr>
<tr>
<td>EV Infrastructure: develops a national network of EV chargers</td>
<td></td>
</tr>
<tr>
<td>Clean Buses: deployment of low and no-emission buses, including school</td>
<td>$5 billion</td>
</tr>
<tr>
<td>Port Infrastructure: addresses backlogs, reduces congestion and emissions near ports, drives electrification and other low-carbon technologies</td>
<td></td>
</tr>
<tr>
<td>Legacy Pollution: cleans up Superfund and brownfield sites, reclaims abandoned mines, caps orphaned oil and gas wells</td>
<td></td>
</tr>
</tbody>
</table>
Staff Report – Item 3

Item 3: Elect a Chair and Vice Chair of the SVCE Board of Directors for 2022

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 1/12/2022

RECOMMENDATION
Staff recommends that the Board elect a Chair and Vice Chair of the Silicon Valley Clean Energy Board of Directors to serve for 2022.

BACKGROUND
Section 4.11.1 of the SVCEA Joint Powers Agreement specifies that the Directors shall select, from among themselves, a Chair who shall be the presiding officer of all board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The Agreement also specifies that the term of office continues for one year and there is no limit on the number of terms held by either office.

The Executive Committee received a proposed process and timeline at their November 17, 2021 meeting, which was then recommended and received at the Board at the December 8, 2021 Board meeting. The process and timeline included the following:

December 8, 2021: Staff presents item at the Board meeting outlining process for 2022 elections based on Executive Committee feedback
December 10, 2021: Board Secretary will send a request for letters/indications of interest for the Chair/Vice Chair positions as well as interest from members looking to serve on the Executive Committee for 2022
January 3, 2022: Letters of interest for Chair/Vice Chair and expression of interest for Executive Committee membership responses due to Board Clerk
January 12, 2022: Chair, Vice Chair, and Executive Committee selections made at the Board of Directors meeting
January 14, 2022: Board Secretary will distribute Committee Matrix worksheet to Directors to indicate interest in serving/continuing to serve on remaining committees
January 28, 2022: Committee Matrix worksheets due to Board Clerk
February 9, 2022: SVCE Committee assignments made at the Board of Directors meeting

ANALYSIS & DISCUSSION
The Directors listed below have formally expressed interest in serving as Chair or Vice Chair of the Board:

Chair
Liz Gibbons

Vice Chair
George Tyson

These letters of interest are attached to the report.
STRATEGIC PLAN
The recommendation supports SVCE’s overall strategic plan.

ALTERNATIVE
N/A

FISCAL IMPACT
There is no fiscal impact to the agency as a result of selecting a Chair and Vice Chair of the Board.

ATTACHMENTS
1. Statement of Interest: Liz Gibbons (Chair)
2. Statement of Interest: George Tyson (Vice Chair)
Dear SCVE Board Members,

Excited is the word that comes to mind as I prepare this application to serve as 2022 SVCE Chair. So much has been accomplished by the staff and boards since the inception in 2016. The founding members got off to a rousing start of education and it continues. Just look at the latest glossary – 4 pages. (There were early efforts at a laminated single page.) I’m going to recommend a few acronyms to make it a few more pages acknowledging the innovations and fiduciary accomplishment that meet the SVCE Mission Statement: Reduce dependence of fossil fuel by providing carbon-free affordable and reliable electricity, and innovative programs for the SVCE Community.

PCIA vis-à-vis rates, budgets vs. reserves, JPA bond ratings to CCCFA prepay revenue bonds, resource adequacy and long-duration storage, plus eHub and covid relief among many actions, fell into place as the board conducted the business of providing clean power to our collective constituents. The excitement has continued with SVCE resilience to the challenges of: soliciting, contracting, and operating $1.6B in new power supply; competitive staffing environment; regulatory changes; and the dynamics of the demand for and cost of electricity.

I support the Board’s actions to develop and double down on programs to further the successful strategies to: Decarbonizing the built environment such as REACH Codes 2.0; Mobility including EV charging infrastructure with equity; and affordable and reliable Power Supply utilizing CC Power to facilitate the economics of long-duration storage. These key strategies coalesce to meet the state’s mandate of 100% Clean Energy by 2045. All the while, SVCE has exceeded GHG reduction below the 2021 goal at a cost-savings to our constituents. The team of the SVCE board and staff manages an innovative and financially solvent business.

For six years, I have been an active member of the Board and committees including the ROC. With the Board’s concurrence, I look forward to bringing this knowledge, experience and excitement to the organization in the role of 2022 SVCE Chair.

Respectfully submitted,
Elizabeth ‘Liz’ Gibbons, AIA, LEED AP
Councilmember, City of Campbell
Past AIA Strategic Counselor At-Large
Hi Andrea and Girish,

I don’t know if you are looking for a formal reply in the form of a letter, but in case you are not:

I would be interested in serving SVCE as Vice Chair in 2022. I am committed to the success of decarbonization in general and SVCE in particular, and would appreciate the opportunity to apply my efforts in making SVCE’s work even more successful.

I would be interested in continuing to serve on the SVCE Executive Committee as well.

Best regards,
George
The Executive Committee meets monthly; the regular meeting schedule is currently the 4th Friday of the month at 2:45 p.m., but a regular schedule for 2022 will be established based on member availability. The first meeting of the 2022 Executive Committee is tentatively scheduled for Friday, January 28th, 2:45 p.m.

Please let me know if you have any questions regarding the process or timeline for these selections. Information regarding our remaining committee appointments will be provided following the January board meeting.

Thank you,

Andrea

-------------
Andrea Pizano
Board Clerk/Executive Assistant
(408) 721-5301 x1005

SVCleanEnergy.org | Follow us @SVCleanEnergy

SVCE is committed to protecting customer privacy. Learn more about our privacy policy at:
https://www.svcleanenergy.org/customer-confidentiality
Staff Report – Item 4

**Item 4:** Appoint Directors to the SVCE Executive Committee for 2022

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 1/12/2022

**RECOMMENDATION**

Staff recommends that the Board select and appoint SVCE’s Executive Committee for 2022.

**BACKGROUND**

The SVCE Joint Power Agreement Section 4.6 specifies that the Board may establish an executive committee consisting of a smaller number of Directors and that the Board may delegate to the executive committee such authority as the Board might otherwise exercise, subject to limitations specified in the Agreement or in the Operating Rules and Regulations. SVCE’s Operating Rules and Regulations state the Executive Committee shall consist of five Board members.

The duties of the Executive Committee will continue to be to review and provide advice to the Chief Executive Officer and the entire Board on policy, operational and organizational matters and perform such other responsibilities, tasks or activities as delegated to it by the Board.

**ANALYSIS & DISCUSSION**

Following is a snapshot of the 2021 Executive Committee as well as members who have expressed interest in serving for 2022:

<table>
<thead>
<tr>
<th>Frequency of Meetings</th>
<th>Composition</th>
<th>2021 Members</th>
<th>Directors who have Expressed Interest for 2022</th>
</tr>
</thead>
</table>
| Monthly (Currently Fourth Friday, but may change based on member availability) | Chair  
Vice Chair  
Three Additional Board members (5 total, no alternates) | Committee Chair Gibbons  
Committee Vice Chair Tyson  
Director Abe-Koga  
Director Ellahie  
Director Fligor | Director Abe-Koga  
Director Ellahie  
Director Fligor  
Director Gibbons  
**Director Martinez Beltran**  
Director Tyson |

**STRATEGIC PLAN**

The recommendation supports SVCE’s overall strategic plan.

**ALTERNATIVE**

N/A

**FISCAL IMPACT**

There is no fiscal impact to the agency as a result of selecting members of the Executive Committee.
Staff Report – Item 5

Item 5: Approve Policy Platform and Identify Focus Areas for the 2022 Legislative and Regulatory Ad Hoc Committee

From: Girish Balachandran, CEO
Prepared by: Melicia Charles, Director of Regulatory and Legislative Policy
Date: 1/12/2022

RECOMMENDATION
Staff recommends that the SVCE Board of Directors vote to approve:
   1. A Policy Platform for 2022;
   2. Appoint an Ad Hoc Committee to Address Legislative and Regulatory Responses to Industry Transition (“Ad Hoc Committee”) for 2022; and adopt specific focus areas for the Committee so that SVCE can continue to strengthen our advocacy and improve our legislative and regulatory outcomes.

