Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, February 8, 2023
7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

Teleconference Meeting
Webinar:
https://cityofcupertino.zoom.us/j/94214826074

Telephone (Audio Only):
US: +1 669-900-6833
Webinar ID: 942 1482 6074

In accordance with California Government Code Section 54953(e), in consideration of the Coronavirus (COVID-19), members of the Silicon Valley Clean Energy Board of Directors and staff have the option to participate in this meeting by teleconference.

Members of the public may also attend this meeting in person, or observe this meeting electronically by accessing the meeting via instructions above. Public Comments can be sent in advance of the meeting via email up to three hours before the meeting begins to Board Clerk Andrea Pizano at Andrea.Pizano@svcleanenergy.org and will be distributed to the Board of Directors. The public will also have an opportunity to provide comments during the meeting. Members of the public participating remotely and 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.

svcleanenergy.org
333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

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

AGENDA

Call to Order

Roll Call

Public Comment on Matters Not Listed on the Agenda

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

Consent Calendar (Action)

1a) Approve Minutes of the January 11, 2023, Board of Directors Meeting

1b) Receive December 2022 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) Approve 2023 Updates to Exhibit C, Annual Energy Use, and Exhibit D, Voting Shares, of the SVCE Joint Powers Agreement

1e) Approve Cancellation of July 12, 2023 Board of Directors Meeting and Receive 2023 Board of Directors Regular Meeting Schedule

1f) Approve $2,092,248 in Funding Allocation for Community Electrification Engagement and Demonstration Programs

1g) Executive Committee Report

1h) California Community Power Report

1i) Additional Committee Reports

Regular Calendar

2) CEO Report (Discussion)

3) Appoint 2023 Board Committee Members (Action)

4) New Construction Reach Code Recap (Presentation)

5) Reliability Challenges, Opportunities, and Strategies (Presentation)

Board Member Announcements and Direction on Future Agenda Items

Adjourn

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SVCE
GLOSSARY OF TERMS

BTM – Behind the Meter – Customer-sited resources which connect to the distribution system on the customer's side of the utility's meter. See also "DER".

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 unit of power generation 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.

EE – Energy Efficiency

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

FERC – Federal Energy Regulatory Commission – Independent federal agency that regulates the interstate transmission of electricity, natural gas and oil. The CAISO is subject to FERC jurisdiction.

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.

MMT – Million Metric Tonnes – Common unit of measurement in regulatory and policy space for California's GHG emissions.

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

NERC – Noth American Electric Reliability Corporation – Non-profit regulatory authority whose mission is to assure the reliability and security of the grid.

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.

PRM – Planning Reserve Margin – Additional level of procurement required in the RA program above the expected peak requirement to account for variability in supply (e.g. plant outages) and demand (e.g. extreme weather). Currently set at 15%.

PSPS – Public Safety Power Shutoff – An event in which the IOUs purposely turn off segments of the grid due to high risk of ignition and wildfires.

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 to contribute their share of system reliability. Today LSEs must procure no less than 115% of the peak hour load. In 2023 and 2024, this will increase to 116% and 117% respectively. Beginning in 2025 a new RA program will be implemented requiring LSEs show capacity to meet their hourly reliability needs, the "PRM" adder is still undetermined.

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 energy supply made up of a collection of an aggregation of distributed energy resources (DERs), such as smart EV chargers, smart thermostats, building energy management systems, battery storage systems, solar PV and smart inverters.

WECC – Western Electricity Coordinating Council - WECC promotes bulk power system reliability and security in the Western Interconnection, which covers most of the western United States. WECC is the Regional Entity responsible for compliance, monitoring and enforcement and oversees reliability planning and assessments.

Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, January 11, 2023
7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

Pursuant to State of California Gov't Code Section 54953 (e) the meeting was conducted via teleconference with an option for members of the Board of Directors and staff to participate in person.

DRAFT MEETING MINUTES

Prior to the Call to Order, Board Clerk Andrea Pizano announced Vice Chair Tyson would preside over the meeting in the absence of a Chair due to Director Gibbons' departure from the SVCE Board of Directors.

Call to Order:
Vice Chair Tyson called the Regular Meeting to order at 7:03 p.m.

Roll Call
Present:
George Tyson (Vice Chair), Los Altos Hills
Elliot Scozzola, Campbell
Sheila Mohan, Cupertino
Zachary Hilton, Gilroy
Sally Meadows, Los Altos
Rob Rennie, Los Gatos
Evelyn Chua, Milpitas
Bryan Mekechuk, Monte Sereno
Margaret Abe-Koga, Mountain View
Tina Walia, Saratoga
Larry Klein, Sunnyvale
Otto Lee, Santa Clara County

Absent:
Yvonne Martinez Beltran, Morgan Hill

Vice Chair Tyson, Director Abe-Koga, Director Klein, Director Mekechuk, Director Mohan, Director Rennie, Director Scozzola, and Director Walia attended in person; all other Directors attended via teleconference.

Public Comment on Matters Not Listed on the Agenda
Rod Sinks, Cupertino resident and past founding board member of SVCE, welcomed new board members and recognized Cupertino representative Sheila Mohan for her service on the SVCE Board of Directors. Mr. Sinks appealed to consider non-profits in the community for future programs, in addition to batteries in conjunction with rooftop solar.

Vice Chair Tyson thanked Mr. Sinks for his comments and continued leadership in bending the carbon curve.

Bruce Karney, Mountain View resident and Chair of Carbon Free Mountain View, acknowledged the City of Sunnyvale was determined to be the happiest City in the U.S., while other cities nearby were underwater. Mr. Karney encouraged board members to read “The Ministry for the Future” by Kim Stanley Robinson, and noted board members were in the best position of any elected officials in the area to make a difference and lead communities to a future that is more sustainable.

Vice Chair Tyson thanked Mr. Karney for his comments.

Consent Calendar

There were no questions or comments from the Board; there were no requests from the public to speak on any matter on the Consent Calendar.

1a) Approve Minutes of the December 14, 2022, Board of Directors Meeting
1b) Receive November 2022 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 2023
1e) Authorize the Chief Executive Officer to Execute Amendments to the Project Participation Share Agreements with California Community Power and Participating Community Choice Aggregators Related to Two Long Duration Storage Projects and Two Firm Clean Resource Projects

1f) Receive Q4 2022 Decarbonization Programs Update

1g) Receive SVCE Rate Schedules Effective January 1, 2023

1h) Approve SVCE Hybrid Meeting Policy

1i) California Community Power Report

1j) Additional Committee Reports

MOTION: Director Rennie moved and Director Mekechuk seconded the motion to approve the Consent Calendar, Items 1a through 1j.

The motion carried unanimously by verbal roll call vote with Director Martinez Beltran absent.

Regular Calendar

2) CEO Report (Discussion)

CEO Girish Balachandran addressed the following in his report:

1) Recognized the widespread outages in the area and acknowledged the line workers restoring power, emergency workers, and Santa Clara County for its public health and safety response to recent storms;
2) Provided an update on SVCE’s second prepay transaction;
3) Recognition of the high prices in the gas system in California;
4) Announcement that one of SVCE’s long term renewable projects, the TerraGen wind project, came online on January 1, 2023; and
5) Board Clerk Pizano provided an update on 2023 appointments to the SVCE Board of Directors and announced a series of orientation workshops that would be taking place at the end of the month and early February.

Vice Chair Tyson opened Public Comment.
No speakers.
Vice Chair Tyson closed Public Comment.

3) Elect a Chair and Vice Chair of the SVCE Board of Directors for 2023 (Action)

Board Clerk Pizano introduced the item and noted interest was received for Chair and Vice Chair of the Board from the following board members:

Chair – Director George Tyson
Vice Chair – Director Bryan Mekechuk and Director Tina Walia

Vice Chair Tyson opened the floor for additional nominations for the role of Chair; there were none.

MOTION: Director Chua moved and Director Walia seconded the motion to nominate Director George Tyson as Chair of the 2023 SVCE Board of Directors.

Vice Chair Tyson opened Public Comment.
No speakers.
Vice Chair Tyson closed Public Comment.

The motion carried unanimously by roll call vote with Director Martinez Beltran absent.

Newly appointed Chair Tyson thanked board members and provided brief comments.

Chair Tyson opened the floor for additional nominations for the role of Vice Chair; there were none.

Chair Tyson requested Director Mekechuk and Director Walia speak briefly to their interest in the role of Vice Chair; both Directors provided brief comments.

Director Abe-Koga and Director Chua commented their support of Director Walia.

Vice Chair Tyson opened Public Comment.
No speakers.
Vice Chair Tyson closed Public Comment.

Vice Chair Tyson summarized the process for selection of the Vice Chair, noting a roll call would be done by the Board Clerk and members would be asked for their selection of Vice Chair by name; Board Clerk Pizano noted members would be called on in alphabetical order by agency.

VOTE FOR THE POSITION OF VICE CHAIR:

Director Scozzola: Walia
Director Mohan: Walia
Director Hilton: Walia
Director Meadows: Walia
Chair Tyson: Walia
Director Rennie: Walia
Director Chua: Walia
Director Mekechuk: Mekechuk
Director Abe-Koga: Walia
Director Lee: Walia
Director Walia: Walia
Director Klein: Walia

Board Clerk Pizano reported 11 votes for Walia, one vote for Mekechuk, and one absence.

MOTION: Director Abe-Koga moved and Director Mekechuk seconded the motion to appoint Director Tina Walia as Vice Chair of the 2023 SVCE Board of Directors.

The motion carried unanimously by verbal roll call vote with Director Martinez Beltran absent.

Vice Chair Walia thanked board members for their support.

4) Appoint Directors to the 2023 SVCE Executive Committee (Action)

Board Clerk Pizano reported five Directors expressed interest in joining the 2023 Executive Committee:
Director Yvonne Martinez Beltran,
Director Bryan Mekechuk,
Director Rob Rennie,
Director George Tyson, and
Director Tina Walia.

Chair Tyson opened Public Comment.
No speakers.
Chair Tyson closed Public Comment.

MOTION: Director Klein moved and Director Abe-Koga seconded the motion to appoint the following directors to the 2023 SVCE Executive Committee: Director Martinez Beltan, Director Mekechuk, Director Rennie, Director Tyson, and Director Walia.

The motion carried unanimously by verbal roll call vote with Director Martinez Beltran absent.

5) Clean Energy Procurement Informational Update (Presentation)

Monica Padilla, Chief Operating Officer (COO) and Director of Power Resources, presented a PowerPoint presentation with an informational update on SVCE's clean energy goals, challenges, and future initiatives; COO Padilla and CEO Balachandran responded to board member questions.

Chair Tyson opened Public Comment.
Bruce Karney commented he has confidence that with the SVCE Board of Director's guidance, staff will achieve as much as can be achieved as fast as possible.

Arnold de Leon made the following comments: 1) clean hydrogen is not going to be an energy source, it is just another form of energy storage, 2) in renewables like solar and wind, we will need to have more than needed, 3) comments on heat pumps and their high costs with a suggestion that there is an opportunity to reduce the difference in cost and offer incentives, and 4) his belief that we have an opportunity to get to 100% renewable, but we need to accept the fact that everything is not going to be used 100% of the time.

Chair Tyson closed Public Comment.

Board Member Announcements and Future Agenda Items
Director Chua announced Congressman Ro Khanna secured $3M for the City of Milpitas' Carbon Neutral Homes Incentive Program, to incentivize single-family residential homeowners to replace fossil fuel powered appliances with ones powered by carbon-free electricity.

Adjourn
Chair Tyson adjourned the meeting at 8:11 p.m.

ATTEST:

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Andrea Pizano, Board Secretary

TREASURER REPORT

Fiscal Year to Date
As of December 31, 2022

(Preliminary & Unaudited)

Issue Date: February 8, 2023

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

Financial Highlights for the month of December 2022:

> SVCE operations resulted in a change in net position of $2 million for the month of December and $23 million for fiscal-year-to-date (FYTD).

> Retail GWh sales for the month landed 3.1% above budget.

> FYTD operating margin of $29 million or ~26.5% is below budget expectations of 38.3% operating margin for the fiscal year to date.

> FYTD Power Supply costs are 21.1% above budget.

> SVCE is investing ~93.8% of available funds generating FYTD interest income of $376 thousand.

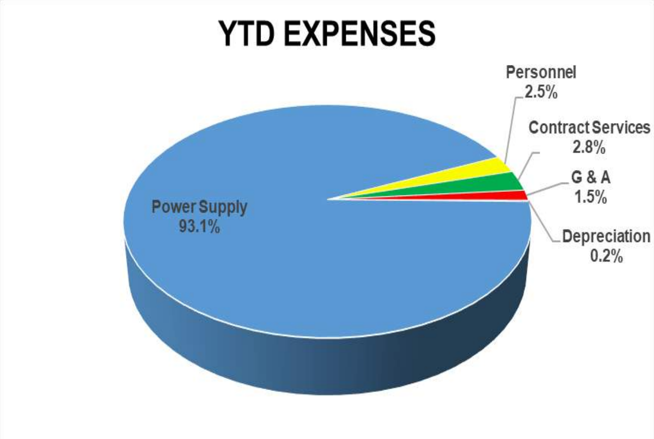
Change in Net Position	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Total**	**Budget**
Actual	10,608	10,380	2,026	-	-	-	-	-	-	-	-	-	23,014	96,441

Power Supply Costs	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Total**	**Budget**
Energy & REC's	18,322	15,903	13,022										47,247	
Wholesale Sales	(976)	(300)	(436)										(1,711)	
Capacity	4,101	4,063	4,228										12,392	
CAISO Charges	(538)	3,364	10,935										13,760	
NEM Expense	204	(150)	(438)										(383)	
Charge/Credit (IST/Net Rev)	2,104	(1,060)	8,054										9,098	
Net Power Costs	23,218	21,819	35,365	-	-	-	-	-	-	-	-	-	80,403	325,296

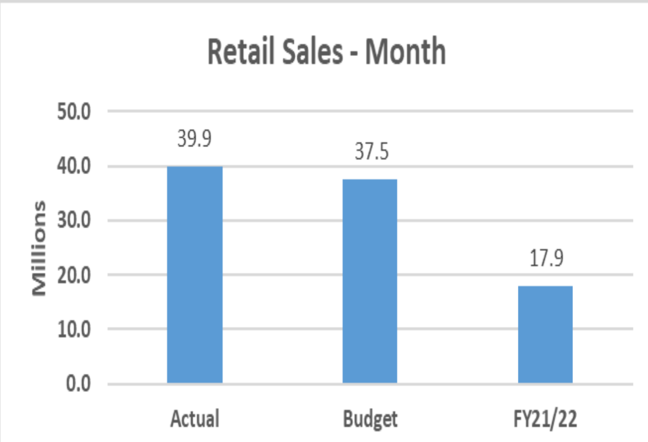
Other	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Total**	**Budget**
Capital Expenditures	34	-	4										38	200
Energy Programs	73	182	898										1,153	15,007

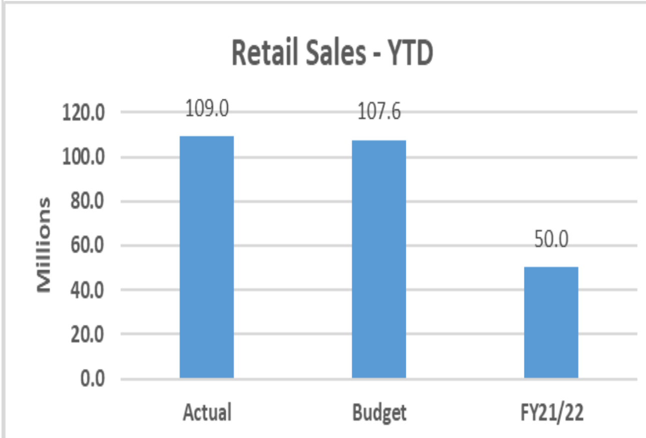
Load Statistics - GWh	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Total**	**Budget**
Retail Sales Actual	299	296	341										936	
Retail Sales Budget	315	308	331	336	295	309	290	313	340	358	369	342	3,907	3,907

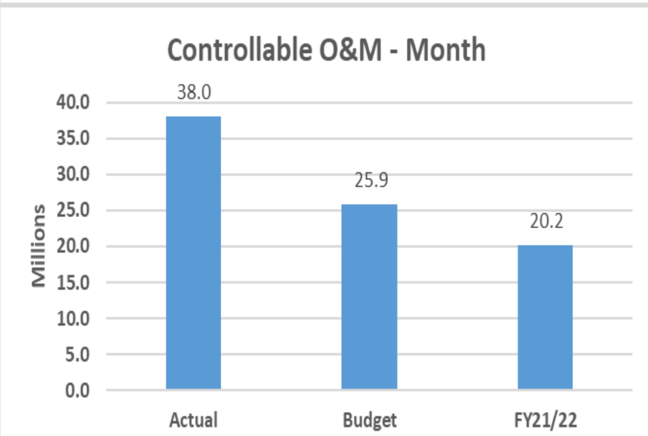
** The financial results in this report are preliminary and subject to change pending closing of the books for the fiscal year. Any potential changes are not expected to be significant.*

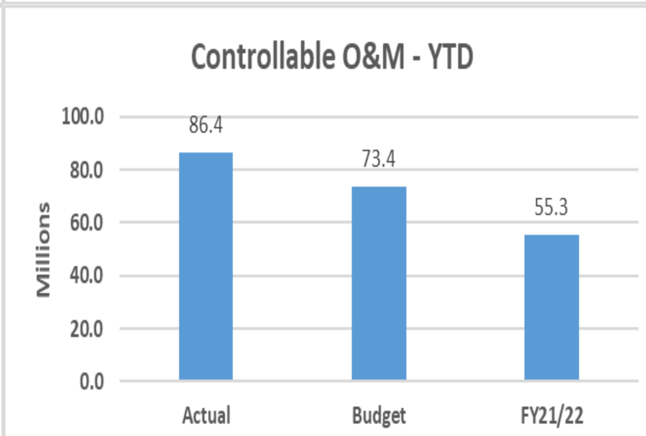


Other Statistics and Ratios	
Working Capital	$241,737,992
Current Ratio	5.1
Operating Margin	26.3%
Expense Coverage Days	222
Long-Term Debt	$0
Total Accounts	277,956
Opt-Out Accounts (Month)	99
Opt-Out Accounts (FYTD)	235
Opt-Up Accounts (Month)	(6)
Opt-Up Accounts (FYTD)	(5)









SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of December 31, 2022

ASSETS		
Current Assets		
Cash & Cash Equivalents	$	226,965,163
Accounts Receivable, net of allowance		36,367,772
Accrued Revenue		25,114,865
Other Receivables		2,736,231
Prepaid Expenses		1,365,733
Deposits		8,850,814
Restricted cash		162,277
Total Current Assets		**301,562,855**
Noncurrent assets		
Capital assets, net of depreciation		365,005
Lease asset, net of amortization		1,203,750
Deposits		45,630
Total Noncurrent Assets		**1,614,385**
Total Assets		**303,177,240**
LIABILITIES		
Current Liabilities		
Accounts Payable		1,458,923
Accrued Cost of Electricity		43,889,902
Other accrued liabilities		1,133,163
User Taxes and Energy Surcharges due to other gov'ts		1,291,362
Supplier securit deposits		11,400,000
Lease liability		489,236
Total Current Liabilities		**59,662,586**
Noncurrent Liabilities		
Supplier security deposits		7,031,250
Lease liability		786,059
Total noncurrent liabilities		**7,817,309**
Total Liabilities		**67,479,895**
NET POSITION		
Net investment in capital assets		293,460
Restricted for security collateral		162,277
Unrestricted (deficit)		235,241,608
Total Net Position	**$**	**235,697,345**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2022 through December 31, 2022

OPERATING REVENUES	
Electricity Sales, Net	$ 108,635,799
GreenPrime electricity premium	387,258
Other income	17,505
TOTAL OPERATING REVENUES	**109,040,562**
OPERATING EXPENSES	
Cost of Electricity	80,402,824
Contract services	2,452,745
Staff compensation and benefits	2,122,298
General & Administrative	1,264,358
Depreciation	151,469
TOTAL OPERATING EXPENSES	**86,393,694**
OPERATING INCOME(LOSS)	**22,646,868**
NONOPERATING REVENUES (EXPENSES)	
Interest Income	375,752
Financing costs	(8,797)
TOTAL NONOPERATING REVENUES (EXPENSES)	**366,955**
CHANGE IN NET POSITION	23,013,823
Net Position at beginning of period	212,683,522
Net Position at end of period	**$ 235,697,345**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2022 through December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 130,581,596
Other operating receipts	11,813,845
Payments to suppliers for electricity	(75,254,224)
Payments for other goods and services	(3,781,609)
Payments for staff compensation and benefits	(2,136,217)
Tax and surcharge payments to other governments	(2,271,894)
Net cash provided (used) by operating activities	**58,951,497**
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Finance costs paid	(1,720)
Net cash provided (used) by financing activities	**(1,720)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(33,862)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income received	375,752
Net change in cash and cash equivalents	59,291,667
Cash and cash equivalents at beginning of year	167,835,773
Cash and cash equivalents at end of period	**$ 227,127,440**
Reconciliation to the Statement of Net Position	
Cash and cash equivalents (unrestricted)	$ 226,965,163
Restricted cash	162,277
Cash and cash equivalents	**$ 227,127,440**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2022 through December 31, 2022

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

Operating Income (loss)	$ 22,646,868
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	151,469
(Increase) decrease in net accounts receivable	19,295,450
(Increase) decrease in other receivables	(2,654,517)
(Increase) decrease in accrued revenue	393,833
(Increase) decrease in prepaid expenses	(387,805)
(Increase) decrease in current deposits	11,714,007
Increase (decrease) in accounts payable	446,624
Increase (decrease) in accrued cost of electricity	(5,858,207)
Increase (decrease) in accrued liabilities	(86,837)
Increase (decrease) in energy settlements payable	13,693,247
Increase (decrease) in taxes and surcharges due to other governments	(402,635)
Net cash provided (used) by operating activities	**$ 58,951,497**

SILICON VALLEY CLEAN ENERGY AUTHORITY
BUDGETARY COMPARISON SCHEDULE
October 1, 2022 through December 31, 2022

	FYTD	FYTD	Variance		FY 2022-23	FY 2022-23
OPERATING REVENUES	**Actual**	**Budget**	**$**	**%**	**Budget**	**Remaining Budge**
Energy Sales	$108,990,837	$107,382,255	$1,608,582	1%	$482,930,000	$373,939,163
Green Prime Premium	387,258	237,428	149,830	63%	931,000	543,742
TOTAL OPERATING REVENUES	**109,378,095**	**107,619,683**	**1,758,412**	**2%**	**483,861,000**	**374,482,905**
ENERGY EXPENSES						
Power Supply	80,402,824	66,379,909	14,022,915	21%	325,296,000	244,893,176
Operating Margin	**28,975,271**	**41,239,774**	**(12,264,503)**	**-30%**	**158,565,000**	
OPERATING EXPENSES						
Data Management	797,075	853,125	(56,050)	-7%	3,413,000	2,615,925
PG&E Fees	294,373	367,500	(73,127)	-20%	1,470,000	1,175,627
Salaries & Benefits	2,122,298	3,006,103	(883,805)	-29%	12,024,000	9,901,702
Professional Services	852,554	1,986,956	(1,134,402)	-57%	8,016,000	7,163,446
Marketing & Promotions	82,926	222,314	(139,388)	-63%	862,000	779,074
Notifications	41,209	32,813	8,396	26%	131,000	89,791
Lease	128,022	131,250	(3,228)	-2%	525,000	396,978
General & Administrative	494,359	464,284	30,075	6%	1,857,000	1,362,641
TOTAL OPERATING EXPENSES	**4,812,816**	**7,064,345**	**(2,251,529)**	**-32%**	**28,298,000**	**23,485,184**
OPERATING INCOME/(LOSS)	**24,162,455**	**34,175,429**	**(10,012,974)**	**-29%**	**130,267,000**	**106,104,545**
NON-OPERATING REVENUES						
Other Income	17,505	12,500	5,005	40%	50,000	32,495
Investment Income	375,752	126,988	248,764	196%	592,000	216,248
TOTAL NON-OPERATING REVENUES	**393,257**	**139,488**	**253,769**	**182%**	**642,000**	**248,743**
NON-OPERATING EXPENSES						
Financing	1,720	750	970	129%	3,000	1,280
CAPITAL EXPENDITURES, TRANSFERS, & OTHER						
Capital Outlay	38,354	50,000	(11,646)	-23%	200,000	161,646
Transfer to Programs Fund	9,765,000	9,765,000	-	0%	9,765,000	-
Nuclear Allocation	1,900,000	1,900,000	-	0%	1,900,000	-
Multi Family Discount Programs	9,500,000	9,500,000	-	0%	9,500,000	-
Electrification Discount Programs	9,500,000	9,500,000	-	0%	9,500,000	-
Customer Bill Relief	355,038	900,000	(544,962)	-61%	3,600,000	3,244,962
TOTAL OTHER USES	**31,058,392**	**31,615,000**	**(556,608)**	**-2%**	**34,465,000**	**3,406,608**
NET INCREASE(DECREASE) IN AVAILABLE FUND BALANCE	**-$6,504,400**	**$2,699,167**	**-$9,203,567**	**-341%**	**$96,441,000**	

SILICON VALLEY CLEAN ENERGY AUTHORITY
PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2022 through December 31, 2022

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
Transfers in - General Programs	$ 9,765,000	$ 9,765,000	$ -	100.0%
Transfers in - Nuclear Allocation	$ 1,900,000	$ 1,900,000	$ -	100.0%
Transfers in - Multi-Family DI	$ 9,500,000	$ 9,500,000	$ -	100.0%
Total	$ 21,165,000	$ 21,165,000	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures	15,007,082	1,152,510	13,854,572	7.7%
Net increase (decrease) in fund balance	**$ 6,157,918**	**$20,012,490**		
Fund balance at beginning of period		28,536,229		
Fund balance at end of period		$48,548,719		

CUSTOMER RELIEF & COMMUNITY RESILIENCY FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2022 through December 31, 2022

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
Transfer from Operating Fund *	$ -	$ -	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures *	3,119,875	-	3,119,875	
Net increase (decrease) in fund balance	**$ (3,119,875)**	**0**		
Fund balance at beginning of period		7,982,993		
Fund balance at end of period		$7,982,993		

ELECTRIFICATION DISCOUNT FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2022 through December 31, 2022

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
Transfer from Operating Fund *	$ 9,500,000.00	$ 9,500,000.00	$ -	100.0%
EXPENDITURES & OTHER USES:				
Program expenditures *	100,000	-	100,000	
Net increase (decrease) in fund balance	**$ 9,400,000**	**9,500,000**		
Fund balance at beginning of period		-		
Fund balance at end of period		$9,500,000		

SILICON VALLEY CLEAN ENERGY AUTHORITY

OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2022 through December 31, 2022

Net Increase (decrease) in available fund balance		
per budgetary comparison schedule	$	(6,504,400)
Adjustments needed to reconcile to the changes		
in net position in the Statement of Revenues,		
Expenses and Changes in Net Position		
Subtract depreciation expense		(151,469)
Subract program expense not in operating budget		(1,152,510)
Add back GASB 87 expenses not in operating budget		118,848
Add back transfer to Program fund		30,665,000
Add back capital asset acquisition		38,354
Change in Net Position		**23,013,823**

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2022 through December 31, 2022

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	$ 35,283,024	$ 33,596,659	$ 39,756,116										$ 108,635,799
Green electricity premium	$ 133,572	$ 123,147	$ 130,539										387,258
Other Income	$ 2,250	$ 15,255	$ -										17,505
Total operating revenues	35,418,846	33,735,061	39,886,655	-	-	-	-	-	-	-	-	-	109,040,562
OPERATING EXPENSES													
Cost of electricity	23,218,378	21,819,493	35,364,953										80,402,824
Staff compensation and benefits	656,536	673,219	792,543										2,122,298
Data manager	265,853	265,687	265,535										797,075
Service fees - PG&E	98,200	98,021	98,152										294,373
Consultants and other professional fees	410,507	374,917	575,873										1,361,297
General and administration	200,337	182,040	881,981										1,264,358
Depreciation	50,510	50,510	50,449										151,469
Total operating expenses	24,900,321	23,463,887	38,029,486	-	-	-	-	-	-	-	-	-	86,393,694
Operating income (loss)	10,518,525	10,271,174	1,857,169	-	-	-	-	-	-	-	-	-	22,646,868
NONOPERATING REVENUES (EXPENSES)													
Interest income	91,459	111,370	172,923	-	-	-	-	-	-	-	-	-	375,752
Financing costs	(2,428)	(2,359)	(4,010)	-	-	-	-	-	-	-	-	-	(8,797)
Total nonoperating revenues (expenses)	89,031	109,011	168,913	-	-	-	-	-	-	-	-	-	366,955
CHANGE IN NET POSITION	**$ 10,607,556**	**$ 10,380,185**	**$ 2,026,082**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 23,013,823**

SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2022 through December 31, 2022

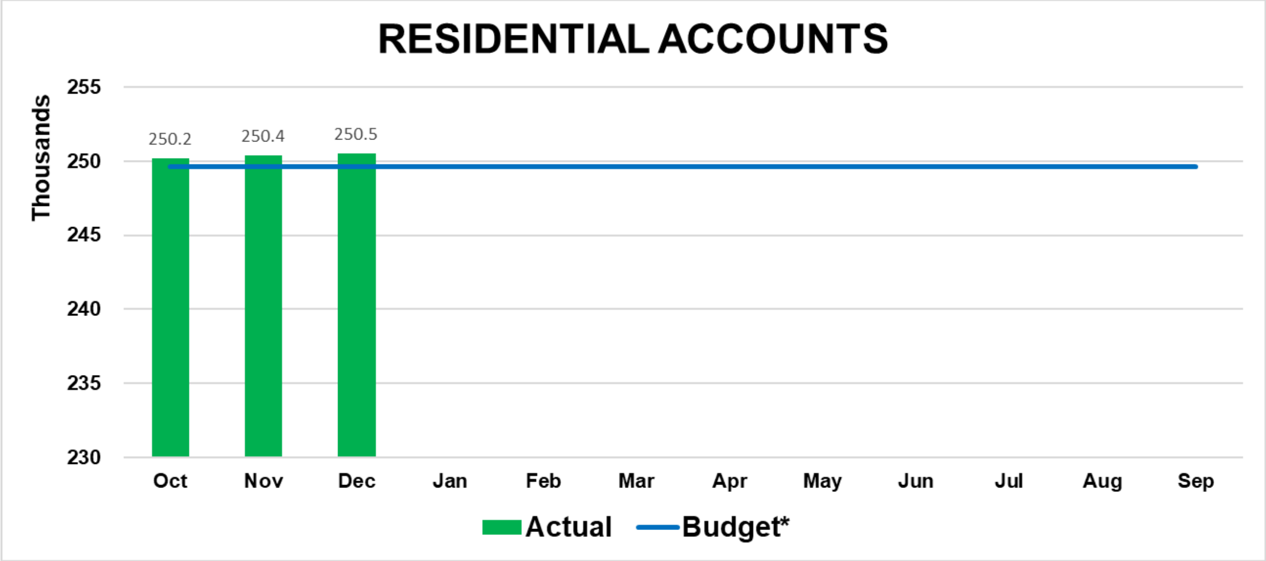
Return on Investments	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**YTD Total**
	$91,459	$111,370	$172,923	$0	$0	$0	$0	$0	$0	$0	$0	$0	$375,752
Portfolio Invested													
*Average daily portfolio available to invest**	172,316,490	194,339,856	206,387,935										
Average daily portfolio invested	159,489,912	182,240,450	193,643,770										
% of average daily portfolio invested	92.6%	93.8%	93.8%										

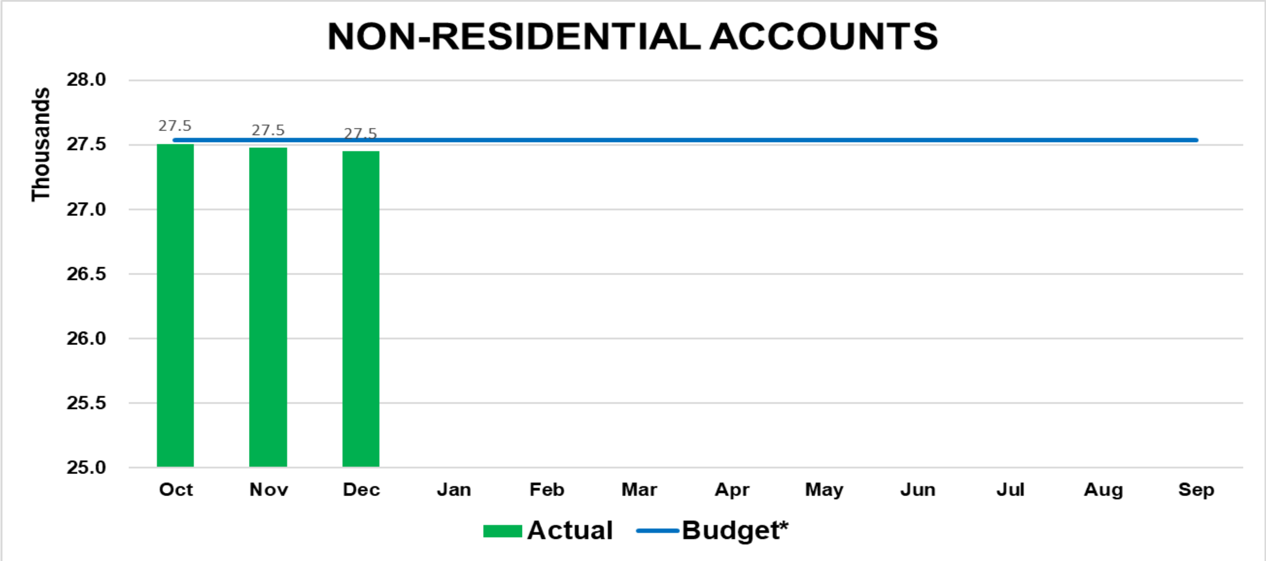
Detail of Portfolio

	Opening Rate	Current Rate	Carrying Value	Interest Earned
Money Market - River City Bank	1.26%	0.85%	$181,299,497	$139,598

* Note: Balance available to invest does not include lockbox funds.