BACKGROUND
Policy Platform

In December 2020, the Board approved SVCE’s Policy Platform. Through approval of this platform, the Board gave SVCE staff the ability to take positions on bills for SVCE without having the Board vote on individual bills. The Platform is an important component of SVCE’s legislative advocacy process, because having the Board vote on every position is not compatible with the pace of events in Sacramento.

Because legislative and regulatory issues are closely intertwined, the Policy Platform was expanded in 2020 to also include SVCE’s overall advocacy strategy on key issues at both the legislative and regulatory level in addition to positions it will take on bills.

Ad Hoc Committee of the Board to Address Legislative and Regulatory Responses to Industry Transition

The Board created an Ad Hoc committee to improve SVCE’s advocacy and outcomes by increasing engagement between SVCE staff and those Board members most interested in legislative matters. The Ad Hoc Committee met in April, June and August, to address legislative and regulatory proposals considered in 2021 and the Committee expired on September 30, 2021.

The voices of local elected officials are highly regarded in Sacramento, and the Committee has become a key part of SVCE’s legislative and regulatory infrastructure for both planning and outreach purposes. SVCE’s advocacy would be significantly less effective without the Committee. Staff therefore requests that the Board appoint a new Ad Hoc Committee to address legislative and regulatory proposals considered during 2022.
ANALYSIS & DISCUSSION
Policy Platform

California’s energy landscape continues to evolve rapidly. The ongoing prevalence of extreme weather events has significantly increased grid reliability needs and spurred new procurement mandates from policymakers in 2021. Further, the continuation COVID-19 pandemic has resulted in delays in energy procurement, as well as kept issues of affordability and equity at the forefront. As a result, it is critical that SVCE actively engage legislators and regulators to ensure policies support SVCE customers and allow us to meet our short and long-term goals. The Policy Platform presents a framework for focusing SVCE resources on the policies and issues that most impact the agency and our member communities.

To that end, the 2022 Policy Platform continues to focus on the three policy areas identified in the 2020 platform, specifically: 1) SVCE Customer Welfare and the CCA Model; 2) Climate Mitigation and Clean Energy Technologies; and 3) California’s Energy Regulatory and Market Structures. The platform identifies key priorities under each policy areas, as well as SVCE’s advocacy and legislative strategy for each priority. Details on policy areas and priorities can be found in the attached Policy Platform.

Ad Hoc Committee of the Board to Address Legislative and Regulatory Responses to Industry Transition

In 2022, anticipated activities of the Committee include:

➢ Planning outreach to and conducting meetings with legislators
➢ Coalition building with stakeholders who share SVCE’s legislative and regulatory priorities
➢ General advocacy strategy development for state and federal activities
➢ Planning for the 2022 session

Staff recommends the following six key focus areas for 2022:

1. Expansion of Direct Access
2. Reliability Planning and Procurement
3. Transparency and Accountability in Ratemaking
5. Affordability and Equity
6. Decarbonization

The Board adopted the first five focus areas for the 2021 Ad Hoc Committee, and staff recommends these areas remain for the 2022 committee. Staff further recommends adding “Decarbonization” as a new focus area given SVCE’s heightened prioritization of decarbonization activities in 2022.

SVCE staff encourage Board members with an interest in legislative and regulatory activities to consider joining the Committee, with the understanding that Committee membership involves additional time on top of regular Board duties.

STRATEGIC PLAN

Approving the Policy Platform, appointing a 2022 Ad Hoc Committee and approving the Committee Focus Areas for 2022 directly support Goal 15 of the Strategic Plan to “Engage regulators, legislators and local electeds in developing policies that protect CCA customer investments and furthers decarbonization, grid reliability, affordability, and social equity”, and Goal 17 of the Strategic Plan to “Influence policy makers by building and leveraging local electeds, diverse stakeholders, and regional agencies.”
ALTERNATIVE
If the Board does not appoint an Ad Hoc Committee for 2022, SVCE staff will need to a) find alternative ways of including the Board in SVCE’s policy advocacy, or b) conduct SVCE’s 2022 legislative and regulatory activities with less involvement of the Board entirely. The former is likely to be more logistically complicated than appointing an Ad Hoc Committee and may increase email/communications traffic for the entire Board. The latter, given the high regard for local elected voices in Sacramento, is likely to make SVCE’s advocacy significantly less effective.

FISCAL IMPACT
Approval of the 2022 Policy Platform and appointment of an Ad Hoc Committee for 2022 is not expected to have any fiscal impact on SVCE.

ATTACHMENTS
1. 2022 Policy Platform
Attachment 1: Silicon Valley Clean Energy Policy Platform  
January 2022

Purpose
Active participation in the state and federal legislative and regulatory processes is an important tool for ensuring that SVCE can continue to serve our customers and uphold our commitment to decarbonization. When Congress and the California legislature is in session, it is crucial that SVCE staff be able to quickly and efficiently determine SVCE’s positions on bills or amendments, communicate those positions to legislators, and apply pressure where needed. This platform is therefore designed to:

- Articulate SVCE’s legislative and regulatory priorities for the 2022 legislative session and beyond;
- Allow SVCE staff to take positions on bills for SVCE without explicit Board approval as long as they are consistent with this platform; and
- Guide optimal use of SVCE advocacy time and resources at both the legislative and regulatory level.

Process
SVCE will review the policy platform at the conclusion of the previous year’s legislative session. The purpose of the review will be to discuss the outcomes of that year’s legislative session, develop goals and priorities for the upcoming session and regulatory proceedings for the following year, and identify any desired updates to this legislative and regulatory platform. Updates to the platform will be drafted by SVCE staff and formally presented for a vote at the January Board meeting.

Platform
The Platform includes SVCE’s overall advocacy strategy for each focus area at both the legislative and regulatory level, as well our legislative strategy (i.e., the positions we will take on bills).

*Note that “oppose” and “support” as used below do not exclusively refer to taking those positions on bills or proceedings publicly. As per existing legislative norms, SVCE staff may contact bill authors directly to amend or remove problematic language before going public with a position on a bill. This approach minimizes misunderstandings and avoids wasting advocacy resources opposing bills whose authors are open to feedback and collaboration.

I. **SVCE Customer Welfare and the CCA Model**
Bills that directly threaten SVCE’s ability to provide its customers with reliable, affordable, carbon-free energy, or those that penalize CCA customers for leaving bundled service with the investor-owned utilities (IOUs). These include but are not limited to bills that affect:

1. **CCA Procurement Autonomy:** Advocate for legislative and regulatory requirements that ensure CCAs’ ability to procure on behalf of their customers and improve system function.
   a. **Legislative Strategy:** SVCE opposes bills that compromise CCAs’ ability to procure energy on behalf of their customers or seek to diminish the role of the Board of Directors as the primary governing body of a CCA. Exceptions will be made only if there is a compelling case for the unique value of increased external regulatory oversight as determined by SVCE staff. SVCE supports bills that provide increased regulatory certainty, including, but not limited to, bills related to grid reliability and resource planning.
2. **Right to Set Retail Generation Rates:** Advocate for rules that reduce barriers to CCAs exercising their right to set their own electric generation rates.

   a. *Legislative Strategy:* SVCE opposes bills that infringe on CCAs’ right to set their own retail electric generation rates, including rates with structures different from those of the IOU serving as the billing agent for the CCA in question. SVCE supports bills that help reduce technical, institutional, and operational barriers to CCAs exercising this right. This includes bills that facilitate time-varying rates by allowing generation-side non-bypassable charges to be collected through structures other than a flat volumetric charge. SVCE similarly supports bills that encourage access to IOU customer data that allows CCAs to more accurately design rates that benefit their customers.

3. **Cost Shifts and Customer Indifference:** Advocating for legislation/regulation that uphold customer indifference and don’t penalize CCA customers for taking service from a CCA over another load-serving entity (LSE).

   a. *Legislative Strategy:* SVCE opposes bills that violate the principle of customer indifference; penalize CCA customers financially for taking generation service from a CCA over any other kind of LSE; and/or shift costs from bundled IOU customers onto CCA customers (or vice versa). SVCE opposes further expansion of direct access unless its implementation includes establishing a) an exit fee or some other mechanism to prevent cost shifts onto CCA customers the same way the PCIA prevents such shifts onto bundled IOU customers, and b) a mechanism to ensure that direct access providers adopt the same or greater renewable power and carbon free power commitment of the CCA that serves the customer.

4. **Non-Bypassable Charges (NBCs):** Advocate for NBCs that provide CCAs the opportunity to self-procure new generation resources rather than paying for cost recovery and place the NBC on the generation side of the bill. Oppose any legislation/regulation that imposes NBCs that don’t meet these criteria.

   a. *Legislative Strategy:* SVCE opposes bills that would create a new non-bypassable charge unless such bills a) provide CCAs an opportunity to self-procure rather than paying cost recovery if the charge is related to new generation resources or contracts, and b) place the new NBC on the generation side of the bill only if it is recovering costs incurred for generation resources. Charges associated with cost recovery of other investments and assessed on the delivery side of the bill still allow for meaningful comparison of generation rates between LSEs, and will not necessarily trigger opposition.

5. **Affordability and Equity:** Advocate for legislation/regulation that encourage affordable rates and access to clean energy technologies for CCA customers in low-income and disadvantaged communities.

   a. *Legislative Strategy:* SVCE supports bills that allow CCAs the autonomy to create programs that a) increase access to clean energy technologies to underserved communities, b) keep rates and bills affordable for vulnerable customers, and c) distributes system costs in an equitable way.

6. **CCA Operating Authority:** Advocate to preserve a CCA Board of Director’s ability to direct CCA operations.

   a. *Legislative Strategy:* Oppose legislation that seeks to diminish or transfer the authority of the Board of Directors as the primary governing body in managing CCA operations.
II. **Climate Mitigation and Clean Energy Technologies**
Bills that may not affect SVCE directly but are relevant to our values of promoting climate mitigation, electrification, and carbon-free energy. This is a broad category, and SVCE involvement will depend on bill specifics and require more staff discretion than the previous two. Can include but is not limited to:

1. **Funding:** Support regional, state, and federal policies and programs that provide climate mitigation and clean energy technology funding and financial support, such as tax credits. Advocate to include CCAs as eligible direct recipients of grant funding for climate mitigation and clean technology programs.
   a. *Legislative Strategy:* Advocate for new programs or CCA eligibility for existing programs that advance climate mitigation and clean energy technology. Support programs that complement and/or expand the reach and scale of SVCE decarbonization programs.

2. **Grid Resilience:** Advocate for legislation/regulations that give CCAs the chance to direct their fire prevention and mitigation investments in these areas where applicable rather than automatically paying for IOU investments through customer cost recovery.
   a. *Legislative Strategy:* SVCE supports including CCAs as a full partner in grid resilience and fire prevention and mitigation planning to the extent that each individual CCA Board of Directors would like to participate. SVCE similarly supports bills that give CCAs the chance to direct their own investments in these areas where applicable rather than automatically paying cost recovery for IOU investments.

3. **Ability to Invest in Grid-Edge Resources:** Advocate for legislation/regulation that provide equal opportunity for CCAs to encourage, invest in, and benefit from distributed energy resources, microgrids, and fuel-switching technologies. This includes access to state and federal funding resources and jurisdiction over dispatch.
   a. *Legislative Strategy:* SVCE supports bills that foster and opposes bills that restrict equal opportunity for CCAs to encourage, invest in, and benefit from grid-edge resources, including distributed energy resources, microgrids, and fuel-switching technologies. This includes access to state and federal funding resources.

4. **Fuel-Switching and Electrification:** Advocate for legislation/regulation that accelerate electrification and fuel-switching in the transportation and built environment spaces and magnify and scale SVCE’s programs in these areas.
   a. *Legislative Strategy:* SVCE supports bills that accelerate electrification and fuel-switching in the transportation and built environment spaces and policies that augment SVCE’s local decarbonization work. This includes exempting load growth due to fuel-switching from the Power Charge Indifference Adjustment (PCIA). Conversely, SVCE will oppose bills that interfere with implementation of SVCE’s own programs in these areas.

III. **California’s Energy Regulatory Requirements and Market Structure**
Bills that seek to modify or reshape California’s broader energy regulatory and market structures. By engaging on bills in this category, SVCE will help California develop a regulatory paradigm for a world of urgent climate mitigation and grid resiliency needs, diversifying distributed energy resources, and increasing consumer interest in active management of their energy use and procurement. SVCE’s top priorities in this category include:
1. **Creation/development towards an Open Access Distribution Platform to unlock demand response and DER potential:** Advocate for increased visibility into the distribution grid so that DERs and other grid-edge technologies can be fully incorporated into reliability and decarbonization planning.
   a. *Legislative Strategy:* SVCE supports increasing visibility into the distribution grid so that distributed energy resources (DERs), non-wires alternatives to traditional grid infrastructure, and other grid-edge technologies can be fully and optimally incorporated into decarbonization and reliability planning. SVCE supports defining an open access platform providing clear information and signals about where DER buildout is optimal for replacing expansions of the traditional grid infrastructure.

2. **CCAs as Providers of Last Resort and Sole Providers:** Advocate for policies that give CCAs the opportunity to serve as providers of last resort or, in the event of IOU departure from retail generation service, sole providers of their territories.
   a. *Legislative Strategy:* SVCE supports giving CCAs the opportunity to serve as provider of last resort (POLR) or, in the event of IOU departure from retail generation service, sole providers in their service territories.

3. **Restructuring of Investor-Owned Utilities:** Advocate for IOU restructuring such that IOU business interests and incentives are more closely aligned with customer interests and ensure that CCAs be given a meaningful role in determining what such a transition would look like and how its impacts on the energy system would be managed.
   a. *Legislative Strategy:* Along with the departure of the IOUs from retail generation service and development of an open access platform, SVCE supports bills and regulatory initiatives that restructure investor-owned utility incentives such that their business interests are more closely aligned with customer interests.

4. **Residual Central Procurement Where It Improves System Function:** Advocate for central procurement only if it’s conducted in a residual manner.
   a. *Legislative Strategy:* SVCE supports bills that modify the existing procurement structure to allow for residual central procurement, preserving LSEs’ financial incentives to build new resources and preventing the creation of stranded assets.

5. **Grid Reliability:** Advocate for more certainty for grid reliability requirements to ensure CCAs have enough time to plan and procure resources necessary for a reliable grid.
   a. *Legislative Strategy:* SVCE supports bills that establish resource adequacy, integrated resource planning and grid reliability rules that ensure compliance for all load-serving entities. SVCE opposes bills that establish reliability rules which favor the investor-owned utilities, impose unreasonable costs on CCAs, and/or increase the risk of CCA non-compliance.
Silicon Valley Clean Energy
Board of Directors Meeting

January 12, 2022

Appendix A

Power Resource Contracts Executed by CEO
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 November 19, 2021 ("Effective Date") regarding the sale and purchase of electric capacity and/or electric energy under the terms and conditions set forth below.

<table>
<thead>
<tr>
<th>Transaction Number:</th>
<th>934241</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchaser:</td>
<td>Silicon Valley Clean Energy Authority</td>
</tr>
<tr>
<td>Seller:</td>
<td>TransAlta Energy Marketing (U.S.) Inc.</td>
</tr>
<tr>
<td>Trade Date:</td>
<td>November 19, 2021</td>
</tr>
<tr>
<td>Type of Transaction:</td>
<td>Inter-SC Trade</td>
</tr>
</tbody>
</table>

**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 and this 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 meanings ascribed 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
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.

TRANSLA ENERGY MARKETING (U.S.) Inc.  

By: Shauna Britton  
Name: Shauna Britton  
Title: Confirmation Coordinator  
Date: 2021/11/19  

SILICON VALLEY CLEAN ENERGY AUTHORITY  

By: Girish Balachandran  
Name: Girish Balachandran  
Title: CEO  
Date: 11/29/2021  

TransAlta
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 November 19, 2021 ("Effective Date") regarding the sale and purchase of electric capacity and/or electric energy under the terms and conditions set forth below.

<table>
<thead>
<tr>
<th>Transaction Number:</th>
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<tr>
<td>Seller:</td>
<td>TransAlta Energy Marketing (U.S.) Inc.</td>
</tr>
<tr>
<td>Trade Date:</td>
<td>November 19, 2021</td>
</tr>
<tr>
<td>Type of Transaction:</td>
<td>Inter-SC Trade</td>
</tr>
</tbody>
</table>

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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.

By: ____________________________
Name: Shauna Britton
Title: Confirmation Coordinator
Date: 2021/11/19

SILICON VALLEY CLEAN ENERGY AUTHORITY

By: ____________________________
Name: Girish Balachandran
Title: CEO
Date: 11/29/2021
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 November 19, 2021 ("Effective Date") regarding the sale and purchase of electric capacity and/or electric energy under the terms and conditions set forth below.