CUSTOMER ACCOUNTS

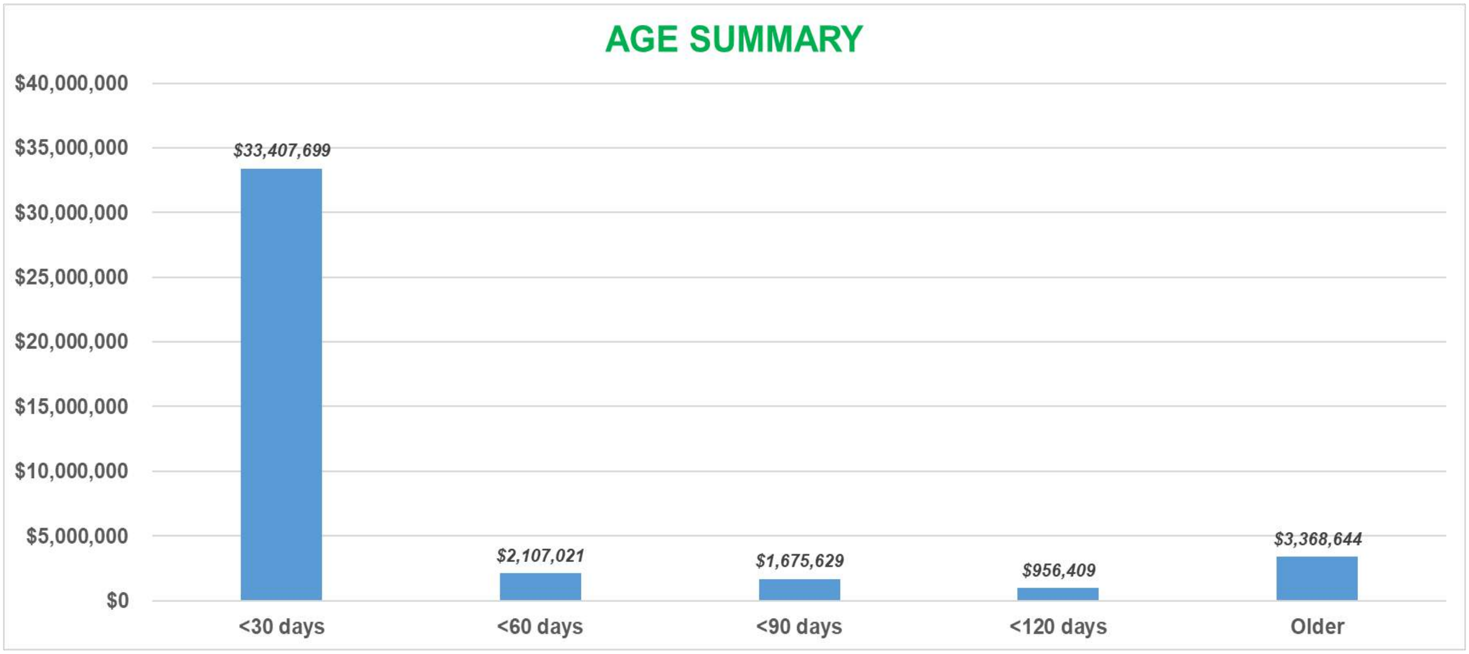




SILICON VALLEY CLEAN ENERGY AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT

	October	November	December	January	February	March	April	May	June	July	August	September
0 to 30 days	77.4%	76.1%	80.5%									
31 to 60 days	7.6%	7.9%	5.1%									
61 to 90 days	4.6%	4.8%	4.0%									
91 to 120 days	3.4%	2.9%	2.3%									
Over 120 days	7.0%	8.3%	8.1%									

Accounts Receivable Days
31 Days
$41,515,403
TOTAL DUE
Bad Debt % (*Budget*)
1%



SILICON VALLEY CLEAN ENERGY

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, General Counsel
Prepared by:	Trisha Ortiz, General Counsel
Date:	2/8/2023

RECOMMENDATION

To continue meetings to be held via teleconferencing pursuant to Government Code Section 54953(e), adopt the attached Resolution 2023-02 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.

The list below identifies the board meeting dates and corresponding resolutions 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):

November 10, 2021: 2021-26;
December 8, 2021: 2021-27;
January 12, 2022: 2022-02;
February 9, 2022: 2022-03;
March 9, 2022: 2022-07;
April 13, 2022: 2022-11;
May 11, 2022: 2022-13;
June 8, 2022: 2022-14, and
August 10, 2022: 2022-18;
September 14, 2022: 2022-19;
October 12, 2022: 2022-22;
November 9, 2022: 2022-27;
December 14, 2022: 2022-37, and
January 11, 2023: 2023-01.

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(e). 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 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 2023-02 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. 2023-02

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 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 8th day of February 2023, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Scozzola				
City of Cupertino	Director Mohan				

City of Gilroy	Director Hilton				
City of Los Altos	Director Meadows				
Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Alternate Director Moore				
City of Milpitas	Director Chua				
City of Monte Sereno	Director Mekechuk				
City of Morgan Hill	Director Martinez Beltran				
City of Mountain View	Director Abe-Koga				
County of Santa Clara	Director Lee				
City of Saratoga	Director Walia				
City of Sunnyvale	Director Klein				

____

Chair

ATTEST:

____

Andrea Pizano, Board Clerk

Staff Report – Item 1d

Item 1d:	**Approve 2023 Updates to Exhibit C, Annual Energy Use, and Exhibit D, Voting Shares, of the SVCE Joint Powers Agreement**
From:	Girish Balachandran, CEO
Prepared by:	Peyton Parks, Energy Services Lead Hannah Gustafson, Sr. Programs Specialist Sangeetha Kumar, Data Engineer
Date:	2/8/2023

RECOMMENDATION
Approve update to Exhibits C & D in Silicon Valley Clean Energy's (SVCE) Joint Powers Agreement (JPA) to reflect the member agencies' energy demand and voting rights.

BACKGROUND
As referenced in Section 4.9.2 *Voting Shares Vote* of SVCE's JPA, immediately following an affirmative percentage vote by the Board of Directors, two Directors may request a vote of the voting shares be held. A voting shares vote requires that the sum of all corresponding voting shares of Directors voting in the affirmative exceed a 50 percent majority. Voting shares are determined by the formula outlined in Section 4.9.3 *Voting Shares Formula*.

The Annual Energy Use (Exhibit C) and Voting Shares (Exhibit D) for each of SVCE's 13 jurisdictions should be adjusted in SVCE's JPA annually.

ANALYSIS & DISCUSSION
The Voting Shares Formula outlined in Section 4.9.3 specifies that for the first two years following the Effective Date (March 31, 2016) voting shares are based on annual electricity usage within the Party's respective jurisdiction. Electricity usage combines quantities of electricity served to customers by SVCE, and by PG&E. Direct Access load is not included in this calculation. For annual Voting Shares calculations after the first two years, Section 4.9.3 specifies that the calculation be based on electric load served by the Authority only.

All Jurisdictions in SVCE territory received service for an entire calendar year in 2022. Each Party's 2023 voting share was calculated as a percentage of total 2022 load served by SVCE only.

ATTACHMENTS
1. Update to Exhibit C, Annual Energy Use
2. Update to Exhibit D, Voting Shares

EXHIBIT C

ANNUAL ENERGY USE

This Exhibit C is effective as of February 8, 2023.

Party	**kWh (2022*)**
Campbell	169,925,755
Cupertino	184,611,262
Gilroy	189,808,472
Los Altos	106,678,137
Los Altos Hills	37,407,839
Los Gatos	157,897,859
Milpitas	578,811,522
Monte Sereno	14,135,213
Morgan Hill	198,465,362
Mountain View	433,913,691
Santa Clara County (Unincorporated)	314,762,585
Saratoga	102,734,466
Sunnyvale	1,005,946,291
Total	**3,495,098,454**

*Data provided by Calpine Energy Solutions

EXHIBIT D

VOTING SHARES

This Exhibit D is effective as of February 8, 2023.

Party	**kWh (2022*)**	**Voting Share Section 4.9.2**
Campbell	169,925,755	4.9%
Cupertino	184,611,262	5.3%
Gilroy	189,808,472	5.4%
Los Altos	106,678,137	3.1%
Los Altos Hills	37,407,839	1.1%
Los Gatos	157,897,859	4.5%
Milpitas	578,811,522	16.5%
Monte Sereno	14,135,213	0.4%
Morgan Hill	198,465,362	5.7%
Mountain View	433,913,691	12.4%
Santa Clara County (Unincorporated)	314,762,585	9.0%
Saratoga	102,734,466	2.9%
Sunnyvale	1,005,946,291	28.8%
Total	**3,495,098,454**	**100.0%**

*Data provided by Calpine Energy Solutions

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1e

Item 1e:	**Approve Cancellation of July 12, 2023 Board of Directors Meeting and Receive 2023 Board of Directors Regular Meeting Schedule**
From:	Girish Balachandran, CEO
Prepared by:	Andrea Pizano, Board Clerk/Executive Assistant
Date:	2/8/2023

RECOMMENDATION
Staff recommends that the Board approve the cancellation of the regularly scheduled July 12, 2023 Board of Directors Meeting and receive the 2023 Board of Directors regular meeting schedule.

EXECUTIVE COMMITTEE RECOMMENDATION
The Executive Committee met January 27, 2023 and were unanimous in recommending the cancellation of the July Board of Directors meeting.

BACKGROUND
Since 2018, the Board of Directors approved a one-month summer hiatus from meetings; in 2018 it was August, and, based on feedback from the Board that a July recess would be preferable, it was July in 2019, 2020, 2021, and 2022.

ANALYSIS & DISCUSSION
Given the positive feedback received for a summer recess, staff would like to propose this be continued. Staff suggests July be selected for the summer hiatus, as this has worked well in the past.

Being that the July Executive Committee meeting received approval to be cancelled, the month of July will not have any regularly scheduled SVCE committee meetings.

If the need for Board or any committee action arises in July, a special meeting of the Board and/or committee will be called.

STRATEGIC PLAN
Not applicable.

ALTERNATIVES
The Board may select an alternative month for a summer hiatus; the Board could also choose not to cancel the regularly scheduled July meeting.

FISCAL IMPACT
None.

ATTACHMENT
1. Proposed 2023 SVCE Board of Directors Regular Meeting Schedule

SILICON VALLEY CLEAN ENERGY

2023 Board Meeting Schedule

All Board of Directors meetings occur at 7:00 p.m. and will be held at Cupertino Community Hall, located at 10350 Torre Avenue in Cupertino, CA, with an option to participate virtually unless noted otherwise on the SVCE website

January 11, 2023

February 8, 2023

March 8, 2023

April 12, 2023

May 10, 2023

June 14, 2023

~~July 12, 2023~~

August 9, 2023

September 13, 2023

October 11, 2023

November 8, 2023

December 13, 2023

Updated: 2/1/23

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1f

Item 1f:	**Approve $2,092,248 in Funding Allocation for Community Electrification Engagement and Demonstration Programs**
From:	Girish Balachandran, CEO
Prepared by:	Justin Zagunis, Director of Decarbonization Programs & Policy; Tony Eulo, Senior Manager of Public Sector Services; Alhad Dighe, Fleet Electrification Fellow
Date:	2/8/2023

RECOMMENDATION

Staff recommends the Silicon Valley Clean Energy (SVCE) Board of Directors approve $2,092,248 in funding from the SVCE Programs Budget to fully fund the remaining Decarbonization Engagement and Decarbonization Demonstration Grants.

BACKGROUND

In June 2022, the board approved $1.9M in funding from the PG&E carbon-free allocation savings to fund several community electrification education and awareness programs. Out of this funding, $1.55M dollars were allocated for two grant programs, the Decarbonization Demonstration grants, and the Decarbonization Demonstration grants. These grants offered financial support for both member agency engagement activities that support electrification education, and public agency and community group decarbonization demonstration projects at community buildings.

SVCE received an excellent collection of grant proposals in response and notified the successful applicants of their award in December.

ANALYSIS & DISCUSSION

After evaluating and scoring the applications received, SVCE funded the applicants listed in the "Round 1" column in Tables 1 and 2. While these applications received the top scores, all of the remaining applications proposed projects that were worthwhile and valuable. Due to the strong proposals received and the benefit it would provide to each applicant's local community, as well as the region, staff is recommending that the board approve the award of an additional $2,092,248 in grants to ensure that all the proposed projects proceed.
A list of scope summaries can be found in the attachment. Also, a breakdown of the total additional funds requested can be seen in Table 3.

Table 1: Decarbonization Engagement Grants

Agency	Request	Round 1 (Funded)	Round 2 (Recommended)
Cupertino	$111,500	$89,000	$22,500
Los Altos Hills	$70,000	-	$70,000
Milpitas	$95,000	$95,000	-
Morgan Hill	$95,748	$95,748	-
Mountain View	$70,000	$70,000	-

Total	$442,248	$349,748	$$92,250

Table 2: Decarbonization Demonstration Grants

Agency	Request	Round 1 (Funded)	Round 2 (Recommended)
Campbell	$500,000	-	$500,000
Los Altos	$201,000	$201,000	-
Monte Sereno	$500,000	-	$500,000
Morgan Hill	$500,000	-	$500,000
Mountain View	$497,000	$497,000	-
Sunnyvale	$500,000	-	$500,000
Sunnyvale School District	$500,000	$500,000	-
Total	$3,198,000	$1,198,000	$2,000,000

Table 3: Total Additional Funding Allocation Requested

Grant	Round 2 Funding (Recommended)	Remaining Funds for Grants after Round 1	Today's Additional Funding Request
Decarbonization Engagement Grant	$92,500	$252	$92,248
Decarbonization Demonstration Grant	$2,000,000	$0	$2,000,000
Total	-	-	$2,092,248

STRATEGIC PLAN

The proposed programs align with the board-adopted strategic plan for the following goals:

- Goal #10: Empower customers with the awareness, knowledge and resources needed to make effective clean energy choices
- Goal #11: Engage a full range of public, private and nonprofit stakeholders to leverage our decarbonization efforts

ALTERNATIVE

The Board could decline to authorize the additional expenditures and SVCE would not award additional grants. While this would be consistent with the initial grant solicitation announcement, it would delay the implementation of additional valuable projects.

FISCAL IMPACT

As before, the carbon free allocation savings will ultimately be used to fund these grant projects. Once the 2022 carbon free allocation savings is known, which should be in the summer, it will be directed to the Programs Budget to backfill most of the additional grant awards. For reference purposes, the savings for 2021 was $1.9M and a similar amount is expected from 2022. In the interim, SVCE will proceed by using available dollars in the overall Programs Budget to cover the grant costs. If approved, any difference in the $2,092,248 approved by the Board today and the 2022 carbon free allocation savings will be covered by the available Programs Budget dollars.

The recommended action does result in an adjustment to the SVCE budget by approving that the 2022 carbon free allocation savings be dedicated to the Programs Budget once that total is known. No adjustment to other elements of the SVCE budget.

ATTACHMENTS

1. SVCE Decarbonization Grants Summary

SVCE Decarbonization Grants

Grants Funded

1. The City of Cupertino: **$111,500** to seed fund the development of a VR DECARB, a virtual reality (VR) simulation for the community to “walk through” an all-electric home and learn about the home features, benefits, and how to decarbonize your home.
    a. *The City of Cupertino was only partly funded, they received $89,000 out of the request of $111,500.*
2. The City of Milpitas: **$95,000** to fund a part-time project coordinator that will demonstrate decarbonization technologies, tools, etc. in a fun way at a broad variety of seasonal and community events.
3. The City of Morgan Hill: **$95,748** to fund the staffing necessary to engage the public on the topics of decarbonization and climate change in support of the City’s Climate Action Plan.
4. The City of Mountain View: **$70,000** to implement an interactive, multi-step engagement program on building electrification. Notably, SVCE support would allow the City to greatly expand its engagement with non-English speaking residents, renters, multifamily property owners, and other underserved communities.
5. The City of Los Altos: **$201,000** to construct an “Energization Station” which is an outdoor public-use facility featuring opportunities to learn about electrification while exercising, device charging, and meeting.
6. The City of Mountain View: **$497,000** to electrify an existing senior center (which doubles as a mini community center) and feature it as an electrification demonstration site.
7. Sunnyvale School District: **$500,000** to replace existing gas furnaces with 12 heat pumps and highlight the electrification initiative with the school community and in the curriculum.

Grants to be funded

1. The City of Cupertino: **$22,500** to finish the seed fund the development of a VR DECARB, a virtual reality (VR) simulation for the community to “walk through” an all-electric home and learn about the home features, benefits, and how to decarbonize your home.
    a. *The City of Cupertino was only partly funded, they received $89,000 out of the original request of $111,500. This additional $22,500 would complete their initial request.*
2. The Town of Los Altos Hills: **$70,000** to educate the public on a variety of electrification, renewable energy, EV, battery storage, microgrid and load-shifting technologies already in use or soon to be implemented at their Town Hall facility on Fremont Road.
3. The City of Campbell: **$500,000** to electrify a library that is about to be fully renovated. The funding would be used to fully electrify the building instead of installing new gas infrastructure and equipment.
4. The City of Monte Sereno: **$500,000** to transform an existing building into a community center that will be a regional demonstration and education facility.
5. The City of Morgan Hill: **$500,000** to construct an all-electric fire station with a demonstration plaza next to it featuring display boards and interpretive signage highlighting the electric components of the fire station.
6. The City of Sunnyvale: **$500,000** to construct an all-electric library and fund an education and engagement program to showcase the all-electric attributes of the library.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1g

Item 1g:	**Executive Committee Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Tina Walia, Executive Committee Chair
Date:	2/8/2023

At the first meeting of the 2023 Executive Committee on January 27th, Executive Committee members appointed a Chair and Vice Chair of the committee, selected a regular meeting schedule for 2023, voted to take a summer hiatus from the July Executive Committee meeting, and heard a presentation from staff on SVCE's Electric Showcase Awards program.

The committee appointed me as Chair, and Director Bryan Mekechuk as Vice Chair of the Executive Committee for 2023. A regular meeting schedule was established of the fourth Fridays of the month at 10:00 a.m.

The committee voted to cancel the regularly scheduled Executive Committee meeting on July 28, 2023. They also voted to recommend the Board of Directors approve cancelling the regularly scheduled Board of Directors meeting on July 12, 2023, which is on the consent calendar for the Board's consideration.

Michaela Pippin, Principal Communications Specialist, provided a presentation on SVCE's Electric Showcase Awards program, which highlights existing building electrification success stories. More information and the application on the program can be found here: SVCE Electric Showcase Awards

Materials from this meeting can be found on SVCE's website: SVCE Executive Committee Meeting, January 27, 2023

The next meeting of the Executive Committee will be February 24, 2023 at 10:00 a.m.; materials will be posted no later than 72 hours in advance of the meeting.

Staff Report – Item 1h

Item 1h:	**California Community Power Report**
To:	Silicon Valley Clean Energy Board of Directors
From:	Girish Balachandran, CEO
Date:	2/8/2023

Per direction from the SVCE Board on December 9, 2020 for the CEO to provide a report of the ongoing activities of California Community Power (CC Power) after each of its meetings, this is to report CC Power held a regular board meeting on Wednesday, January 18, 2023.