<table>
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<th>934305</th>
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</thead>
<tbody>
<tr>
<td>Purchaser:</td>
<td>Silicon Valley Clean Energy Authority</td>
</tr>
<tr>
<td>Seller:</td>
<td>TransAlta Energy Marketing (U.S.) Inc.</td>
</tr>
<tr>
<td>Trade Date:</td>
<td>November 19, 2021</td>
</tr>
<tr>
<td>Type of Transaction:</td>
<td>Inter-SC Trade</td>
</tr>
</tbody>
</table>

**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 and this 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 meanings ascribed to them in the Master Agreement.

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**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 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. 

By: Shauna Britton  
Name: Shauna Britton  
Title: Confirmation Coordinator  
Date: 2021/11/19

SILICON VALLEY CLEAN ENERGY AUTHORITY

By: Girish Balachandran  
Name: Girish Balachandran  
Title: CEO  
Date: 11/29/2021
CONFIRMATION OF POWER PURCHASE AND SALE TRANSACTION

Date: November 22, 2021

Transaction Number: 3266130

To: Silicon Valley Clean Energy Authority (Buyer)

Trader:

From: NextEra Energy Marketing, LLC (Seller)

Trader: Ruben Lorenzo

This confirmation confirms the terms and conditions of the physical power transaction entered into between the parties.

Trade Date: November 19, 2021

Type of Transaction: FIRM (LD)

Term:

Delivery Period:

Contract Quantity:

Total Contract Quantity:

Contract Price:

Delivery Point:

Scheduling Rules:
CONFIRMATION OF POWER PURCHASE AND SALE TRANSACTION

Special Terms:

Governing Terms: Unless otherwise noted in this confirmation, this transaction is governed by the terms and conditions of the Master Agreement between NextEra Energy Marketing, LLC and Silicon Valley Clean Energy Authority executed on March 14, 2019.

Upon receipt:

NextEra Energy Marketing, LLC
By: 
Name: Nicole Lawrence
Title: Trading Risk Analyst
Date: November 22, 2021
Contact: 

Silicon Valley Clean Energy Authority
By: Girish Balachandran
Name: Girish Balachandran
Title: CEO
Date: 11/29/2021
Contact: Phone
This confirmation letter ("Confirmation") confirms the transaction (the “Transaction”) between San Diego Gas & Electric Company ("Party A" or “Seller”) and Silicon Valley Clean Energy Authority, a California joint powers authority ("Party B" or “Buyer”), each individually a “Party” and together the “Parties”, dated as of December 3, 2021 (the “Confirmation Execution Date”) in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Section 3 of this Confirmation. This Transaction shall be deemed to have been entered into pursuant to, and shall supplement, form a part of, and be governed by the terms and conditions of the form of Master Power Purchase and Sale Agreement published by the Edison Electric Institute and the National Energy Marketers Association (version 2.1 dated 4/25/00) (the “EEI Agreement”) with a Cover Sheet containing the elections and other changes contained herein as if the Parties have executed the EEI Agreement (with such Cover Sheet the “Master Agreement”). The Parties agree that the only transactions to be concluded pursuant to such Master Agreement shall be the Transaction documented in this Confirmation. The Master 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 Master Agreement or the Tariff (defined herein). 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.

Name: Party A / Seller

Name: Party B / Buyer
The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

**Article Two**
Transaction Terms and Conditions

- □ Optional provision in Section 2.4.
  - If not checked, inapplicable.

**Article Four**
Remedies for Failure to Deliver or Receive

- ☒ Accelerated Payment of Damages.
  - If not checked, inapplicable.

**Article Five**
Events of Default; Remedies

- □ Cross Default for Party A:
  - ☒ Party A: N/A
  - Cross Default Amount: N/A

- □ Cross Default for Party B:
  - ☒ Party B: N/A
  - Cross Default Amount: N/A

5.6 Closeout Setoff

- ☒ Option A (Applicable if no other selection is made.)
  - ☐ Option B – Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows:

  - □ Option C (No Setoff)

**Article 8**
Credit and Collateral Requirements

8.1 Party A Credit Protection:

- (a) Financial Information:
  - ☒ Option A
  - □ Option B Specify: ______________________
  - □ Option C Specify: ______________________

- (b) Credit Assurances:
  - ☒ Not Applicable
  - □ Applicable

- (c) Collateral Threshold:
  - ☒ Not Applicable
  - □ Applicable

- (d) Downgrade Event:
  - ☒ Not Applicable
  - □ Applicable

- (e) Guarantor for Party B: N/A
  - Guarantee Amount: N/A

8.2 Party B Credit Protection
(a) Financial Information:
- ☑ Option A
- □ Option B Specify: ______________________
- □ Option C Specify: ______________________

(b) Credit Assurances:
- ☑ Not Applicable
- □ Applicable

(c) Collateral Threshold:
- ☑ Not Applicable
- □ Applicable
  If applicable, complete the following:
  Party A Collateral Threshold: $____________;
  provided, however, that Party A’s Collateral
  Threshold shall be zero if an Event of Default or
  Potential Event of Default with respect to Party A
  has occurred and is continuing.
  Party A Independent Amount: $____________
  Party A Rounding Amount: $____________

(d) Downgrade Event:
- ☑ Not Applicable
- □ Applicable
  If applicable, complete the following:
  □ It shall be a Downgrade Event for Party A if
    Party A’s Credit Rating falls below _______ from S&P or _______ from Moody’s or if Party A
    is not rated by either S&P or Moody’s
  □ Other:
    Specify: ________________________________

(e) Guarantor for Party A: N/A
  Guarantee Amount: N/A

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**Article 10**
Confidentiality

- ☑ Confidentiality Applicable If not checked, inapplicable.

**Schedule M**

- □ Party A is a Governmental Entity or Public Power System
- ☑ Party B is a Governmental Entity or Public Power System
- □ Add Section 3.6. If not checked, inapplicable
- □ Add Section 8.4. If not checked, inapplicable

Note to Buyers: If Buyer is a form of governmental entity, then Schedule M shall apply and further modifications to this Confirm will be needed.
Other Changes

1. The modifications to Section 1.12, 1.50 and 5.2 of the Master Agreement specified in that certain Errata published by the Edison Electric Institute (version 1.1, July 18, 2007) are hereby incorporated herein as if set forth in full.

2. Section 1.23 is amended by inserting the following before the period at the end of the second sentence: “, or (v) Buyer's inability to use the Product purchased hereunder due to decertification of its CPUC implementation plan, or by cessation or termination of Buyer’s Joint Powers Agreement by any or all of its members”.

3. Section 1.60 is amended by inserting the words “in writing” immediately following the words “agreed to”.

4. In Section 2.1, delete the first sentence in its entirety and replace with the following:

“A Transaction, or an amendment, modification or supplement thereto, shall be entered into only upon a writing signed by both Parties evidencing the commercial terms of such Transaction (a “Confirmation”).”

5. Section 2.3 is deleted in its entirety and replaced with the following:

“2.3 No Oral Agreements or Modifications. Notwithstanding anything to the contrary in this Master Agreement, the Master Agreement and any and all Transactions may not be orally amended, supplemented or modified and any such amendment, supplement or modification shall only be effective pursuant to a writing signed by both Parties.”

6. Section 2.4 is hereby amended by deleting the words “either orally or” in the sixth line.

7. Section 10.2(ii) of the Master Agreement shall be modified by inserting “Except for the approval by the CPUC as stated in Section 2.2 of this Confirmation,” at the beginning of the first sentence in such section.

8. Section 10.6 of the Master Agreement shall be deleted in its entirety and replaced with the following:

“10.6 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 PERMISSIBLE UNDER APPLICABLE LAW, EACH PARTY WAIVES ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT.”

9. Schedule M is amended, with respect to Party B, as follows:

(a) Paragraph A is amended by deleting the term “Act” and replacing it with the following:

“Act” means the Joint Exercise of Powers Act of California (Government Code Section 6500 et seq.).”

(b) Section 3.4 of Paragraph D is deleted in its entirety and replaced with the following:

“Party B’s Deliveries. Upon request, Party B shall provide to Party A copies of all ordinances, resolutions, public notices and other documents evidencing the necessary authorizations with respect to the execution, delivery and performance by Party B of this Master Agreement and any Confirmations executed in connection therewith.”

(c) Paragraph G is deleted in its entirety and replaced with the following:


10. Schedule P: Products and Related Definitions shall be deleted in its entirety.

1. Definitions

1.1 “Applicable Laws” means any law, rule, regulation, order, decision, judgment, or other legal or regulatory determination by any Governmental Body having jurisdiction over one or both Parties or this Transaction, including without limitation, the Tariff.

1.2 “Availability Incentive Payments” has the meaning set forth in the Tariff.

1.3 “Availability Standards” has the meaning set forth in the Tariff.
1.4 “Buyer” has the meaning specified in the introductory paragraph.

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

1.6 “Capacity Attributes” means (a) the Local RA Attributes, (b) the RA Attributes, (c) the Flexible RA Attributes, and (d) any other current or future defined characteristics (including the ability to generate at a given capacity level, provide ancillary services, ramp up or down at a given rate, and flexibility or dispatch-ability attributes), certificates, tags, credits, howsoever entitled, including any account construct applied to any Compliance Obligations, based on the applicable Unit’s electric generation capacity.

1.7 “Capacity Price” means the price specified in the Capacity Price Table in Section 4.1.

1.8 “Capacity Replacement Price” means (a) the actual rate per kW-day paid for any Replacement Capacity purchased by Buyer pursuant to Section 5.2(a) including any penalties, fines, transaction costs and expenses reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of Replacement Capacity, any penalties, fines, transaction costs and expenses plus the per kW-day market price for the Product not delivered by Seller under this Confirmation. Buyer shall determine such market prices in a commercially reasonable manner. For purposes of Section 1.51 of the Master Agreement, “Capacity Replacement Price” shall be deemed the “Replacement Price” for this Transaction.

1.9 “Compliance Obligations” means the RAR, Local RAR, Flexible RAR, and other resource adequacy requirements associated with a generating unit’s Capacity Attributes established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body having jurisdiction.

1.10 “Compliance Showing” means one or more of the following: (a) Local RAR Showing, (b) RAR Showing, (c) Flexible RAR Showing, or (d) other Capacity Attributes compliance or advisory filing (or similar or successor showing or filing), in each case, that 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 any Governmental Body having jurisdiction.

1.11 “Confirmation” has the meaning specified in the introductory paragraph.

1.12 Reserved

1.13 “Confirmation Execution Date” has the meaning specified in the introductory paragraph.

1.14 “Contract Price” means, for any day in any Monthly Delivery Period, the Capacity Price for such period.

1.15 “Contract Quantity” means the quantity of Product (in MW) as set forth in Section 3.4.

1.16 “Contract Term” has the meaning set forth in Section 2.1.
1.17 “CPUC” means the California Public Utilities Commission.

1.18 “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, 12-06-25, and any other existing or subsequent decisions, resolutions or rulings related to resource adequacy, as may be amended from time to time by the CPUC.

1.19 “CPUC Filing Guide” is 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 as provided in the CPUC Decisions.

1.20 “Credit Rating” means, with respect to any entity, the rating assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third party credit enhancements) by S&P, Moody’s or any other rating agency agreed by the Parties as set forth in the Master Agreement, or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P, Moody's or any other rating agency agreed by the Parties as set forth in the Master Agreement.

1.21 “Delivery Period” has the meaning specified in Section 3.3.

1.22 “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.

1.23 “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.

1.24 “Flexible RA Attributes” means, with respect to a Unit, any and all flexible resource adequacy attributes, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction that can be counted toward Flexible RAR, exclusive of any RA Attributes and Local RA Attributes.

1.25 “Flexible RAR” means the flexible capacity requirements, including, without limitation, maximum continuous ramping, load following, and regulation, established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body having jurisdiction. Flexible RAR may also be known as ramping, maximum ramping, maximum continuous ramping, maximum continuous ramping capacity, maximum...
continuous ramping ramp rate, load following, load following capacity, load following ramp rate, regulation, regulation capacity, regulation ramp rate.

1.26 “Flexible RAR Showing” means the Flexible RAR compliance or advisory filing (or similar or successor showing or filing) 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 any Governmental Body having jurisdiction.

1.27 “GADS” means the Generating Availability Data System, or its successor.

1.28 “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.

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

1.30 “Local RA Attributes” means, with respect to a Unit, any and all resource adequacy attributes or other locational attributes for the 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 Unit within the CAISO Control Area, that can be counted toward a Local RAR, but exclusive of any RA Attributes and Flexible RA Attributes.

1.31 “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 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.

1.32 “Local RAR Showing” means the Local RAR compliance or advisory filing (or similar or successor showing or filing) 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 any Governmental Body having jurisdiction.

1.33 “LSE” means load-serving entity.

1.34 “ 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)).

1.35 “Master Agreement” has the meaning specified in the introductory paragraph.

1.36 “Monthly Delivery Period” means each calendar month during the Delivery Period and shall correspond to each Showing Month.
1.37 “Monthly Payment” has the meaning specified in Section 4.1.

1.38 “Moody’s” means Moody’s Investors Services, Inc. or its successor.

1.39 “NERC” means the North American Electric Reliability Corporation, or its successor.

1.40 “NERC/GADS Protocols” means the GADS protocols established by NERC, as may be updated from time to time.

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

1.42 “Non-Availability Charges” has the meaning set forth in the Tariff.

1.43 “Outage” means any 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.

1.44 “Planned Outage” shall have the meaning in CPUC Decisions, and includes a planned, scheduled, or any other Outage approved by the CAISO for the routine repair or maintenance of the Unit, or for the purposes of new construction work, and does not include any Outage designated as either forced or unplanned as defined by the CAISO or NERC/GADS Protocols.

1.45 “Product” has the meaning specified in Section 3.1.

1.46 “Prorated Percentage of Unit Factor” means the percentage, as specified in Appendix A, of the Unit NQC as of the Confirmation Execution Date that is dedicated to Buyer under this Transaction.

1.47 “Prorated Percentage of Unit Flexible Factor” means the percentage, as specified in Appendix A, of the Unit EFC as of the Confirmation Execution Date that is dedicated to Buyer under this Transaction.

1.48 “RA Attributes” means, with respect to a Unit, any and all resource adequacy attributes, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction that can be counted toward RAR, exclusive of any Local RA Attributes and Flexible RA Attributes.

1.49 “RA Substitute Capacity” means capacity that the CAISO permits under the CAISO Tariff to be substituted for a Resource Adequacy Resource that is on Outage.

1.50 “RAR” means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body having jurisdiction.

1.51 “RAR Showing” means the RAR compliance or advisory filing (or similar or successor showing or filing) 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 any Governmental Body having jurisdiction.
1.52 "Replacement Capacity" means capacity which has equivalent Capacity Attributes as the portion of the Product not provided by the Units committed to Buyer as of the Confirmation Execution Date.

1.53 "Replacement Unit" means a generating unit providing Replacement Capacity.

1.54 "Resource Category" shall be as described in the CPUC Filing Guide.

1.55 "RMR Contract" has the meaning set forth in the Tariff.

1.56 "S&P" means the Standard & Poor’s Rating Group (a division of McGraw-Hill, Inc. or its successor).

1.57 "Scheduling Coordinator" or "SC" has the meaning set forth in the Tariff.

1.58 "Seller" has the meaning specified in the introductory paragraph.

1.59 "Showing Month" shall be the calendar month that is the subject of the Compliance Showing, as applicable, as set forth in the CPUC Decisions. For illustrative purposes only, pursuant to the CPUC Decisions in effect as of the Confirmation Execution Date, the monthly RAR Showing made in June is for the Showing Month of August.

1.60 "Substitution Rules" has the meaning set forth in Section 3.8(b).

1.61 "Supply Plan" has the meaning set forth in the Tariff.

1.62 "Tariff" means the tariff and protocol provisions, including any applicable CAISO-published “Operating Procedures” and “Business Practice Manuals,” as amended or supplemented from time to time, of the CAISO.

1.63 "Transaction" has the meaning specified in the introductory paragraph.

1.64 "Unit" or “Units” shall mean the generation assets described in Appendix A (including any Replacement Units), from which Product is provided by Seller to Buyer.

1.65 "Unit Contract Quantity" means the amount of Product (in MW) to be delivered by Seller to Buyer by each individual Unit, as specified in Appendix A as of the Confirmation Execution Date.

1.66 "Unit Delivered Quantity" means the amount of applicable Product (in MW) actually "delivered" by Seller to Buyer by each individual Unit. As used herein, “delivered” shall mean shown in the Supply Plan and, for purposes of Section 4.1, shall include any RA Substitute Capacity under Section 3.9, and in all cases, shall not include (i) any portion of Contract Capacity for which Buyer is required under the Compliance Obligations or the Tariff to procure Replacement Capacity, and (ii) any portion of Contract Capacity for which Seller is required hereunder, but fails, to provide Replacement Capacity to Buyer.