Attached is a summary report from Interim General Manager Timothy Haines; materials from the January board meeting can be found here on the CC Power website: CC Power Meeting, 1/18/23

The next meeting of the board will be February 15, 2023 at 1:00 p.m.; meeting materials can be found on the CC Power website: https://cacommunitypower.org/meetings/

ATTACHMENTS:
1. CA Community Power Board Meeting Summary from Interim General Manager Timothy Haines, January 18, 2023

Power & Grid Symmetry, LLC

4900 9th Avenue, Sacramento, CA 95820

TO: CC Power Board of Directors and Alternates **DATE:** 1/18/2023

FROM: Tim Haines – Interim General Manager

SUBJECT: **Report on CC Power Regular Board of Directors Meeting – January 18, 2023**

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, January 18, 2023, 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 approved the following items:
  - Minutes of the Regular Board Meeting held on December 14, 2022.
  - Resolution 23-01-01 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

- **Update from General Manager Search ad hoc Committee:** Chair Syphers informed the Board that the GM Search ad hoc committee has scheduled interviews with an initial list of candidates provided by J Tedesco & Associates. The committee may return to the Board with a recommendation as early as the February meeting but the search may continue into March. The Chair also informed the Board that he is adding Board Member Balachandran to the search committee.

- **Resolution 23-01-02 Election of CC Power Chair and Vice-Chair.** The Board unanimously elected Board Member Balachandran and Board Chair and Board Member Mitchell as Vice-Chair.

- **Resolution 23-01-03 Appointment of CC Power Secretary and Treasurer/Controller for 2023.** The Board unanimously voted in support of the appointment of Board Member Syphers as Treasurer/Controller and General Counsel Iles as Secretary.

- **Discussion of Offshore Wind Development.** The Board discussed the timing and approach to obtain information from offshore wind developers. The Chair appointed Board Member Marshall and alternate Board Member Shaw to sponsor the effort. A more detailed proposal will be discussed at the February Board meeting.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1i

Item 1i:	**Additional Committee Reports**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Andrea Pizano, Board Clerk/Executive Assistant
Date:	2/8/2023

There are no reports for the 1) Finance and Administration Committee, 2) Audit Committee, and 3) Legislative Ad Hoc Committee as they have not met yet in 2023.

The next meeting of these committees is expected in the coming months.

Staff Report – Item 2

Item 2:	**CEO Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Girish Balachandran, CEO
Date:	2/8/2023

REPORT

Personnel Officer Update

SVCE's recruiting for currently open positions intensified during January across all teams, with numerous interviews undertaken and scheduled. Staff recently completed benefits open enrollment and the entire team enjoyed a quarterly in person retreat on January 12th and 13th, both at the office and offsite.

2021 Greenhouse Gas Emissions Update

An analysis of 2021 Greenhouse Gas (GHG) emissions has been completed by staff; slides summarizing the findings are attached to this report.

2022 Community Impact Reports

Every year SVCE publishes Community Impact Reports for each member agency. These reports highlight annual results including customer savings, emissions reductions, Net Energy Metering payments, and more, specific to your community. For 2022, SVCE customers had on-bill savings of $6,400,000, bringing the customer savings since SVCE launch to $83,500,000. Last year, your communities avoided over 303 million pounds of greenhouse gases by choosing clean electricity. We have shared your community-specific Impact Report with you via email and will also be sharing these reports with your city councils, city managers, and residents in the coming weeks.

CEO Agreements Executed

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

1) TRC Engineers,Inc, Amendment: Streamlining Community-Wide Electrification Program, date extended to October 31, 2023
2) CC Power, Agreement: Website, IT and Website Hosting Services, not to exceed $6,000, 1/1/23 – 7/31/23
3) SMUD, task order: Gridshift Program Support, not to exceed $43,500
4) Raimi & Associates, Agreement: Electrification Policy Experimental Program Design, not to exceed $49,976, 12/5/22 – 7/31/23

SILICON VALLEY CLEAN ENERGY

CEO Power Supply Agreements Executed *added 2/7/23

Counterparty Name	Execution/Effective Date	Transaction Type	Product	Start Date	End Date	Notional Value
PG&E	12/16/2022	Allocation	Carbon-Free Energy	1/1/2023	12/31/2023	$0.00
Constellation Energy Generation	1/6/2023	Purchase	Hedge Energy	6/1/2023	9/30/2023	$17,089,248
Direct Energy	1/10/2023	Purchase	Carbon-Free Energy	1/1/2023	12/31/2023	$400,000
Morgan Stanley Capital Group	1/6/2023	Purchase	Hedge Energy	10/1/2023	10/31/2023	$3,810,470
Chevron Power Holdings	12/20/2022	Purchase	Resource Adequacy	12/1/2023	12/31/2023	$61,750
Southern California Edison	1/17/2023	Sale	Resource Adequacy	3/1/2023	3/31/2023	$192,500
Southern California Edison	1/17/2023	Purchase	Resource Adequacy	3/1/2023	3/31/2023	$157,500
Morgan Stanley Capital Group	1/9/2023	Purchase	Carbon-Free Energy	1/1/2023	12/31/2024	$6,513,210
Clean Power Alliance	1/24/2023	Sale	Resource Adequacy	4/1/2023	4/31/2023	$18,000
Direct Energy	12/7/2023	Purchase	Resource Adequacy	10/1/2023	10/31/2023	$448,500
Direct Energy	12/7/2023	Purchase	Resource Adequacy	10/1/2023	10/31/2023	$138,250
Calpine	12/16/2022	Purchase	Resource Adequacy	10/1/2023	10/31/2023	$2,563,500
Morgan Stanley Capital Group	1/6/2023	Purchase	Hedge Energy	1/1/2024	3/31/2024	$5,426,938
Morgan Stanley Capital Group	1/6/2023	Purchase	Hedge Energy	4/1/2024	6/30/2024	$3,300,024
Morgan Stanley Capital Group	1/6/2023	Purchase	Hedge Energy	7/1/2024	9/30/2024	$5,226,888
Morgan Stanley Capital Group	1/6/2023	Purchase	Hedge Energy	10/1/2024	12/31/2024	$4,897,905

These agreements are included in the Board packet as Appendix A.

SILICON VALLEY
CLEAN ENERGY

Presentations & Relevant Meetings Attended by CEO

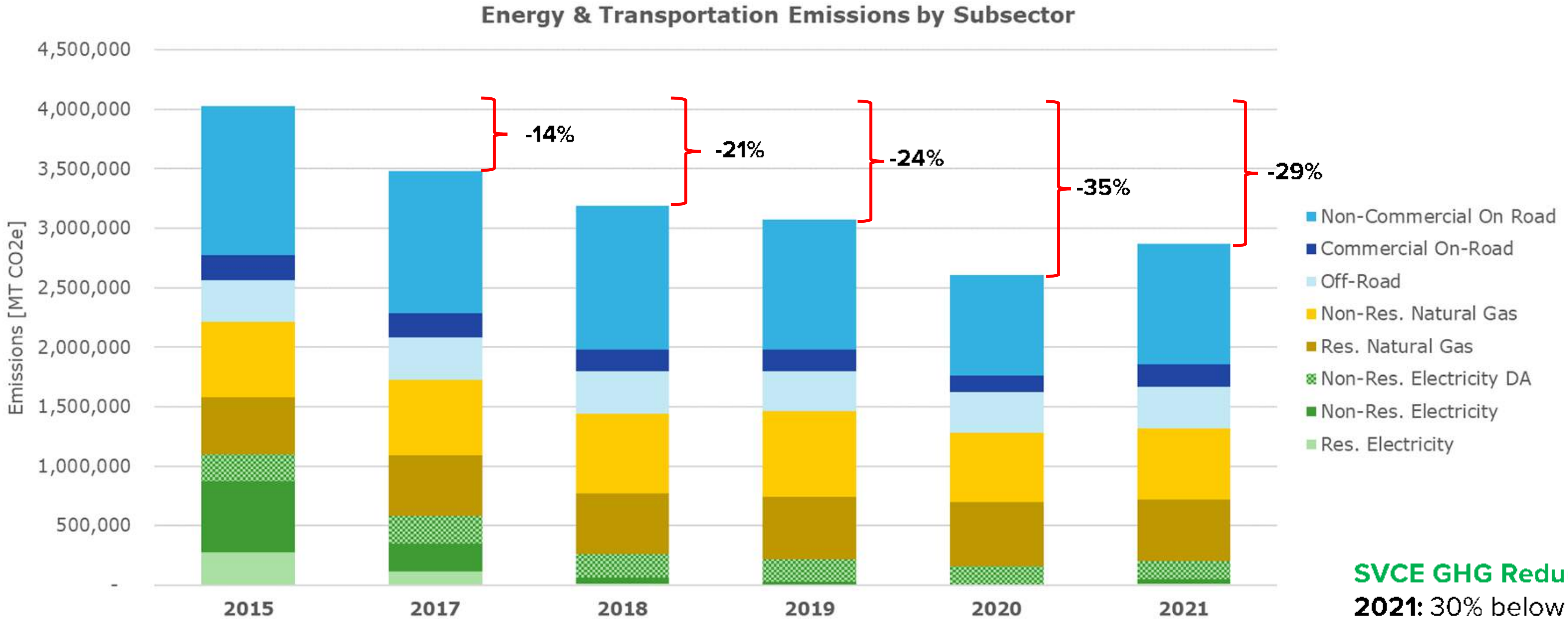
- Participated in CalCCA Monthly board, executive, and legislative meetings;
- CC Power Board Meeting, January 18, 2023, report included on the Consent Calendar

ATTACHMENTS

1. GHG Emissions Report, 2021
2. Clean Power Update, February 2023
3. Decarb Programs & Policy Update, February 2023
4. Energy Services & Community Relations Update, February 2023
5. Regulatory and Legislative Update, February 2023
6. Agenda Look Ahead, February – June 2023

2021 GHG Inventory Update

2021 emissions were 29% below 2015



SVCE GHG Reduction Targets
2021: 30% below 2015
2025: 40% below 2015
2030: 50% below 2015

2021 emissions: 2.87 million MT CO2e

With 2020 as an outlier year, emissions continue to trend downward between 2019 and 2021

2021 saw a partial rebound from COVID in the **on-road transportation** and **residential energy** sectors

GHG Models and Methods work (2023) will develop more robust GHG modeling capabilities to track emissions trends more closely

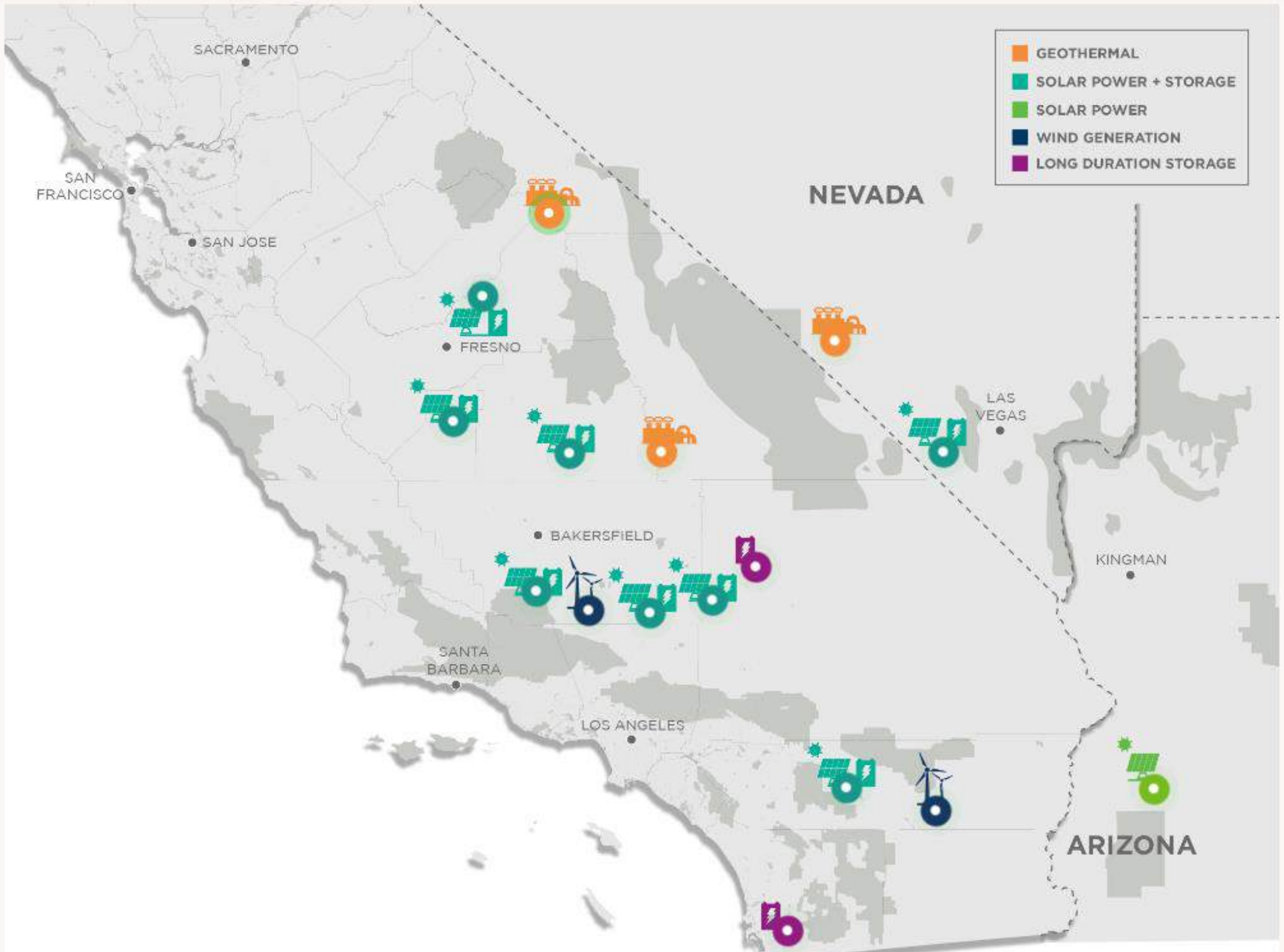
- Compared to 2020, 2021…
  - On-road vehicle miles traveled (VMT) **increased** 24%
  - Residential electricity consumption **decreased** 9%
  - Residential gas consumption **decreased** 4%
  - Non-residential electricity consumption **decreased** 2%
  - Non-residential gas consumption **increased** 3%
- Compared to 2019 (pre-COVID), 2021…
  - On-road VMT **decreased** 8%
  - Residential electricity consumption **stayed the same**
  - Residential gas consumption **decreased** 3%
  - Non-residential electricity consumption **decreased** 12%
  - Non-residential gas consumption **decreased** 17%

CEO Report
Clean Power Update

SVCE Board Meeting
February 8, 2023

SILICON VALLEY
CLEAN ENERGY

Clean Long-term Power Agreements



https://svcleanenergy.org/power-sources/#1626304852954-906a3be9-bede

- $1.9B+ in commitments
- 16 PPAs signed
  - 13 new build projects
- 676 MW of Renewable Power
- 151 MW lithium-ion storage paired with 445 MW of Solar PV
- 30 MW of Long-duration storage

6 Projects now delivering to SVCE meeting ~29% of energy needs:

- COSO geothermal - January 2022
- Slate Solar + Storage – January 2022
- Casa Diablo geothermal – September 2022
- Mountain View wind – July 2022
- Rabbitbrush Solar + Storage – October 2022
- Terra-Gen Wind – January 2023

SVCE Long-Term Clean Energy Contracts

	Seller	Project Name	Technology	Generation MW	Storage MW	Approximate % of Annual load in 2025	Term (years)	Lifetime Not to Exceed Authority (MM$)	SVCE Board Approval	Status
1	MN8	Slate	Solar + Storage	93.0	46.5	6.7%	17	$198	Oct-18	Online
2	Ormat	Casa Diablo	Geothermal	7.0		1.4%	10	$43	Feb-20	Online
3	Atlantica	Coso	Geothermal	43.8		9.6%	15	$331	Mar-20	Online
4	Leeward	Rabbitbrush	Solar + Storage	40.0	8	3.0%	15	$64	Apr-20	Online
5	NextEra	Yellow Pine	Solar + Storage	50.0	26	4.1%	20	$128	May-20	Construction
6	Avantus	Aratina	Solar + Storage	80.0	20	6.6%	20	$174	Jun-20	Pre-construction
7	174 Power Global	Atlas	Solar	50.0	0	3.8%	10	$27	Jan-21	Pre-construction
8	SB Energy	Angela	Solar + Storage	20.0	10	1.4%	15	$35	Mar-21	Pre-construction
9	AES	Mountain View	Wind	33.3		3%	20	$128	Apr-21	Online
10	Origis	San Luis West	Solar + Storage	62.5	15.625	4%	15	$74	Apr-21	Pre-construction
11	Clearway	Victory Pass	Solar + Storage	100.0	25	8%	15	$149	May-21	Construction
12	Terra-Gen	Cameron Crest	Wind	77.7		5%	15	$150	May-21	Online
13	Rev Renewables	Tumbleweed	Long Duration Storage		15.9375	n/a	15	$100	Feb-22	Pre-construction
14	Onward	Goal Line	Long Duration Storage		14.2	n/a	15	$100	Mar-22	Pre-construction
15	Ormat	Geothermal Portfolio	Geothermal	16.75		3.3%	20	$256	Jun-22	Pre-construction
16	OME	Fish Lake	Geothermal	1.82		0.4%	20	$30	Jun-22	In-development

Clean Energy Resources On-line Progress as of 1/30/2023

2023 – Q2	• Angela Solar + Storage – ***Pre-construction - delayed*** • Aratina Solar + Storage – ***Pre-construction – delayed***
2023 – Q3	• Yellow Pine Solar + Storage – ***Construction mode - delayed***
2023 – Q4	• San Luis West Solar + Storage - ***Pre-construction - delayed***
2024 – Q1	• Victory Pass Solar + Storage – ***Construction mode – delayed***
2024 – Q2	• FCR: Fish Lake Geothermal – Pre-construction
2025+	• FCR: Ormat Geothermal - ***Pre-construction*** • LDS: Goal Line and Tumbleweed - ***Pre-construction*** • Atlas Solar – ***Pre-construction - delayed***

Upcoming Projects

Yellow Pine: 50 MW PV, 26 MW BESS

- COD in June/July 2023

Victory Pass: 100 MW PV, 25 MW BESS

- COD in March 2024

Yellow Pine Solar + Storage

THANK YOU!