1.67 "Unit EFC" means the effective flexible capacity or capacity that is qualified to provide Flexible RA Attributes established by the CAISO for the applicable Unit.
1.68 "Unit NQC" means the Net Qualifying Capacity established by the CAISO for the applicable Unit.

2. **Term**

2.1 **Contract Term**

The “Contract Term” shall mean the period of time commencing upon the Confirmation Execution Date and continuing until the later of (a) the expiration of the Delivery Period or (b) the date the Parties' obligations under this Agreement have been fulfilled.

3. **Transaction**

3.1 **Product**

(a) Seller shall sell and Buyer shall receive and purchase, the Capacity Attributes (including all Local RA Attributes but excluding Flexible RA Attributes (if any)) of the Units identified in Appendix A (collectively, the “Product”) and Seller shall deliver the Product as described in Section 3.2 below. Product does not include any right to dispatch or receive the energy or ancillary services from the Unit. Seller retains the right to sell any Product from a Unit in excess of its Unit Contract Quantity.

(b) The Parties agree that (i) the Contract Price for the Product shall not change if the CAISO, CPUC or other Governmental Body (A) defines new or re-defines existing Local Capacity Areas which decreases or increases the amount of Local RA Attributes provided hereunder, or (B) defines new or re-defines existing Local Capacity Areas whereby the Units qualify for a Local Capacity Area and (ii) if the event in Section 3.1(b)(i)(B) occurs then the Product shall include such Local RA Attributes.

3.2 **Contingent Firm Quantity**

During the Delivery Period, Seller shall provide Buyer with the Product from the Unit(s) in the amount of the Contract Quantity. Seller shall be excused from delivery of Product to the extent such portion of the Contract Quantity is not available due to a Planned Outage if Seller provides written notification to Buyer of such Planned Outage and Seller's intent not to provide Replacement Capacity no later than twelve (12) days before the relevant deadline for the applicable Compliance Showing. Except for reasons of Planned Outage that meet the notice requirements of the preceding sentence or Force Majeure or any adjustment of the Capacity Attributes of any Unit(s), if the Unit(s) are not available to provide any portion of the Product, Seller shall provide Buyer with Replacement Capacity from one or more Replacement Units pursuant to Section 5.1. If Seller fails to provide Buyer with Replacement Capacity pursuant to Section 5.1, then Seller shall be liable for damages and/or to indemnify Buyer for penalties, fines or costs pursuant to the terms of Section 5 and Section 11. Seller is obligated to meet the Tariff obligations with respect to Planned Outage approvals.

3.3 **Delivery Period**

The “Delivery Period” shall be February 1st, 2022 through February 28, 2022, unless terminated earlier in accordance with the terms of this Agreement.
3.4 **Contract Quantity:**

During each month of the Delivery Period, Seller shall provide the Product from each Unit in the total amount for such month as follows:

**CONTRACT QUANTITY TABLE**

<table>
<thead>
<tr>
<th>Unit Name</th>
<th>CAISO Resource ID*</th>
<th>Month(s)</th>
<th>Unit Contract Quantity (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Capacity Attributes (excluding Flexible RA Attributes)</td>
</tr>
</tbody>
</table>

3.5 **Delivery of Product**

Seller shall provide Buyer with the Contract Quantity for each day in each Monthly Delivery Period consistent with the following:

(a) Seller shall, on a timely basis, submit, or cause each Unit’s SC to submit, Supply Plans to identify and confirm the Unit Delivered Quantity for each Unit provided to Buyer so that the total amount of Unit Delivered Quantity identified and confirmed equals the Unit Contract Quantity for each Unit, unless specifically notified or requested not to do so by the Buyer pursuant to Section 3.8; and

(b) Seller shall submit, or cause each Unit’s SC to submit, written notification to Buyer, no later than fifteen (15) Business Days before the relevant deadline for any applicable Compliance Showing, that Buyer will be credited with Unit Delivered Quantity for the applicable portion of the Delivery Period in the Unit’s SC Supply Plan so that the total amount of Unit Delivered Quantity for each Unit credited equals the Unit Contract Quantity.

3.6 **CAISO/CPUC Offer Requirements**

Subject to Buyer’s request under Section 3.8(a), Seller shall, or cause the Unit’s SC to, bid and/or schedule with, or make available to, the CAISO the Unit Contract Quantity for each Unit in compliance with the Tariff and the CPUC Filing Guide, including any must offer obligation under the Tariff or the CPUC Filing Guide, and shall, or cause the Unit’s SC, owner, or operator, as applicable, to perform all obligations under the Tariff and the CPUC Filing Guide that are associated with the sale and delivery of Product hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit’s SC, owner, or operator to comply with such Tariff and CPUC Filing Guide provisions, including any penalties, charges or fines imposed on Seller or the Unit’s SC, owner, or operator for such noncompliance.

3.7 **Reserved**
3.8 Unit Substitution: RA Replacement Capacity

(a) **RA Replacement Capacity:** No later than five (5) Business Days before the relevant deadline for each applicable Compliance Showing, Buyer may (i) request, subject to Seller’s reasonable approval, that Seller not, or cause each Unit’s SC not to, list a portion or all of a Unit’s applicable Unit Contract Quantity on the Supply Plan or (ii) notify Seller that a portion or all of the Unit Contract Quantity of a Unit will be included in an applicable Compliance Showing as RA Substitute Capacity. The amount of Unit Contract Quantity that is the subject of such a request or notice shall be known as “RA Substitute Capacity” and, for purposes of calculating a Monthly Payment pursuant to Section 4.1, to the extent provided, such RA Substitute Capacity shall be deemed Unit Delivered Quantity provided consistent with Section 3.6.

(b) **Seller’s Obligations With Respect to RA Substitute Capacity:** If Buyer requests RA Substitute Capacity, Seller shall (i) make such RA Substitute Capacity available to Buyer during the applicable Showing Month to allow Buyer to utilize, as applicable, the substitution rules in Sections 9.3.1.3.1, 9.3.1.3.2 and 40.9.4.2.1 of the Tariff (“Substitution Rules”) and (ii) take, or cause each Unit’s SC to take, all action to allow Buyer to utilize, as applicable, the Substitution Rules, including, but not limited to, ensuring that the RA Substitute Capacity will qualify, as applicable, for substitution under the Substitution Rules, and providing Buyer with all information needed to utilize the Substitution Rules.

(c) Seller agrees that all RA Substitute Capacity utilized by Buyer under the Substitution Rules, as applicable, is subject to the requirements identified in Section 3.6.

(d) **Failure to Provide RA Substitute Capacity:** If Seller fails to provide RA Substitute Capacity or Buyer is unable to utilize the RA Substitute Capacity under the Substitution Rules due to Seller’s failure to fulfill its obligations under Section 3.8(b)(ii), then Seller shall reimburse Buyer for any and all Non-Availability Charges incurred by Buyer and shall pay Buyer the CPM revenue the CASIO would have paid the Buyer but for Seller failure, due to such failure or inability to utilize the Substitution Rules; provided, that if Buyer is unable to utilize the Substitution Rules because the RA Substitute Capacity does not qualify for substitution under Section 9.3.1.3.1, 9.3.1.3.2, 40.9.4.2.1(1)(i) or (ii) of the Tariff, then Seller shall not be responsible for any such Non-Availability Charges described in this Section 3.8(d) associated with such inability.

3.9 Buyer’s Re-Sale of Product

Buyer may re-sell all or a portion of the Product; provided, however, that any such resale does not increase Seller’s obligations or liabilities under this Confirmation. Seller will, or will cause the Unit’s SC, to follow Buyer’s reasonable instructions with respect to providing such resold Product to a subsequent buyer (“Subsequent Buyer”) provided that such instructions are consistent with Seller’s obligations under this Confirmation. Seller will, and will cause the Unit’s SC, to: (a) execute such other documents that are necessary and reasonable to allow such Subsequent Buyer to use such resold Product as otherwise permitted by Buyer under this Confirmation, and (b) take such commercially reasonable actions that are no more onerous than the actions
otherwise required of Seller and the Unit’s SC hereunder to permit such Subsequent Buyer to use such resold Product as otherwise permitted by Buyer under this Confirmation.

4. Payment

4.1 Monthly Payment

In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a “Monthly Payment” to Seller for each Unit after the applicable Monthly Delivery Period, as follows:

\[
Monthly Payment = \sum_{n=1}^{d} (A_n \times B_n \times 1000)
\]

**where:**

- \( A = \text{applicable Contract Price (in \$/kW-day) for that calendar day} \)
- \( B = \text{Unit Delivered Quantity (in MW) for Capacity Attributes provided by Seller for such Unit in that calendar day; provided, however, in no event shall this quantity “B” exceed the Contract Quantity for such Unit (in MW) for Capacity Attributes nor shall this quantity “B” be less than zero.} \)
- \( d = \text{Total number of calendar days in the respective Monthly Delivery Period} \)

The Monthly Payment calculation shall be rounded to two decimal places. In no case shall a Unit's Monthly Payment (or any day in any Monthly Payment) be less than zero.

**CAPACITY PRICE TABLE**

4.2 Reserved.

4.3 Allocation of Other Payments and Costs

(a) Seller shall retain any revenues it may receive from and pay all costs charged by, the CAISO or any other third party with respect to any Unit for (i) start-up, shutdown, and minimum load costs, (ii) capacity revenue for ancillary services, (iii) energy sales, and (iv) any revenues for black start or reactive power services. Seller shall be responsible for the Environmental Costs associated with the Product and shall indemnify, defend and hold Buyer harmless from and against all third-party claims brought against Buyer for Environmental Costs.

(b) Buyer shall be entitled to receive and retain all revenues associated with the Contract Quantity during the Delivery Period including any capacity or
availability revenues from RMR Contracts for any Unit, Capacity Procurement Mechanism (CPM) or its successor, and Residual Unit Commitment (RUC) Availability Payments, or its successor but excluding payments described in Section 4.3(a)(i)-(iv).

(c) In accordance with Section 4.1 of this Confirmation and Article Six of the Master Agreement, all such Buyer revenues described in Section 4.3(b), but received by Seller, or a Unit's SC, owner, or operator shall be remitted to Buyer, and Seller shall pay such revenues to Buyer if the Unit’s SC, owner, or operator fails to remit those revenues to Buyer. In order to verify the accuracy of such revenues, Buyer shall have 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.

(d) If a centralized capacity market develops within the CAISO region, Buyer will have exclusive rights to offer, bid, or otherwise submit the Contract Quantity for re-sale in such market, and retain and receive any and all related revenues.

(e) Subject to the Unit being made available to the CAISO in accordance with Article 3 of this Confirmation, Seller agrees that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments under the Tariff. Furthermore, the Parties agree that any Availability Incentive Payments are for the benefit of Seller and for Seller’s account and that any Non-Availability Charges are the responsibility of Seller and for Seller’s account.

4.4 Offset Rights

Either Party may offset any amounts owing to it for revenues, penalties, fines, costs, reimbursement or other payments pursuant to Article Six of the Master Agreement against any future amounts it may owe to the other Party under this Confirmation.

5. Seller's Failure to Deliver Contract Quantity

5.1 Seller’s Duty to Provide Replacement Capacity

Seller will be under no obligation to provide Replacement Capacity in the event of Force Majeure or Planned Outages that are timely noticed to Buyer in accordance with Section 3.2. If Seller is unable to provide the Contract Quantity from any Unit(s) for any day in any Monthly Delivery Period and Replacement Capacity is required under Section 3.2, then:

(a) Seller shall notify Buyer of the non-availability of any portion of the Contract Quantity from any Unit(s) and identify Replacement Unit(s); and

(b) Seller shall, at no additional cost to Buyer, provide Buyer with Replacement Capacity from one or more Replacement Units, such that the total amount of Product provided to Buyer from all Units and Replacement Units equals Contract Quantity.
provided that the designation of any Replacement Unit by Seller shall be subject to Buyer’s prior written approval, which shall not be unreasonably withheld or delayed. Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 5.1, and Buyer has approved the designation of the Replacement Unit, then any such Replacement Unit shall be deemed a Unit for purposes of this Confirmation for that day in such Monthly Delivery Period. Notwithstanding anything to the contrary in this Confirmation, Seller’s failure to properly provide Replacement Capacity, including Seller’s obligation to identify Replacement Units within the notice deadlines specified in this Section 5.1, may result in the calculation of damages payable to Buyer and/or the indemnification of Buyer against any penalties, fines or costs under Section 5 and Section 11.

5.2 Damages for Failure to Provide Replacement Capacity

If Seller fails to provide Buyer any portion of the Contract Capacity from Replacement Units for any day in any Monthly Delivery Period as required by Section 5.1, then the following shall apply:

(a) Buyer may, but shall not be obligated to, obtain Replacement Capacity. Buyer may enter into purchase transactions with one or more parties to replace the portion of Contract Capacity not provided by Seller. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver the capacity to another party, and such arrangements shall be considered the procurement of Replacement Capacity. Buyer shall act in a commercially reasonable manner in purchasing any Replacement Capacity; and

(b) Seller shall pay to Buyer damages, in accordance with the terms of Section 4.1 of the Master Agreement relating to “Accelerated Payment of Damages,” if applicable, an amount equal to the positive difference, if any, between (i) the sum of (A) the Capacity Replacement Price paid by Buyer for any Replacement Capacity purchased by Buyer pursuant to Section 5.2(a) for such day, plus (B) the Capacity Replacement Price times the portion of Contract Capacity not provided by Seller nor purchased by Buyer pursuant to Section 5.2(a) for such day times 1,000 kW/MW, and (ii) the portion of Contract Capacity not provided for the applicable day in the applicable Monthly Delivery Period times the Contract Price for that day times 1,000 kW/MW.

5.3 Indemnities for Failure to Deliver Contract Capacity

If Buyer is unable to purchase Replacement Capacity after Seller fails to provide Buyer a portion of the Contract Capacity from Replacement Units for any day in any Monthly Delivery Period as required by Section 5.1, then in addition to the damages pursuant to Section 5.2(b)(i)(B) with respect to the portion of Contract Capacity that Buyer has not replaced, Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC, CAISO, or any Governmental Body having jurisdiction, resulting from any of the following:

(a) Seller’s failure to provide any portion of the Contract Capacity or any portion of the Replacement Capacity;
6. Other Buyer and Seller Covenants

6.1 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 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 Compliance Obligations. 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 having jurisdiction to administer Compliance Obligations, to maintain the benefits of the bargain struck by the Parties on the Confirmation Execution Date. The Parties acknowledge that the benefit of the bargain as stated in this Agreement attempts to reflect anticipated changes to the CASIO and CPUC Resource Adequacy rules as such rules have been proposed as of the Confirmation Execution Date.

As used in this Section 6.1, “commercially reasonable actions” or “good faith” 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’s Represents, Warrants and Covenants

Seller represents, warrants and covenants to Buyer that, throughout the Delivery Period:

(a) Seller owns or has the exclusive right to the Product sold under this Confirmation from each Unit, and shall furnish Buyer, CAISO, CPUC 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 Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets, other than pursuant to an RMR Contract between the CAISO and either Seller or the Unit’s owner or operator;

(c) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;
(d) Seller shall, and each Unit’s SC, owner and operator is obligated to, comply with Applicable Laws, including the Tariff, relating to the Product;

(e) If Seller is the owner of any Unit, the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned or transferred for any Unit does not exceed the Unit NQC or Unit EFC, as applicable, for that Unit;

(f) Seller has notified the SC of each Unit that Seller has transferred the Unit Contract Quantity to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the Tariff fully reflecting such transfer;

(g) Seller has notified the SC of each Unit that Seller is obligated to cause each Unit’s SC to provide to Buyer, at least fifteen (15) Business Days before the relevant deadline for each Compliance Showing, the Unit Contract Quantity of each Unit that is to be submitted in the Supply Plan associated with this Agreement for the applicable period;

(h) Seller has notified each Unit’s SC that Buyer is entitled to the revenues set forth in Section 4.3, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues;

(i) In the event Seller has rights to the energy output of any Unit, and Seller or the Unit’s SC schedules energy from the Unit for export from the CAISO Control Area, or commits energy to another entity in a manner that could result in scheduling energy from the Unit for export from the CAISO Control Area, it shall do so only as allowed by, and in accordance with, Applicable Laws and such exports may, if allowed by the Tariff, be curtailed by the CAISO; and

(j) The owner or operator of each Unit is obligated to maintain and operate each Unit using Good Utility Practice and, if applicable, 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.

7. Confidentiality

Notwithstanding Section 10.11 of the Master Agreement, the Parties agree that Buyer and Seller may disclose this Agreement to the CPUC, CAISO and any Governmental Body, as required by Applicable Law, and Seller may disclose the transfer of the Contract Quantity under this Transaction to the SC of each Unit in order for such SC to timely submit accurate Supply Plans; provided, that each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or SC to further disclose such information. In addition, in the event Buyer resells all or any portion of the Product, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to effect such resale transaction. Each Party recognizes that this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.).
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 written agreement signed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a written document signed by both Parties.