DECARBONIZATION PROGRAMS UPDATES

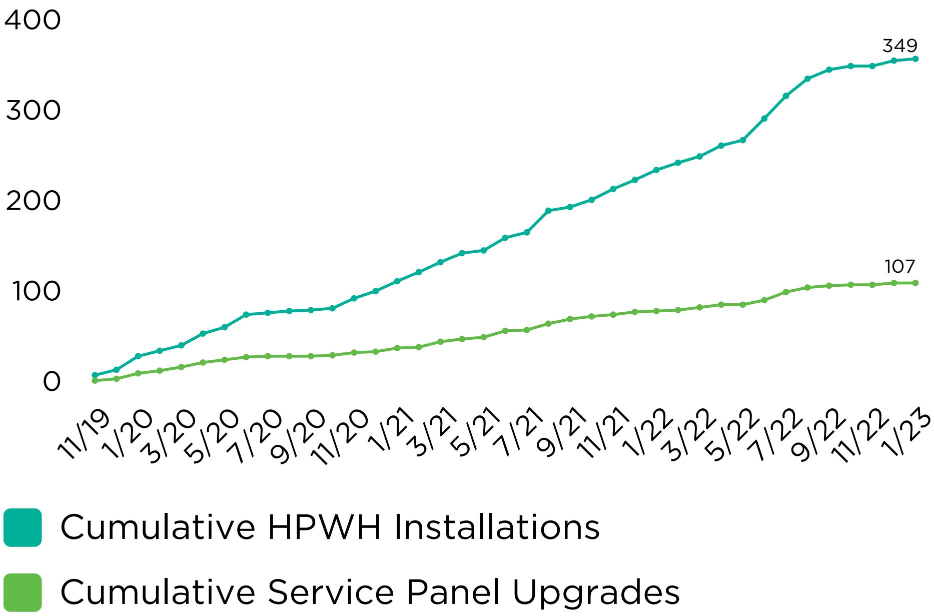
JANUARY 2023

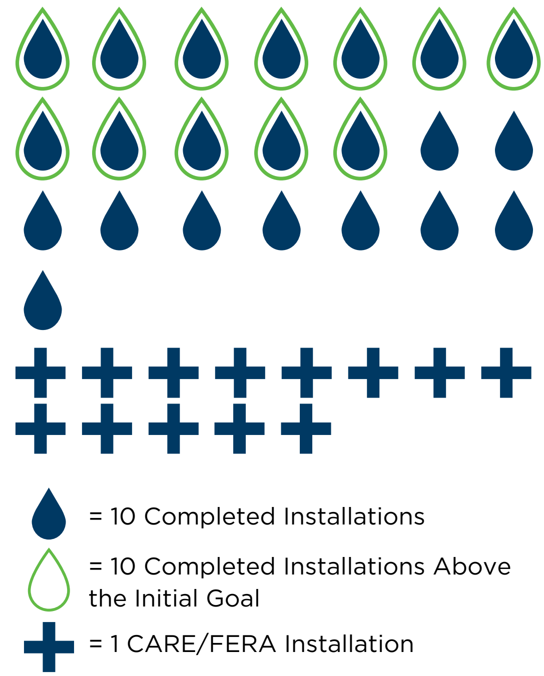
Heat Pump Water Heater

Provide incentives for electric heat pump water heaters and service panel upgrades to residents using gas or electric resistance heaters

Funding: $1.15M

Goal: 220 HPWH by 2022



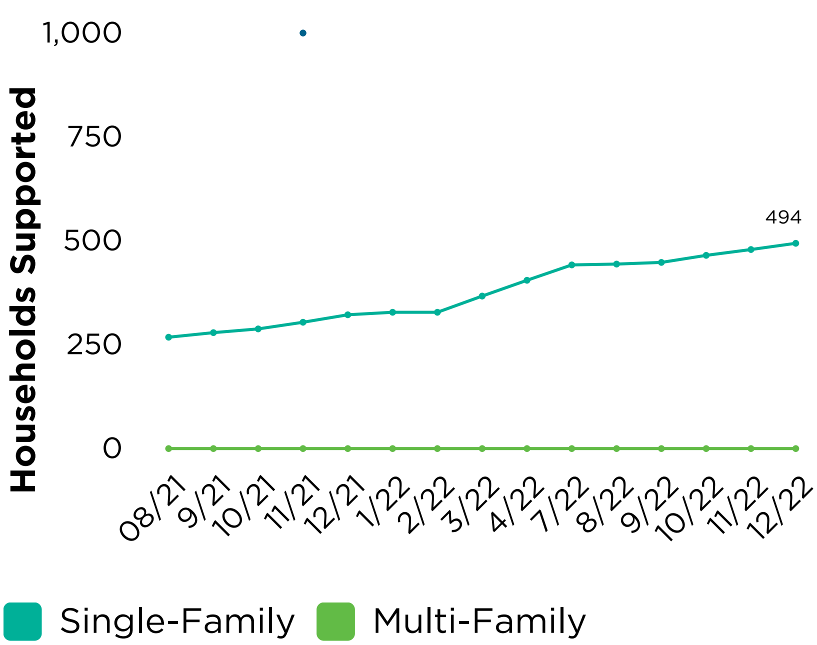


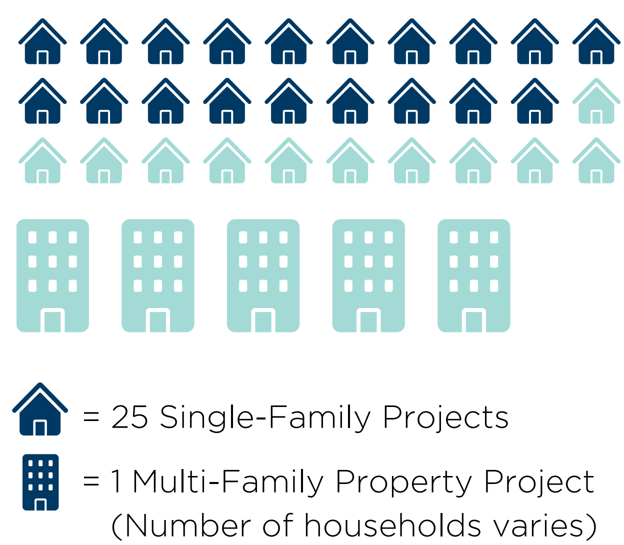
Lights On Silicon Valley

Provide incentives for enrolling solar and battery systems in the SVCE grid services program

Funding: ≤ $7.4M

Goal: 750 Single-Family + 5 Multi-Family Projects Completed by 2023





ONGOING METRICS

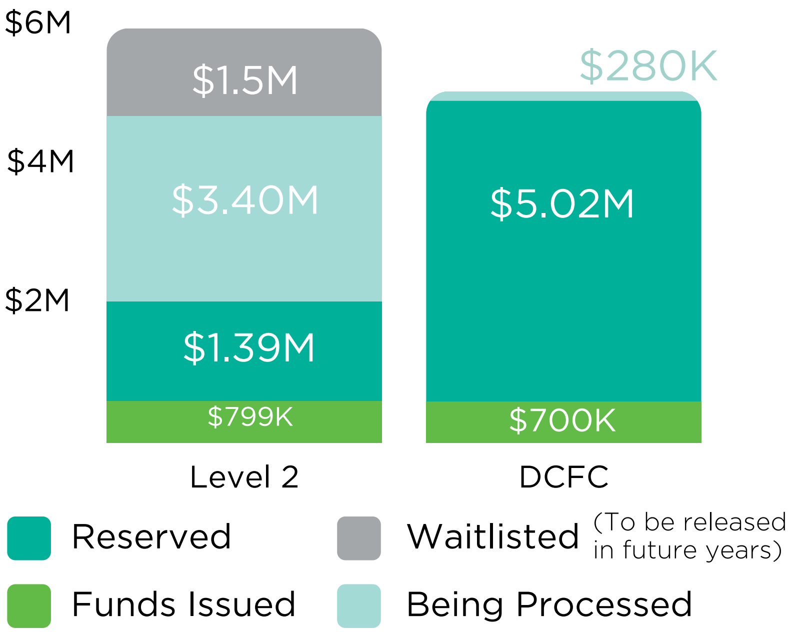
JANUARY 2023

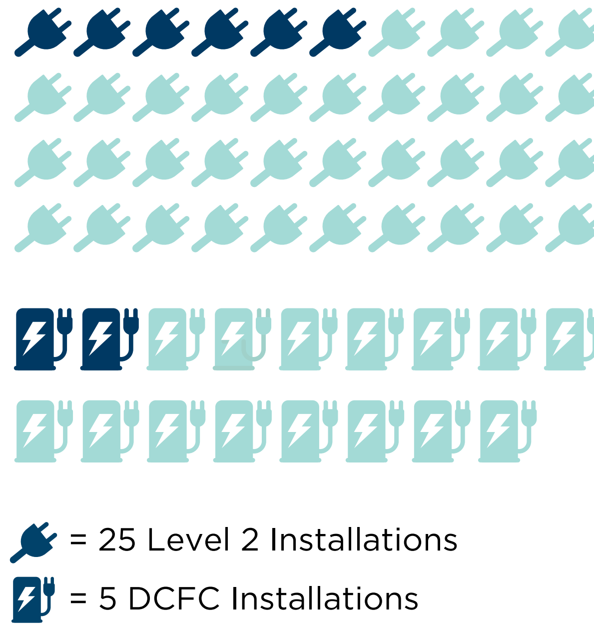
CALeVIP

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

Funding: $11.58M

Goal: 1K Level 2 + 85 DC Fast Chargers by 2023



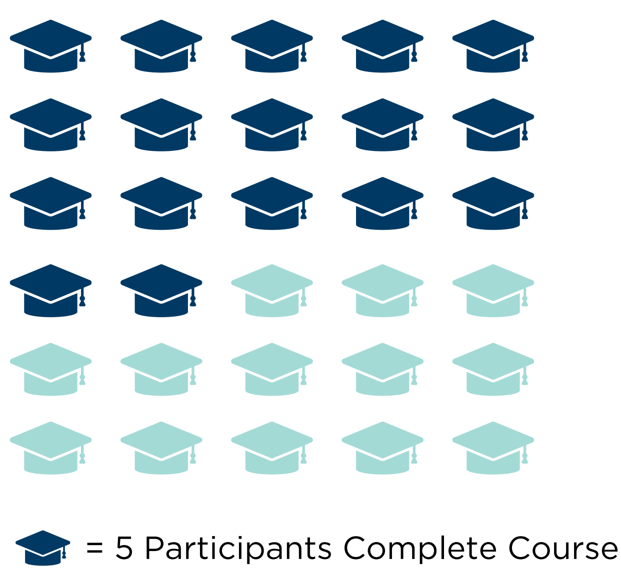


FutureFit Fundamentals

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

Funding: $1.5M

Goal: 150 Participants Complete the Course (Phase 1)



PROGRAMS AT A GLANCE

JANUARY 2023

Click for More Information

Active In Development Complete

POWER SUPPLY

- C&I Clean Power Offerings

BUILT ENVIRONMENT

- FutureFit Fundamentals
- FutureFit Heat Pump Water Heater
- Permit Simplification Effort
- Resilience at Community Facilities
- Medical Baseline Battery Program
- CRCR Bill Relief
- Reach Codes
- Electric Showcase Awards
- Building Decarb Joint Action Plan
- Accessible Financing
- Feasibility Assessment - Natural Gas Phase Out By 2045
- FutureFit Homes & Buildings
- Local Policy to Decarbonize Existing Buildings
- Regional Coordination

MOBILITY

- CA Electric Vehicle Infrastructure Project (CALeVIP)
- MUD Technical Assistance & Incentives
- Priority Zone DCFC
- SV Transportation Electrification Clearinghouse (SVTEC)
- EV Infrastructure Strategy & Plan
- Regional Recognition
- Fleet Electrification Grants

GRID INTEGRATION

- GridShift EV Charging
- Lights On Silicon Valley
- Other Virtual Power Plant

EDUCATION & OUTREACH

- Customer Resource Center (eHub)
- Data Hive
- Community Engagement Grants
- Building Decarbonization Demonstration Grants
- Decarbonization Engagement Grants

INNOVATION

- Innovation Onramp Pilots
- Innovation Partners

1. Outreach Events & Sponsorships

Date	Sponsorship	Location
2/17/23	Joint Venture Silicon Valley - State of the Valley Conference 9:00 a.m. to 12:00 p.m. *Table sponsorship*	Hybrid event: Computer History Museum (CHM) Mtn. View

2. Customer Participation

	Participation Rate	Overall Participation Rate
Residential	96.37%	96.41%
Commercial	96.71%	

SILICON VALLEY CLEAN ENERGY

3. Member Agency Working Group – January Update

Preceding this month's MAWG meeting on January 26, the SVCE communications team held a special meeting with member agency PIOs and communications staff. The meeting provided an update on SVCE's key initiatives and upcoming customer offers & services where they can help push info out to their communities through their channels.

The MAWG meeting that followed was attended by 10 different agencies and organizations with a total of 15 participants.

The following agenda items were presented and discussed:

- SVCE EV Charging Incentive Programs
- Fleet Electrification Program Update
- SVCE 2023 Work Plan

4. 'Go Electric' Holiday Sweepstakes

Launched Dec. 19, and closed Jan. 18

Sweepstakes Results

4,840 Participants

24,095 Actions Completed

114,152 Total Entries

- **Purpose of Sweepstakes:** Encourage customers to learn about electrification and visit eHub tools.
- **Sweepstakes Rules:** Participants can receive entries by completing specific actions and are entered into a drawing to win prizes
- **Prizes:** Ten winners can choose between a $600 electric bill credit, an e-bike, a Le Creuset 5-piece cookware set paired with a portable induction cooktop, a portable power station paired with a portable solar panel, or a Smartenit EV Charger.

5. Press & Media

Press

- New Chair and Vice Chair for the Silicon Valley Clean Energy Board of Directors, *Press Release, 01-25-23*
- Silicon Valley Clean Energy 2023 Rates Provide Customers Four Percent Discount, *Press Release, 01-09-23*

Media

- Clean Energy Education, *The Mercury News (Campbell, Los Gatos, Santa Clara County), 01-26-23*
- Milpitas officials ban natural gas in new buildings, *California Construction News, 01-21-23*

SVCE Legislative and Regulatory Update

February 8, 2023

SILICON VALLEY CLEAN ENERGY

Policy Updates

Regulatory Update:

1. Integrated Resource Planning

Legislative Update:

1. Governor's January Budget Proposal
2. Legislative Timeline

Item 2
Attachment 5

Regulatory Update

Key Regulatory Proceedings

Proceeding	Purpose	Status
Integrated Resource Planning (IRP)	Evaluate electric system needs and plan for electric sector greenhouse gas emissions reductions	On January 13th, the CPUC issued a proposed decision that proposes to order load-serving entities to procure 4,000 MW of incremental capacity to contribute to system reliability. If adopted, this will become the third procurement order issued in the Integrated Resource Planning proceeding and brings the total amount of new procurement ordered in a little over 3 years to 18,800 MW, a historical amount. The 4,000 MW order addresses increases in forecasted load, climate change impacts, and resource retirements but has not been substantiated by a robust analysis. The earliest the proposed decision will be voted on is February 23rd.

Legislative Update

2023 Governor's January Budget

State facing $22 billion deficit; Governor proposing cuts and delays in spending.

Program	Amount of Funding	Notes
Long Duration Storage	$330 million – cut of $50 million	Support non-lithium ion, long-duration storage projects.
Equitable Building Decarb Program	Delay of $370 million in current funds plus $87 million cut in FY 25-26	CEC administered program which includes direct install of building decarbonization projects for low-income households.
ZEV Funds	$8.9 billion – keeps 89% of funding.	Shifts funding source from the General Fund to Cap and Trade. Program haircuts to equitable Zero-emission vehicles and infrastructure, heavy-duty ZEVs, and zero emission mobility programs.
Clean Energy Reliability Fund (from SB 846, Diablo Canyon extension bill)	$100 million – new investment	For reliability and to enable investments to accelerate the clean energy transition.

Key State Legislative Milestones

- ~~January 4 – Legislature Reconvenes~~
- February 17– Last day for bills to be introduced
- April 28 – Last day for policy committees to vote on fiscal bills
- May 5 – Last day for policy committees to vote on non-fiscal bills
- May 19– Last day for fiscal committees to hear bills introduced in that house
- June 2 – Last day for each house to pass bills introduced in that house
- June 15– Budget bill must pass by midnight
- July 14– Last day for policy committees to vote on bills
- September 1– Last day for fiscal committees to vote on bills
- September 14– Last day for each house to pass bills
- October 14– Last day for Governor to sign bills

SVCE Agenda Look Ahead
February - June 2023

FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	June 2023
Board of Directors, February 8:	**Board of Directors, March 8:** Consent: Minutes January 2023 Treasurer Report Committee Reports Regular Calendar: Mid-Year Budget Audited Financial Statements FutureFIt Fundamentals Update	**Board of Directors, April 12:** Consent: Minutes February 2023 Treasurer Report Committee Reports Regular Calendar: Insurance Coverage	**Board of Directors, May 10:** Consent: Minutes March 2023 Treasurer Report Committee Reports Regular Calendar: Hedging Analysis	**Board of Directors, May 10:** Consent: Minutes April 2023 Treasurer Report Committee Reports Regular Calendar: Stress Test Analysis Strategic Plan Update
Executive Committee, February 24: Program Snapshots	**Executive Committee, March 24:** Insurance Coverage Program Snapshots	**Executive Committee, April 28:** Hedging Analysis	**Executive Committee, May 26:** Stress Test Analysis Intro to 2024 Strategic Plan	**Executive Committee, June 23:** FY Budget Framework

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 3

Item 3:	**Appoint 2023 Board Committee Members**
From:	Girish Balachandran, CEO
Prepared by:	Andrea Pizano, Board Clerk/Executive Assistant
Date:	2/8/2023

RECOMMENDATION

Staff recommends the Board appoint members to the 2023 Legislative Ad Hoc Committee, Audit Committee, and Finance and Administration Committee through February 2024.

BACKGROUND

SVCE's Joint Powers Authority Agreement, Article 4, Section 4.7 *Commissions, Board and Committees*, states, "The Board may establish any advisory commissions, boards, and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement." Per SVCE's Operating Rules and Regulations, the term of office for each committee established by the Board shall be one year. There are no limits on the number of terms that a Director may serve on a committee.

ANALYSIS AND DISCUSSION

2023 Legislative Ad Hoc Committee – *New Ad Hoc Committee for 2023

This Ad Hoc Board Committee was formed on January 11, 2023. Anticipated activities include:
General advocacy strategy development for state and federal activities;
Feedback on priorities for legislation and the state budget; and
Advocacy on key legislation.

The Policy Areas for 2023 include:
1. Affordability & Rates,
2. Climate Change Mitigation/Fuel Switching,
3. Clean, Reliable Grid,
4. Competitive Equity/Do No Harm,
5. Health Impact/Safety, and
6. Equity.

The committee meets as needed (based on member availability), and is comprised of up to six Directors or Alternate Directors of the Board. An alternate Director may not attend a Committee meeting on behalf of an absent regular Director. No more than one Committee member shall represent a particular member agency.

Composition	Expressed Interest for 2023
• Not more than six Directors/Alternate Directors of the Board (6 total) • No more than one eligible Committee Member shall represent their respective Member Agency • Alternates to appointed committee members is prohibited	1. Dir. Elliot Scozzola, Campbell 2. Zach Hilton, Gilroy 3. Bryan Mekechuk, Monte Sereno 4. Yvonne Martinez Beltran, Morgan Hill 5. Margaret Abe-Koga, Mountain View

Agenda Item: 3 **Agenda Date: 2/8/2023**

Audit Committee

The purpose of the Audit Committee is to oversee the accounting and financial reporting process and the audit of SVCE's financial statements by the independent auditor. The Audit Committee meets twice a year and as needed, is comprised of a minimum of three and up to six Directors, Alternate Directors, or member agency staff nominated by a Board member, and no more than one eligible committee member shall represent their respective member agency.

Composition	2022 Roster	Expressed Interest for 2023
• Minimum of three and no more than six Directors of the Board or appointees by the Board (3-6 total) • Board Members, Alternate Board Members, and member agency staff nominated by a Board Member can serve • No more than one eligible Committee Member shall represent their respective Member Agency • Alternates to appointed committee members is prohibited	1. Committee Chair Bryan Mekechuk, Monte Sereno 2. Committee Vice Chair Margaret Abe-Koga, Mountain View 3. Alt. Dir. Sergio Lopez, Campbell	1. Alt. Dir. Sergio Lopez, Campbell 2. Dir. Sheila Mohan, Cupertino 3. Dir. Bryan Mekechuk, Monte Sereno 4. Alt. Dir. Murali Srinivasan, Sunnyvale 5. Harjot Sangha, Finance Director, Gilroy *City of Gilroy Staff Member nominated by Dir. Hilton

Finance and Administration Committee

The purpose of the Finance and Administration Committee is to provide financial and administrative oversight of SVCE. Tasks include budgeting, financial reporting, monitoring of internal controls, review financial and administrative policies and oversee investment strategies. The Finance and Administration Committee meets quarterly and as needed, is comprised of a minimum of three and up to six Directors, Alternate Directors, or member agency staff nominated by a Board member, and no more than one eligible committee member shall represent their respective member agency.

Composition	2022 Roster	Expressed Interest for 2023
• Minimum of three and no more than six Directors of the Board or appointees by the Board (3-6 total) • Board Members, Alternate Board Members, and member agency staff nominated by a Board Member can serve • No more than one eligible Committee Member shall represent their respective Member Agency • Alternates to appointed committee members is prohibited	1. Committee Chair Rob Rennie, Los Gatos 2. Committee Vice Chair Hung Wei, Cupertino 3. Dir. Margaret Abe-Koga, Mountain View 4. Dir. Liz Gibbons, Campbell 5. Dir. Larry Klein, Sunnyvale 6. Alt. Dir. Bryan Mekechuk, Monte Sereno	1. Dir. Scozzola, Campbell (added 2/7/23) 2. Alt. Dir. Hung Wei, Cupertino 3. Dir. Sally Meadows, Los Altos 4. Dir. Margaret Abe-Koga, Mountain View 5. Dir. Tina Walia, Saratoga

Attached are two documents: 1) the 2023 Committee Snapshot, which summarizes who has expressed interest in each committee for 2023, and 2) a 2023 SVCE Assignments and Committee Interests document outlining our board roster and the assigned committees and interests identified for each member.

STRATEGIC PLAN

Not applicable.

ALTERNATIVE

There is no alternative to selecting members of SVCE's committees.

FISCAL IMPACT

No fiscal impact as a result of selecting SVCE's committee members.

ATTACHMENTS

1. 2023 Committee Snapshot
2. 2023 Proposed SVCE Committee Assignments

SILICON VALLEY CLEAN ENERGY

2023 SVCE Committee Snapshot

Three committees up for appointments:

1. **2023 Legislative Ad Hoc Committee – *New Committee**

   Description:
   Anticipated activities include:
   General advocacy strategy development for state and federal activities;
   Feedback on priorities for legislation and the state budget; and
   Advocacy on key legislation.

   The Policy Areas for 2023 include:
   1. Affordability & Rates,
   2. Climate Change Mitigation/Fuel Switching,
   3. Clean, Reliable Grid,
   4. Competitive Equity/Do No Harm,
   5. Health Impact/Safety, and
   6. Equity.

   Membership:
   No more than six members of the board.

   Meeting Frequency:
   As needed.

2023 Legislative Ad Hoc Committee Roster	Member Agency
Elliot Scozzola	**Campbell**
Zach Hilton	**Gilroy**
Bryan Mekechuk	**Monte Sereno**
Yvonne Martinez Beltran	**Morgan Hill**
Margaret Abe-Koga	**Mountain View**

2023 SVCE Committee Snapshot

2. Finance & Administration Committee

Description:
Works with SVCE staff on items related to financial and administrative issues that impact the agency.

Membership:
No fewer than three members and no greater than six members;
Can be Board members, Alternate Board members, or a Board appointed member agency staff member.
No alternate directors may attend a committee meeting on behalf of an absent primary appointed director. No more than one Committee member shall represent a particular member agency.

Meeting Frequency:
Quarterly and as-needed (First meeting expected in February 2023)

2023 Finance and Administration Committee Roster	Member Agency
Elliot Scozzola	Campbell *added 2/7/23
Hung Wei	Cupertino
Sally Meadows	Los Altos
Margaret Abe-Koga	Mountain View
Tina Walia	Saratoga

3. Audit Committee

Description:
Works with SVCE staff on the initiation and receiving of the annual audit

Membership:
No fewer than three members and no greater than six members;
Can be Board members, Alternate Board members, or a Board appointed member agency staff member.
No alternate directors may attend a committee meeting on behalf of an absent primary appointed director. No more than one Committee member shall represent a particular member agency.

Meeting Frequency:
Twice yearly and as needed (First meeting expected in February 2023)

2023 Audit Committee Roster	Member Agency
Sergio Lopez	Campbell
Sheila Mohan	Cupertino
Bryan Mekechuk	Monte Sereno
Murali Srinivasan	Sunnyvale
Harjot Sangha* City of Gilroy Staff Member nominated by Dir. Hilton	Gilroy

2023 SVCE Assignments and Committee Interests

Director	Agency	Executive Committee *5 Members*	2023 Leg Ad Hoc Committee *Meets as needed* *5 Interested Members*	Audit Committee *Meets Twice Yearly & as needed* *5 Interested Members*	Finance and Administration Committee *Meets Quarterly & as needed* *5 Interested Members*
George Tyson, Chair	Town of Los Altos Hills	●			
Tina Walia, Vice Chair	City of Saratoga	●			✓
Elliot Scozzola	Campbell		✓		✓*added 2/7/23
Sergio Lopez	Campbell (Alternate Director)			✓	
Sheila Mohan	City of Cupertino			✓	
Hung Wei	City of Cupertino (Alternate Director)				✓
Zach Hilton	City of Gilroy		✓		
Harjot Sangha	City of Gilroy (Staff - Finance Director)			✓	
Sally Meadows	City of Los Altos				✓
Rob Rennie	Town of Los Gatos	●			
Evelyn Chua	City of Milpitas				
Bryan Mekechuk	City of Monte Sereno	●	✓	✓	
Yvonne Martinez Beltran	City of Morgan Hill	●	✓		
Margaret Abe-Koga	City of Mountain View		✓		✓
Larry Klein	City of Sunnyvale				
Murali Srinivasan	City of Sunnyvale (Alternate Director)			✓	
Otto Lee	County of Santa Clara				

● = Confirmed appointment for 2023

✓ = To be ratified at Feb. 8, 2023 Board of Directors Meeting

Staff Report – Item 4

Item 4:	**New Construction Reach Code Recap**
From:	Girish Balachandran, CEO
Prepared by:	Zoe Elizabeth, Deputy Director of Decarbonization Programs and Policy Justin Zagunis, Director of Decarbonization Programs and Policy
Date:	2/8/2023

RECOMMENDATION

Staff requests that the Board of Directors receive a recap from the Decarbonization Programs and Policy team on New Construction Reach Codes.

BACKGROUND

In 2019, SVCE offered technical support to member jurisdictions that were evaluating options for amending the state's 2020 building code. Eleven of SVCE's jurisdiction's passed reach codes applying to the 2019 building code. These reach codes (with the exception of those passed by Morgan Hill and Campbell) expired 12/31/2022.

Staff supported member agencies with core technical assistance and supportive elements, to adopt, renew, or enhance these codes in 2022.

An initial update was provided to the Board of Directors at the March 9, 2022 board meeting, with additional updates in April, May, June, August, September, October, November, and December.

ANALYSIS & DISCUSSION

In an effort to continue communications with the Board of Directors on reach codes, staff will provide a presentation with a recap of the 2022 reach code efforts.

STRATEGIC PLAN

These efforts support SVCE's Strategic Plan Goal 10, "coordinate development of decarbonization and resilience strategy, lead design of local policy, and design and deploy programs."

FISCAL IMPACT

N/A

ATTACHMENTS

1. This presentation is posted to the SVCE website.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 5

Item 5:	**Reliability Challenges, Opportunities, and Strategies**
From:	Girish Balachandran, CEO
Prepared by:	Charles Grinstead, Senior Manager of Power Resources Monica Padilla, COO and Director of Power Resources
Date:	2/8/2023

This item will be an informational presentation from staff to the SVCE Board of Directors.

ATTACHMENTS

1. This presentation will be posted to the SVCE website.

SILICON VALLEY CLEAN ENERGY

Silicon Valley Clean Energy
Board of Directors Meeting

February 8, 2023

Appendix A

Power Resource Contracts Executed by CEO

MASTER POWER PURCHASE AND SALE AGREEMENT CARBON FREE ENERGY ALLOCATION CONFIRMATION LETTER BETWEEN SILICON VALLEY CLEAN ENERGY AUTHORITY ("PARTY A") AND PACIFIC GAS AND ELECTRIC COMPANY ("PARTY B")

This confirmation letter ("Confirmation") confirms the Transaction between Party A, as Buyer, and Party B, as Seller, which becomes effective on the date fully executed by both Parties (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of October 25, 2017, together with the Cover Sheet, the Collateral Annex and Paragraph 10 to the Collateral Annex, and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the "Master Agreement"). The Master Agreement and this Confirmation are collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

ARTICLE 1
TRANSACTION AND CONDITIONS PRECEDENT

1.1 Transaction. Buyer, as an Eligible LSE, shall accept and Seller shall deliver the Total Allocation Amount in consideration for Buyer's agreement in this Transaction that (a) the sale and delivery of the Product is a reasonable manner for the Seller to manage the Resource Pools and (b) through December 31, 2023, Buyer waives its ability to make petitions, arguments, or filings to the California Public Utilities Commission or California Legislature asserting Seller has not offered any allocation, sale, or transfer of Carbon Free Energy or environmental attributes associated with such Carbon Free Energy.

ARTICLE 2
PRODUCT AND ALLOCATION AMOUNT

2.1 Product. The "Product" shall mean Buyer's exclusive right (a) to the Carbon Free Energy, and (b) to account for or report to a Governmental Entity its Allocation Amount of the Carbon Free Energy. Carbon Free Energy shall mean the Energy generated from Seller's Resources in the Resource Pools as selected by Buyer below in this Section 2.1. The list of Resources in each Resource Pool is in Appendix B.

[X] Large Hydroelectric; and/or

[X] Nuclear

2.2 Changes to Resource Pool(s). Seller has no obligation to retain Resources that are within a Resource Pool. Seller may remove a Resource from a Resource Pool for the following reasons: (i) if the power purchase agreement corresponding to the Resource has expired or is terminated, (ii) if the Resource is no longer in Seller's portfolio for some other reason, or (iii) if the Resource is owned by Seller, but ceases operation for Seller. Seller shall retain the sole and absolute discretion to enforce or terminate its power purchase agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to Buyer's selected Resource Pool or the Resource(s) during the Delivery Period.

2.3 Allocation Amount. The "Allocation Amount" shall mean the quantity of Product to be delivered to Buyer each calendar month during the Delivery Period corresponding to each Buyer's Allocation Ratio. The Allocation Amount is calculated with the monthly Allocation Ratio multiplied by the Carbon Free Energy generated and delivered by the Resources in the Buyer selected Resource Pool(s) in each month during the Delivery Period. If the Delivery Period commences after the first of the month, then the Allocation Amount for that month shall equal the total daily generation of the Resources within the Resource Pool from the first day of the Delivery Period through the end of the month, multiplied by the allocation ratio for that month. The "Total Allocation Amount" shall mean the sum of the monthly Allocation Amounts during the Delivery Period.

Allocation Amount = Allocation Ratio$^{month\ n}$ *x Resource Pool generation (MWh)*$^{month\ n}$

2.4 Allocation Ratio. The Allocation Ratio is a monthly percentage of the Buyer's PCIA Load Share, calculated by dividing the Buyer's monthly PCIA-eligible load during the Delivery Period by the total PG&E distribution service territory PCIA-eligible load during each month of the Delivery Period, using the load forecast volumes recorded in Table 2-2 and Table 2-3 of PG&E's most recent ERRA Forecast Application as of the Execution Date. Buyer's monthly Allocation Ratios are as set forth below:

[redacted]

2.5 Fixed Allocation Ratio. If Buyer gains or loses PCIA Load Share during the Delivery Period, Seller will not change the Allocation Ratio for the Delivery Period.

ARTICLE 3
DELIVERY

3.1 Delivery. Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive the Product in accordance with the Confirmation. Seller will act as Scheduling Coordinator to deliver the Product in each hour to the CAISO at the Delivery Point. Title to the Product shall be deemed to pass from Seller to Buyer at the Delivery Point.

3.2 Delivery Point. The Delivery Point is and shall mean where Seller shall deliver to, and Buyer shall take possession of, the Product, which shall be NP 15.

3.3 Delivery Period. The Delivery Period shall commence on January 1st, 2023 through and until December 31, 2023.

ARTICLE 4
REPORTING REQUIREMENTS

4.1 Quarterly Reports. Seller shall provide to Buyer a Quarterly Report that includes the Allocation Amount within the Resource Pool for each month using the most accurate settlement information of the Resources available at the time. Each Quarterly Report shall be cumulative, and the Allocation Amount for each month will be updated with the most accurate settlement information of the Resources. The final Quarterly Report may be combined with the Final Report.

4.2 Final Report. Seller shall provide to Buyer the Total Allocation Amount with the monthly generation of the Resources from the Resource Pools in a final report following the Delivery Period (the "Final Report"). The Final Report will include the Product delivered from Seller to Buyer from each Resource from the selected Resource Pool(s) as indicated in Section 2.1. Seller will provide Buyer with the Final Report on or about April 15, 2024.

4.3 Notification to the California Energy Commission. Seller shall notify the California Energy Commission (CEC) pursuant to the then-current CEC regulations of the sale of the Total Allocation Amount of Carbon Free Energy for purposes of Power Content Label (PCL) reporting. Seller will report as a "sale" in its Power Source Disclosure Report the Total Allocation Amount from the Resources consistent with the Final Report. Buyer may report as a "purchase" in its Power Source Disclosure Report the Total Allocation Amount from the Resources consistent with the Final Report.

ARTICLE 5
COMPENSATION

[redacted]

[redacted]

5.2 Payment. Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the One-Time Cash Settlement Amount on or before the later of (a) the twentieth (20th) day of the month in which the Buyer receives from Seller an invoice for the Delivery Period to which the One-Time Cash Settlement Amount pertains, or (b) within ten (10) days following receipt of an invoice issued by Seller for the Delivery Period or, if such day is not a Business Day, then on the next Business Day.

ARTICLE 6
CREDIT TERMS

[redacted]

ARTICLE 7
SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS

7.1 Seller represents and warrants the following:

7.1.1 that it has the contractual rights to sell all rights, title, and interest in the Product to be delivered hereunder;

7.1.2 it has not sold the Product required to be delivered hereunder, or any attribute thereof, to any other person or entity;

7.1.3 it will not substitute or purchase any Product from any generating resource other than from the Resources in the Resource Pool for delivery hereunder; and

7.1.4 it will not include the Product in any of its own Power Content Label (PCL) reporting except to allow it to provide the Product to Buyer consistent with Section 4.3.