9. **Counterparts**

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

10. **Collateral Requirements**

    Notwithstanding anything herein or in the Master Agreement to the contrary, Performance Assurance shall not be required from either Party in connection with this Transaction.

11. **Declaration of an Early Termination Date and Calculation of Settlement Amounts**

    Notwithstanding anything to the contrary, 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 as applicable. Furthermore, with respect to this Transaction only, the following language is to be added at the end of Section 5.2 of the EEI Agreement:

    “If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur penalties, fines or costs from the CPUC, the CAISO, or any other Governmental Body having jurisdiction, because Buyer is not able to include the Contract Quantity in any applicable Compliance Showing due to the termination of the Transaction under the Master Agreement caused by Seller’s Event of Default and Buyer has not purchased Replacement Capacity for the applicable portion of the Contract Quantity, then Buyer may, in good faith, estimate as its Losses in respect of the Transaction the present value of the amount of those penalties, fines and costs on a $/kW-day basis subtracting the Contract Price (in $/kW-day) and include this estimate in its determination of the Settlement Amount, subject to accounting to Seller when those penalties, fines and costs are finally ascertained. The rights and obligations with respect to determining and paying any Settlement Amount or Termination Payment, and any dispute resolution provisions with respect thereto, shall survive the termination of this Transaction and shall continue until after those penalties or fines are finally ascertained.”

    [Signature page follows]
IN WITNESS WHEREOF, the Parties have caused this Confirmation to be duly executed as of the Confirmation Execution Date.

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: Girish Balachandran

Name: Girish Balachandran

Title: CEO

SAN DIEGO GAS & ELECTRIC COMPANY a California corporation

By: Joseph Pasquito

Name: Joseph Pasquito

Title: Market Analysis Manager

APPROVED as to legal form
## APPENDIX A

### Unit Information

<table>
<thead>
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<th>Month</th>
<th>Feb</th>
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<tr>
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WSPP RESOURCE ADEQUACY CONFIRMATION

This Confirmation confirms the transaction between Central Coast Community Energy, a California joint powers authority (“Seller”) and Silicon Valley Clean Energy Authority, a California, a California joint powers authority (“Purchaser”), and each individually a “Party” and together the “Parties”, dated as of December 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.
Joint CCA WSPP Standard RA Confirmation

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
Joint CCA WSPP Standard RA Confirmation

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.

(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
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.
Joint CCA WSPP Standard RA Confirmation

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.
Joint CCA WSPP Standard RA Confirmation

(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.
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.
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.
Joint CCA WSPP Standard RA Confirmation

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 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 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


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.
Joint CCA WSPP Standard RA Confirmation

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:
“(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
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),
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
Joint CCA WSPP Standard RA Confirmation

or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[Signatures appear on the following page.]
AGREED AS OF THE EFFECTIVE DATE:

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: Girish Balachandran
Name: Girish Balachandran
Title: CEO

CENTRAL COAST COMMUNITY ENERGY, a California joint powers authority

By: Tom Habashi
Name: Tom Habashi
Title: Chief Executive Officer

Approved as to form:

By: Robert M. Shaw
Name: Robert M. Shaw
Title: COO and General Counsel
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, however 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 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.
“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.
“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.
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

Delivery period:

Contract Quantity and Contract Price:
## Appendix A

### Unit 1

<table>
<thead>
<tr>
<th><strong>Unit Specific Information</strong></th>
<th><strong>REDONDO GEN STA. UNIT 5</strong></th>
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<tr>
<td><strong>Resource Name</strong></td>
<td>REDOND_7_UNIT 5</td>
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<td>Physical Location</td>
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<td>Unit NQC by month (e.g., Jan=50, Feb=65):</td>
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<td>Unit EFC by month (e.g., Jan=30, Feb=50)</td>
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<td>Resource Type (e.g., gas, hydro, solar, etc.)</td>
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<tr>
<td>Prorated Percentage of Unit Flexible Factor</td>
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<td>Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)</td>
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<td>Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)</td>
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APPENDIX C
RESERVED
## APPENDIX D
### PLANNED OUTAGE SCHEDULE

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<th>Unit Name</th>
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<th>SLIC Outage End Date</th>
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Joint CCA WSPP Standard RA Confirmation

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 December 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.
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.

(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
### 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.
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 relevant deadlines for the Compliance Showings applicable to the 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


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**

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:
“(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.]
AGREED AS OF THE EFFECTIVE DATE:

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

By: 
Name: Girish Balachandran
Title: CEO

CENTRAL COAST COMMUNITY ENERGY, a California joint powers authority

By: 
Name: Tom Habashi
Title: Chief Executive Officer

Approved as to form:

By: 
Name: Robert M. Shaw
Title: COO and General Counsel
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
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.
“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.
“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.
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): N/A

Delivery period: 

Contract Quantity and Contract Price:
## Unit 1

### Unit Specific Information

<table>
<thead>
<tr>
<th>Resource Name</th>
<th>REDONDO GEN STA. UNIT 5</th>
</tr>
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<tbody>
<tr>
<td>Physical Location</td>
<td>Redondo Beach, CA</td>
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<tr>
<td>CAISO Resource ID</td>
<td>REDOND_7_UNIT 5</td>
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<tr>
<td>SCID of Resource</td>
<td>EDFR</td>
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<tr>
<td>Unit NQC by month</td>
<td>178.87</td>
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<td>Unit EFC by month</td>
<td>N/A</td>
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<td>Resource Type</td>
<td>Natural Gas Steam</td>
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<td>Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)</td>
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<tr>
<td>TAC Area (e.g., PG&amp;E, SCE)</td>
<td>SCE</td>
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<tr>
<td>Prorated Percentage of Unit Factor</td>
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</tr>
<tr>
<td>Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)</td>
<td>LA Basin</td>
</tr>
<tr>
<td>Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)</td>
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## Unit 2

### Unit Specific Information

<table>
<thead>
<tr>
<th>Resource Name</th>
<th>Desert Star Energy Center</th>
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<tbody>
<tr>
<td>Physical Location</td>
<td>Boulder City, NV</td>
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<tr>
<td>CAISO Resource ID</td>
<td>MRCHNT_2_PL1X3</td>
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<td>SCID of Resource</td>
<td>LSDGE</td>
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<td>Unit NQC by month</td>
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<tr>
<td>Unit EFC by month</td>
<td>N/A</td>
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<td>Resource Type</td>
<td>Gas</td>
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<td>Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)</td>
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<tr>
<td>TAC Area (e.g., PG&amp;E, SCE)</td>
<td>SDG&amp;E</td>
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<tr>
<td>Prorated Percentage of Unit Factor</td>
<td></td>
</tr>
<tr>
<td>Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)</td>
<td>CAISO SYSTEM</td>
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<tr>
<td>Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)</td>
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## Unit 3

<table>
<thead>
<tr>
<th><strong>Unit Specific Information</strong></th>
<th><strong>Colusa Generating Station</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resource Name</strong></td>
<td><strong>Physical Location</strong></td>
</tr>
<tr>
<td></td>
<td>Colusa Generating Station</td>
</tr>
<tr>
<td></td>
<td>Stonyford, CA</td>
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<td>CAISO Resource ID</td>
<td><strong>SCID of Resource</strong></td>
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<td>SCID of Resource</td>
<td>PCG2</td>
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<td>Unit NQC by month (e.g., Jan=50, Feb=65):</td>
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<td>Unit EFC by month (e.g., Jan=30, Feb=50)</td>
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<td>Resource Type (e.g., gas, hydro, solar, etc.)</td>
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<td>Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)</td>
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<tr>
<td>TAC Area (e.g., PG&amp;E, SCE)</td>
<td><strong>Prorated Percentage of Unit Factor</strong></td>
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<tr>
<td></td>
<td>PG&amp;E</td>
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<tr>
<td>Prorated Percentage of Unit Factor</td>
<td></td>
</tr>
<tr>
<td>Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)</td>
<td>CAISO SYSTEM</td>
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<tr>
<td>Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)</td>
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APPENDIX C
RESERVED
### APPENDIX D
PLANNED OUTAGE SCHEDULE

<table>
<thead>
<tr>
<th>Unit Name</th>
<th>CAISO Resource ID</th>
<th>Outage (MW)</th>
<th>SLIC Outage Start Date</th>
<th>SLIC Outage End Date</th>
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<tr>
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<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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