7.1.5 it will provide all reasonable information to Buyer necessary for Buyer to timely comply with periodic compliance reporting requirements as set forth herein and as otherwise required by applicable law with respect to this Product, including documents that Buyer is required to maintain or provide to the California Air Resources Board (CARB) in accordance with Assembly Bill (AB) 32. Seller shall maintain adequate records to reasonably assist Buyer in meeting any reporting, verification, transfer, registration, or retirement requirements of a Governmental Authority associated with the Confirmation.

7.2 Seller makes no representation, warranty or covenant with respect to the following:

7.2.1 Characterization, qualities, presence, or non-presence of any greenhouse gas (GHG) emissions of the Resources in the Resource Pools, including whether Resources in the Resource Pools emit GHGs, the type of GHGs, the carbon intensity of the Resources or Resource Pool or anything related to the environmental attributes of the Resources within the Resource Pools.

7.2.2 The ability of Buyer to use the Product for any compliance, regulatory, or reporting purpose.

[*Signatures on following page.*]

ACKNOWLEDGED AND AGREED TO:

Buyer, or Party A:
SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

DocuSigned by:
Sign: Girish Balachandran
5CA64B9AC4C24C3...

Print: Girish Balachandran

Title: CEO

Date: 12/12/2022

Seller, or Party B:
PACIFIC GAS AND ELECTRIC COMPANY, a California corporation

Sign: Scott Ranzal

Print: Scott Ranzal

Title: Director, Portfolio Management

Date: 12/16/2022

APPENDIX A

DEFINED TERMS

Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"Allocation Amount" has the meaning set forth in Section 2.3.

"Allocation Ratio" has the meaning set forth in Section 2.4.

"Applicable Law" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Product, or the terms of the Agreement.

"Buyer" means Party A.

"CAISO" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

"CEC" means the California Energy Commission.

"CPUC" means the California Public Utilities Commission.

"California RPS" or "California Renewables Portfolio Standard" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"Carbon Free Energy" means the Energy generated from Resources from the selected Resource Pool. Carbon Free Energy does not include any California RPS-eligible Energy generated from any Resource in the Resource Pool, nor does it include any California RPS-eligible attributes or any other current or future attributes associated with the Product.

"CEC" means the California Energy Commission.

"CPUC" means the California Public Utilities Commission.

"Delivery Period" has the meaning set forth in Section 3.3.

"Delivery Point" has the meaning set forth in Section 3.2.

"Eligible LSE" means a load serving entity that (1) has forecasted load identified in the PG&E's ERRA Forecast Application for the calendar year in which the Allocation Amount is accepted; and (2) serves customers who pay the PCIA departing load charges for the above market costs of the Resource Pools.

"Energy" means electrical energy, measured in MWh.

"ERRA Forecast Application" means the Energy Resource Recovery Account Forecast proceedings filed by PG&E each year on June 1, to set generation rates for the subsequent calendar year.

"FERC" means the Federal Energy Regulatory Commission.

"Final Report" has the meaning set forth in Section 4.2.

"Governmental Authority" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Index Price" means the NP 15 Trading Hub price (as defined in the Tariff) measured in $/MWh, for each MWh of Product, and associated with the Product to the Delivery Point for each applicable hour as published by the CAISO on the CAISO website; or any successor thereto, unless a substitute publication and/or index is mutually agreed to by the Parties.

"Large Hydroelectric" has the meaning set forth in Cal. Code Regs., Title 20, § 1391(k)

"MW" means megawatt.

"MWh" means megawatt-hour.

"NP 15" means the transmission area north of Path 15.

"Nuclear" means the Diablo Canyon Power Plant.

"One-Time Cash Settlement Amount" has the meaning set forth in Section 5.1.

"PG&E" means the Pacific Gas and Electric Company, its successors and assigns.

"PCIA" or "Power Charge Indifference Adjustment" means the mechanism to recover the above market costs associated with Buyer's generation resource portfolio, as set forth in the CPUC's Rulemaking 17-06-026.

"PCIA Load Share" has the meaning set forth in Section 2.4.

"Power Content Label" has the meaning set forth in Cal. Code Regs., Title 20, § 1393(a)(3).

"Power Source Disclosure Report" means the reporting requirements as required by the California Energy Commission and codified in Cal. Code Regs., Title 20, § 1391-1394.

"Product" has the meaning set forth in Section 2.1.

"Quarterly Report" has the meaning set forth in Section 4.1.

"Resource" means generation units contracted for through power purchase agreement by Seller or owned by Seller, which corresponding costs are recovered through the PCIA.

"Resource Pool" means aggregate of all Large Hydroelectric generation facilities or Nuclear generation facilities that are Resources.

"Scheduling Coordinator (SC)" means an entity certified by the CAISO to perform the functions as described in the Tariff.

"Seller" means Party B.

"Tariff" means the FERC-approved California Independent System Operator Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as may be amended, supplemented or replaced from time to time.

"Total Allocation Amount" has the meaning set forth in Section 2.3.

"Transaction" has the meaning set forth in Section 1.1.

APPENDIX B
LIST OF RESOURCES BY RESOURCE POOL

Resource Pool: Large Hydroelectric

Resource Name	CAISO Resource ID	EIA IDs
Balch #1 PH	BALCHS_7_UNIT 1	217
Balch #2 PH	BALCHS_7_UNIT 2 BALCHS_7_UNIT 3	218
Belden	BELDEN_7_UNIT 1	219
Bucks Creek	BUCKCK_7_PL1X2	220
Butt Valley	BUTTVL_7_UNIT 1	221
Caribou 1	CARBOU_7_UNIT 1 CARBOU_7_PL2X3	222
Caribou 2	CARBOU_7_PL4X5	223
Cresta	CRESTA_7_PL1X2	231
Drum #1	DRUM_7_PL1X2 DRUM_7_PL3X4	235
Drum #2	DRUM_7_UNIT 5	236
Electra	ELECTR_7_PL1X3	239
Haas	HAASPH_7_PL1X2	240
James B Black	BLACK_7_UNIT 1 BLACK_7_UNIT 2	249
Kerckhoff #2 PH	KERKH2_7_UNIT 1	682
Kings River	KINGRV_7_UNIT 1	254
Pit 1	PIT1_7_UNIT 1 PIT1_7_UNIT 2	265
Pit 3	PIT3_7_PL1X3	266
Pit 4	PIT4_7_PL1X2	267
Pit 5	PIT5_7_PL1X2 PIT5_7_PL3X4	268
Pit 6	PIT6_7_UNIT 1 PIT6_7_UNIT 2	269
Pit 7	PIT7_7_UNIT 1 PIT7_7_UNIT 2	270
Poe	POEPH_7_UNIT 1 POEPH_7_UNIT 2	272
Rock Creek	RCKCRK_7_UNIT 1 RCKCRK_7_UNIT 2	275
Salt Springs	SALTSP_7_UNITS	279
Stanislaus	STANIS_7_UNIT 1	285
Tiger Creek	TIGRCK_7_UNITS	287
NID-Chicago Park	CHICPK_7_UNIT 1	412

Resource Pool: Nuclear

Resource Name	CAISO Resource ID	EIA IDs

Diablo Canyon Power Plant Unit 1	DIABLO_7_UNIT 1	6099
Diablo Canyon Power Plan Unit 2	DIABLO_7_UNIT 2	6099

APPENDIX C
NOTICE INFORMATION

[redacted]

Execution Copy

CONFIRMATION

Reference:
Master Power Purchase and Sale Agreement
Between Constellation Energy Generation, LLC, a Pennsylvania limited liability company ("Seller")
And
Silicon Valley Clean Energy Authority, a California joint powers authority ("Buyer")
dated November 28, 2016
Transaction Date: January 6, 2023 (the "Effective Date")

RECITALS:

WHEREAS, pursuant to California Public Utilities Code Sections 366.1, et. seq., Buyer has been registered as a Community Choice Aggregator (the "CCA");

WHEREAS, Buyer is a California joint powers authority, which has established Silicon Valley Clean Energy for purposes of delivering CCA service to certain customers located within the County of Santa Clara;

WHEREAS, pursuant to California Public Utilities Code Section 366.2, Buyer submitted Buyer's CCA Implementation Plan and Statement of Intent ("Implementation Plan") to the CPUC;

WHEREAS, the CPUC certified the Implementation Plan on September 27, 2016;

WHEREAS, Seller and Buyer desire to set forth the terms and conditions pursuant to which Seller shall supply the Product to Buyer, and Buyer shall take and pay for such supply of Product subject to satisfaction of the conditions herein; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements in this Confirmation and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. DEFINITIONS. Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"ACS" means "asset-controlling supplier" as that term is defined in the Cap and Trade Regulations.

"Applicable Law" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Project(s), or the terms of the Agreement.

"Buyer Facilities" has the meaning set forth in Section 10 hereof.

"CAISO" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

"California RPS" or "California Renewables Portfolio Standard" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (8th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively) promulgated by the California Air Resources Board of the California Environmental Protection Agency pursuant to the California Global Warming Solutions Act of 2006.

"Carbon Free Energy" means Energy deliveries from Carbon Free Sources.

"Carbon Free Source" means any energy source, except for nuclear-powered generation assets, that is located within the WECC and that is considered by the State of California to have zero Greenhouse Gas emissions in accordance with the Cap and Trade Regulations. Carbon Free Source does not include any Category 3 Renewables, ACS resources or any energy source with an e-tag with a source point associated with a nuclear or coal-fired generating facility.

"Category 1 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(1) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 2 Renewable" means Renewable Energy that satisfies the requirements of Section 399.16(b)(2) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"Category 3 Renewable" means the Renewable Energy Credits that satisfy the requirements of Section 399.16(b)(3) of the California Public Utilities Code, as applicable to the REC Vintage transferred hereunder.

"CEC" means the California Energy Commission.

"Change in Law" has the meaning set forth in Section 2.2 hereof.

"Commercially Reasonable Efforts" for the purposes of this Confirmation, "commercially reasonable efforts" or acting in a "commercially reasonable manner" shall not require a Party to undertake extraordinary or unreasonable measures.

"Compliance Obligation" has the meaning set forth by the Cap and Trade Regulations.

"CPUC" means the California Public Utilities Commission.

"Customers" means the residential, commercial, industrial, and all other retail end use customers that have not opted out of the Silicon Valley Clean Energy Program, as designated from time to time by Buyer as being served by Buyer within the jurisdictional boundaries of the County of San Mateo.

"Delivery Period" shall be the period beginning on the Start Date and ending on the End Date, as set forth in Section 3 below.

"Debt Service" means the obligations payable by Buyer for interest on loans outstanding and any principal repayments and any capital leases, but excluding any interest on or principal repayments of inter-company working capital loans between Buyer and one or more of its Affiliates.

"Debt Service Coverage Ratio" means, the ratio of (a) EBITDA to (b) Debt Service, for the preceding twelve (12) month period measured annually as of each fiscal year end, beginning September 1, 2017.

"Delivery Point" has the meaning set forth in Section 4 hereof.

"Effective Date" has the meaning set forth in the Reference Section at the beginning of this Confirmation.

"Eligible Renewable Energy Resource" or "ERR" means an Eligible Renewable Energy Resource as such term is defined in Public Utilities Code Section 399.12 or Section 399.16.

"Energy" means electrical energy, measured in MWh.

"Energy Contract Price" means the price ($/MWh) to be paid by Buyer to Seller for the Energy Contract Quantity delivered hereunder, as set forth on Exhibit A.

"Energy Contract Quantity" means the quantity of Energy set forth in Exhibit A, which will be delivered to the CAISO by Seller and scheduled to Buyer's Third Party SC as an IST.

"Exhibits" shall be those certain Exhibits, which are attached hereto and made a part hereof.

"FERC" means the Federal Energy Regulatory Commission.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Implementation Plan" has the meaning set forth in the Recitals hereof.

"Inter-SC Trade" or "IST" has the meaning set forth in the Tariff.

"Mandatory Reporting Rule" means the regulations entitled Mandatory Greenhouse Gas Emissions Reporting set forth in Article 2 of Subchapter 10 of Title 17 of the California Code of Regulations.

"MW" means megawatt.

"MWh" means megawatt-hour.

"PG&E" means the Pacific Gas and Electric Company, its successors and assigns.

"Product" shall have the meaning set forth in Section 2.1 below.

"Project" shall mean the Eligible Renewable Energy Resource(s) used to provide Renewable Energy hereunder.

"Prudent Industry Practices" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of generating facilities similar to the Project(s) in the United States during the relevant time period) that, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result, giving due regard to manufacturers' warranties and recommendations, contractual obligations, the requirements or guidance of Governmental Authority, including CAISO, Applicable Law(s), the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Industry Practice shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

"REC Vintage" means the date of Energy generation found on a WREGIS Certificate.

"Renewable Energy" means Energy and associated Renewable Energy Credits generated by an Eligible Renewable Energy Resource.

"Renewable Energy Contract Price" shall mean the price ($/REC) to be paid by Buyer to Seller for Renewable Energy delivered hereunder, as set forth on Exhibit B.

"Renewable Energy Contract Quantity" shall mean the quantity of RECs to be delivered by Seller to Buyer hereunder, as set forth on Exhibit B.

"Renewable Energy Credits" or "REC" has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision D.08-08-028, as applicable to the specific REC Vintage(s) transferred hereunder. For avoidance of doubt, the Parties agree that RECs do not include any production tax credits associated with the construction or operation of an ERR or other financial incentives in the form of credits, reductions, or allowances associated with an ERR that are created by state or federal tax laws.

"RPS Adjustment" means the reduction in the Compliance Obligation of an electricity importer authorized by and calculated in accordance with section 95852 (b)(4) of the Cap and Trade Regulations and section 95111(b)(5) of the Mandatory Reporting Rule.

"Security Documents" has the meaning set forth in the Master Agreement.

"Silicon Valley Clean Energy Program" means the community choice aggregation program operated by Buyer.

"Specified Sources of Power" means electricity that is traceable to a specific generation source by any auditable contract (e.g., a Transaction Confirmation).

"Tariff" means the FERC-approved California Independent System Operator Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as may be amended, supplemented or replaced from time to time.

"Third Party SC" means a third party designated by Buyer to provide the Scheduling Coordinator (as defined in the Tariff) functions for the benefit of Buyer.

"Unspecified Sources of Power" means electricity that is not traceable to a specific generation source (e.g., what is commonly known as "market" or "system" power) by any auditable contract (e.g., a Transaction Confirmation).

"WECC" means the Western Electricity Coordinating Council, or its successor.

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

"WREGIS Certificate" means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.

"WREGIS Operating Rules" means the operating rules and requirements adopted by WREGIS.

2. PRODUCT.

2.1 Seller Delivery Obligation. Throughout the Delivery Period, Seller shall sell and deliver or make available, or cause to be sold and delivered or made available to Buyer, the "Product," which is comprised of one or more of the following:

(a) the quantity of Energy determined in accordance with Section 7.1;

(b) the quantity of Renewable Energy determined in accordance with in Section 7.2; and

(c) the quantity of Carbon Free Energy determined in accordance with Section 7.3.

For avoidance of doubt, Product does not include any resource adequacy or capacity attributes.

2.2 Change in Law.

If due to (i) any action by the CPUC or any other Governmental Authority, or (ii) any change in Applicable Law, including any modification of the California RPS or the Cap and Trade Regulation (i and ii, collectively, a "Change in Law") occurring after the Effective Date that results in material changes to Buyer's or Seller's obligations with regard to the Products sold hereunder and that has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the implementation of this Confirmation becomes impossible or impracticable, the Parties shall work in good faith to try and revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of Products sold hereunder or Buyer's compliance with California RPS obligations in order to maintain the original intent of the Parties under this Confirmation. In the event the Parties cannot reach agreement on any such amendments to this Confirmation within 60 days following the Change in Law, to the extent practicable and lawful, Seller shall perform its obligations hereunder with regard to any Product hereunder or compliance with California RPS obligations in accordance with the Applicable Law immediately prior to the Change in Law; provided, however, that notwithstanding the foregoing or anything to the contrary herein, Seller shall not be obligated to perform any obligation hereunder to the extent that doing so would cause Seller to be materially adversely affected. These Change in Law provisions are independent of those set forth in the RPS Standard Terms and Conditions below and in Section 2.8.

2.3 RPS Standard Terms and Conditions.

STC 6: Eligibility

Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-1: Transfer of Renewable Energy Credits

Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

STC REC-2: Tracking of RECs in WREGIS

Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under this contract.

2.4 No New Construction. Seller does not intend to construct any new facilities in California to meet its supply obligations hereunder. Notwithstanding the foregoing, to the extent that Seller constructs any new facilities in California to meet its supply obligation hereunder, Seller covenants and agrees that the construction and operation of such facility(ies) will be in accordance with any and all Applicable Law.

2.5 Resources. For Category 1 Renewable Energy and Carbon Free Energy delivered under this Confirmation, Seller shall use Specified Sources of Power. For other Energy deliveries, if any, Seller may use either (i) Unspecified Sources of Power or (ii) Specified Sources of Power; provided that any such Energy delivered under this Confirmation (including incremental energy associated with Category 2 Renewable products) from Specified Sources of Power shall not be procured from nuclear or coal-fired resources. The Energy supplied in connection with any Renewable Energy shall comply with applicable California RPS requirements for such Product.

2.6 Delivery of WREGIS Certificates. Buyer and Seller agree that the obligation to deliver RECs hereunder shall be evidenced by the delivery of WREGIS Certificates in WREGIS. Throughout the Delivery Period, following generation of the Renewable Energy by the Project(s), Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with the Renewable Energy Contract Quantity are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard for Buyer. Prior to the start of each calendar quarter, Seller shall provide Buyer with an indicative, non-binding forecast of the amount of RECs it expects to deliver during such calendar quarter. Such indicative, non-binding forecast shall also identify, if known to Seller, the Eligible Renewable Energy Resource(s) that Seller expects to generate the RECs.

Seller shall comply with all Applicable Law, including, without limitation, the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. The Parties acknowledge and agree that, as of the Effective Date, the WREGIS Certificates associated with the Renewable Energy Contract Quantity for a month are not available for transfer to Buyer until approximately ninety (90) days after the end of such month. Seller shall transfer such WREGIS Certificates in a timely manner after such WREGIS Certificates are available for transfer to Buyer and in any event no later than May 1 following the delivery year.

Upon receiving written or electronic confirmation from WREGIS that a transfer order has been initiated by Seller, Buyer shall confirm such transfer order in WREGIS within fourteen (14) days to the extent that the WREGIS Certificates included in such transfer conform to the specifications reflected in this Confirmation. In the event that certain WREGIS Certificates fail to conform to the specifications reflected in this Confirmation, Buyer shall be entitled to reject the transfer of any non-conforming WREGIS Certificates and Seller shall promptly replace the non-conforming WREGIS Certificates with an equivalent amount of WREGIS Certificates of the same REC Vintage and that meet the specifications reflected in this Confirmation; provided, however, that if replacement WREGIS Certificates are not immediately available, Seller may provide replacements once available, but in any event shall provide replacement WREGIS Certificates to Buyer within ninety (90) days after Seller's rejection of such non-conforming WREGIS Certificates.

Upon either Party's receipt of notice from WREGIS that a transfer of WREGIS Certificates was not recognized, that Party will immediately notify the other Party, providing a copy of such notice, and both Parties will cooperate in taking such actions as are necessary and commercially reasonable to cause such transfer to be recognized and completed. Each Party agrees to provide copies of its records to the extent reasonably necessary for WREGIS to verify the accuracy of any fact, statement, charge or computation made pursuant hereto if requested by the other Party.

2.7 Retirement of RECs. To facilitate compliance with obligations of suppliers of Renewable Energy as first deliverers of electricity, as defined in Title 17, California Code of Regulations ("CCR") Section 95802, to comply with mandatory greenhouse gas reporting requirements in Title 17 CCR Section 95101 et seq., and to comply with the requirements of the Cap and Trade Regulations in Title 17 CCR Section 95111 and 17 CCR Section 95852 with respect to such Renewable Energy, Buyer agrees to retire the RECs purchased from Seller hereunder for each renewable generation period and to provide WREGIS reports to Seller by no later than May 15 of the year following delivery that (1) evidence retirement of the RECs and (2) provide REC serial numbers.

2.8 RPS Adjustment. The Parties acknowledge that the RPS Adjustment is currently applicable to the Category 2 Renewable Product. In the event that the RPS

Adjustment is eliminated from the Cap and Trade Regulations and is no longer applicable to the Category 2 Renewable Product, the Parties agree to discuss in good faith amendments to this Transaction. In the event that the Parties are unsuccessful in revising or amending this Transaction or unable to agree upon a mutually acceptable resolution within thirty (30) days after the request of either Party to amend the Transaction pursuant to this Section 2.8 by either Party, either Party may, by written notice to the other, immediately terminate the undelivered portion of Renewable Energy Contract Quantities of Category 2 Renewable Product without penalty, termination payment or liability of either Party.

3. **DELIVERY PERIOD**. This Confirmation shall be in full force and effect as of the Effective Date. The terms set forth herein shall apply from the Start Date through the End Date, which entire period will comprise the Delivery Period. This Confirmation shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless earlier terminated pursuant to the terms hereof.

Start Date:	**End Date:**
June 1, 2023	September 30, 2023

4. **DELIVERY POINT**.

Product	**Delivery Point**
Energy	TH_NP15_GEN-APND
Renewable Energy	Any scheduling point within the CAISO system
Carbon Free Energy	Any scheduling point within the CAISO system

5. **SCHEDULING**. The Product will be scheduled to Buyer's Third Party SC on a Day-Ahead basis using an Inter-SC Trade.

6. **PRICING**.

6.1 Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Energy Contract Quantity delivered and scheduled in accordance with this Confirmation multiplied by the Energy Contract Price specified in Exhibit A.

6.2 Renewable Energy Contract Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to: a) the applicable

Renewable Energy Contract Price as specified in Exhibit B multiplied by the portion of the Renewable Energy Contract Quantity transferred from Seller to Buyer through WREGIS during such month plus b) the Day-Ahead LMP (as defined under the Tariff) at the Delivery Point for each MWh of the Renewable Energy Contract Quantity delivered and scheduled in accordance with this Confirmation in such month.

6.3 Carbon Free Energy Price and Payment. For each month during the Delivery Period, Buyer will pay Seller an amount equal to the Carbon Free Energy Contract Quantity delivered in such month multiplied by the Carbon Free Energy Price specified in Exhibit C plus b) the Day-Ahead LMP at the Delivery Point for each MWh of the Carbon Free Energy Contract Quantity delivered and scheduled in accordance with this Confirmation in such month.

7. CONTRACT QUANTITIES.

7.1 Energy. Energy Contract Quantities and the Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit A.

7.2 Renewable Energy. Renewable Energy Contract Quantities and Renewable Energy Contract Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit B. The Renewable Energy sold by Seller to Buyer shall also include any and all Renewable Energy Credits associated with such Renewable Energy.

7.3 Carbon Free Energy. Carbon Free Energy Contract Quantities and Carbon Free Energy Prices pursuant to this Confirmation relate to the quantities set forth in Exhibit C.

8. MONTHLY BILLING SETTLEMENT.

[redacted]

8.2 Monthly Invoice Timeline. Seller agrees to use commercially reasonable efforts to deliver each monthly invoice to Buyer not later than the fifteenth (15th) day of each month for the previous calendar month. The Parties hereby agree that all invoices under this Confirmation shall be due and payable on the twenty-fifth (25th) day of the month following the month in which Seller delivered such invoice, provided that if such day is not a Business Day, then such invoice will be due and payable on the next Business Day that occurs after the twenty-fifth (25th) day of the month.

9. **COMPLIANCE REPORTING**. Buyer shall be responsible for submitting compliance reports to the CPUC and/or other Governmental Authorities on behalf of Silicon Valley Clean Energy and will require resource information, electronic tagging information, and other documentation to be provided by Seller. Seller shall provide all reasonable information to Buyer necessary for Buyer to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to any Product. Each party shall provide all reasonable information to the other party necessary to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to any Product. Buyer agrees to cooperate with any informational requests Seller may receive from a Governmental Authority, including but not limited to supplying WREGIS reports for Seller's compliance with Cap and Trade Regulations.

10. **NO RESTRICTION**. Nothing in this Confirmation shall limit Buyer's ability to develop its own generation facilities ("Buyer Facilities") or prevent Buyer from purchasing energy from other parties or Seller from selling energy to other parties.

11. **STANDARD OF CARE AND GOOD FAITH**. When performing its obligations hereunder, Seller shall act in good faith and shall perform all work in a manner consistent with Prudent Utility Practices.

[redacted] [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[SIGNATURE PAGE FOLLOWS]

This Confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated November 28, 2016 (the "Master Agreement") between Buyer and Seller, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement. This Confirmation and the Master Agreement, including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement."

This Confirmation is subject to the Exhibits identified below and that are attached hereto:
Exhibit A – Energy Contract Quantity and Price Schedule **Exhibit B – Renewable Energy Contract Quantity and Price Schedule** **Exhibit C – Carbon Free Energy Contract Quantity and Price Schedule**

CONSTELLATION ENERGY GENERATION, LLC

Sign:

FDW

Print: Ravi Ganti

Title: SVP, Portfolio Management & Analytics

SILICON VALLEY CLEAN ENERGY AUTHORITY, a California joint powers authority

DocuSigned by:

Sign: Girish Balachandran

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Print: Girish Balachandran

Title: CEO

Exhibit A

Energy Contract Quantity and Price Schedule

[redacted]

"ATC" means HE 0100-2400 PPT Monday through Sunday, including NERC holidays

Exhibit B

Renewable Energy Contract Quantity and Price Schedule

N/A

Exhibit C

Carbon Free Energy Contract Quantity and Price Schedule

N/A

EEI CONFIRMATION

This confirmation letter ("Confirmation") confirms the Transaction agreed to on January 10, 2023 (the "Effective Date"), between Direct Energy Business, LLC ("Seller") and Silicon Valley Clean Energy Authority ("Buyer"), by which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product. This Confirmation shall be deemed to supplement, form a part of, and be subject to an agreement in the form of a 2000 Edison Electric Institute and National Energy Marketers Association Master Power Purchase & Sale Agreement, Version 2.1 (modified 4/25/00) ("Master Agreement"), as if the Parties had executed such agreement on the Trade Date; provided that: (i) Accelerated Payment of Damages (Article 4) shall apply; (ii) Closeout Setoff, Option A (Section 5.6) shall apply; (iii) Credit Assurances (Section 8.1(b) and 8.2(b)) do not apply; (iv) Article 8.1 (a), (c),(d) and (e), and 8.2(a), (c), (d) and (e) do not apply, (iv) Confidentiality (Section 10.11) shall apply (provided that "and its affiliate's respective" shall be inserted immediately before "employees" in the parenthetical in such section). References to Sections are references to Sections of this Confirmation unless stated to be references to Sections of the Master Agreement or a statute.

The terms of the Transaction to which this Confirmation relates are as follows:

Seller:	Direct Energy Business, LLC	**Buyer:**	Silicon Valley Clean Energy Authority

Product:	As defined in Section 1.1(a) below
Contract Price ($/):	[redacted]
Contract Quantity (MW):	[redacted]
Delivery Period:	January 1, 2023 to December 31, 2023, inclusive
Resources:	As described in Appendix B
Payment Terms:	Within ten (10) Business Days following receipt of an invoice issued by Seller for the Delivery Period.

This Confirmation is subject to the Appendices identified below and attached hereto:
Appendix A – Defined Terms **Appendix B – Resource Information** **Appendix C – Notice Information**

ARTICLE 1
TRANSACTION TERMS

1.1 Product

Product, Delivery Period, Contract Quantity, Contract Price, and other specifics of the Product are described on page 1 of this Confirmation and in Appendix B. Appendices A, B, and C are incorporated into this Confirmation.

(a) Product. The "Product" shall mean a quantity of Energy representing the non-firm Carbon Free Energy derived from the certain hydroelectric energy generating facilities listed on Appendix B ("Resources"), and any reporting rights associated with such Carbon Free Energy, that are allocated specifically by (i) Southern California Edison Company ("SCE") to Seller pursuant to the Standard Offer Team Sheet of SCE for Allocation of GHG-Free Energy as between Seller and SCE dated as of November 2, 2022 ("SCE Contract") (such allocation, "SCE Allocation") and (ii) Pacific Gas and Electric Company ("PG&E") to Seller pursuant to the Master Purchase and Sale Agreement Carbon Free Energy Allocation Confirmation Letter between Seller and PG&E dated as of December 16, 2022 ("PG&E Contract") (such allocation, "PG&E Allocation", and collectively with the "SCE Allocation" the "Allocations"). Buyer acknowledges and agrees that (i) Seller is neither the owner nor operator of the Resources, but procures the Products pursuant to the SCE Contract and the PG&E Contract, and the Product will be made available to Buyer on a non-firm basis and only to the extent that SCE and PG&E meet their obligations to Seller and (ii) for the avoidance of doubt and notwithstanding anything to the contrary, Seller makes no representation, warranty, assurance or other undertaking as to the carbon free nature of the Product and Resources. Seller will not be liable for any failure to provide any Product that was not delivered to Seller, except to the extent that such failure is attributable to Seller.

(b) Carbon Free Energy. "Carbon Free Energy" shall mean electrical energy generated by the Resources. Seller hereby provides and conveys the Carbon Free Energy associated with the Allocations from the Resources to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to the Allocations.

(c) Scheduling. Seller and Buyer shall each maintain its own Scheduling Coordinators (as defined by the Tariff) at its own expense.

ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Delivery, Delivery Period, and Delivery Point

(a) Throughout the Delivery Period, Seller shall deliver or cause to be delivered ("Delivery"), and Buyer shall receive the Product at the Delivery Point, in accordance with the Confirmation. Title to the Product shall be deemed to pass from Seller to Buyer at the Delivery Point upon Delivery.

(b) The "Delivery Period" shall mean the period commencing on January 1, 2023 through and continuing until December 31, 2023.

(c) The "Delivery Point" shall mean the CAISO wholesale market. Buyer acknowledges and agrees that the Product will not be delivered to Buyer at any particular physical delivery point, but will be delivered to Buyer in the CAISO wholesale market following receipt of the related Carbon Free Energy by Seller under the PG&E Contract and SCE Contract.

2.2 Generated Volume

On or about May 15, 2024, Seller will provide Buyer with the total annual generation received in the Allocation from the Resources in a final report ("Final Report").

2.3 Adjustments to Contract Quantity

Seller is providing contingent, non-firm Product and Seller's obligation to deliver the Contract Quantity for the Delivery Period may be reduced at Seller's option by the amount of any reductions in quantity received by Seller under the Allocations.

ARTICLE 3
PAYMENTS

3.1 **Payment**

(a) One-Time Lump Sum Payment. Buyer shall pay Seller a one-time lump sum payment, in arrears, for the Delivery Period. After Seller has delivered the Product for the Delivery Period and issued an invoice to Buyer, within ten (10) Business Days following receipt of an invoice, Buyer shall pay Seller for the Product. The invoice shall equal the product of (a) the Contract Price, (b) the quantity of all Carbon Free Energy reflected in the Final Report, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places) (the "Lump Sum Payment").

(b) All payments made under this Agreement shall be made in immediately available United States Dollars by electronic transfer to the following accounts:

[redacted]

[redacted]

[redacted] [redacted]

[redacted]

(c) **Payment Netting**. If Buyer and Seller are each required to pay amounts in respect of purchases/sales hereunder or under any other forward commodity contract between the Parties on the same day, then, upon notice from one Party to the other, such amounts with respect to each Party shall be aggregated and the Parties shall discharge their obligations to pay through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the other Party the difference between the amounts owed.

ARTICLE 4
ADDITIONAL MASTER AGREEMENT AMENDMENTS; GENERAL PROVISIONS

4.1 **Term**.

This Agreement shall commence on the Effective Date and shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless earlier terminated pursuant to the terms hereof.

4.2 **Confidentiality**

Notwithstanding Section 10.11 of the Master Agreement, (i) Buyer may disclose information as noted in Section 2.4.

4.3 **Dodd-Frank Act**

Each Party represents and warrants to the other that it is an "eligible contract participant" within the meaning of United States Commodity Exchange Act §1a(18). The Parties affirm Section 10.10 of the Master Agreement with respect to this Transaction.

4.4 **Governing Law**

This Confirmation, including the provisions and requirements of the Tariff and the definition of the Product and its components, and any portion of the Master Agreement applicable to this Transaction shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof.

4.5 **Counterparts**

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

4.6 **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 to the contrary, this Transaction may be confirmed only through a written document executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a written document executed by both Parties.

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.

Party A: **Direct Energy Business, LLC**	**Party B:** **Silicon Valley Clean Energy Authority**
Sign:____________________	Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Print:	Print: Girish Balachandran
Title:	Title: CEO

APPENDIX A
DEFINED TERMS

"CAISO" means the California ISO or the successor organization to the functions thereof.

"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.

APPENDIX B
RESOURCE INFORMATION

Resource Pool: Large Hydroelectric

Resource Name	CAISO Resource ID	EIA IDs
Balch #1 PH	BALCHS_7_UNIT 1	217
Balch #2 PH	BALCHS_7_UNIT 2 BALCHS_7_UNIT 3	218
Belden	BELDEN_7_UNIT 1	219
Bucks Creek	BUCKCK_7_PL1X2	220
Butt Valley	BUTTVL_7_UNIT 1	221
Caribou 1	CARBOU_7_UNIT 1 CARBOU_7_PL2X3	222
Caribou 2	CARBOU_7_PL4X5	223
Cresta	CRESTA_7_PL1X2	231
Drum #1	DRUM_7_PL1X2 DRUM_7_PL3X4	235
Drum #2	DRUM_7_UNIT 5	236
Electra	ELECTR_7_PL1X3	239
Haas	HAASPH_7_PL1X2	240
James B Black	BLACK_7_UNIT 1 BLACK_7_UNIT 2	249
Kerckhoff #2 PH	KERKH2_7_UNIT 1	682
Kings River	KINGRV_7_UNIT 1	254
Pit 1	PIT1_7_UNIT 1 PIT1_7_UNIT 2	265
Pit 3	PIT3_7_PL1X3	266
Pit 4	PIT4_7_PL1X2	267
Pit 5	PIT5_7_PL1X2 PIT5_7_PL3X4	268
Pit 6	PIT6_7_UNIT 1 PIT6_7_UNIT 2	269
Pit 7	PIT7_7_UNIT 1 PIT7_7_UNIT 2	270
Poe	POEPH_7_UNIT 1 POEPH_7_UNIT 2	272
Rock Creek	RCKCRK_7_UNIT 1 RCKCRK_7_UNIT 2	275
Salt Springs	SALTSP_7_UNITS	279
Stanislaus	STANIS_7_UNIT 1	285
Tiger Creek	TIGRCK_7_UNITS	287
NID-Chicago Park	CHICPK_7_UNIT 1	412

Resource Category	**Resource Name**	**CAISO Resource ID**	**Vintage Year**
Hydroelectric	Big Creek	BIGCRK_2_EXESWD	Legacy UOG
Hydroelectric	Eastwood	EASTWD_7_UNIT	Legacy UOG
Hydroelectric	Kern River 3	VESTAL_2_KERN	Legacy UOG
Hydroelectric	Hoover Dam	SCEHOV_2_HOOVER	2016

APPENDIX C
NOTICE INFORMATION

[redacted]

[redacted]

Morgan Stanley

Commodities

Morgan Stanley Capital Group Inc.
Attn: Commodities
1585 Broadway
New York, NY 10036-8293

Date:	January 6, 2023
To:	SILICON VALLEY CLEAN ENERGY AUTHORITY 333 W EL CAMINO REAL #330, SUNNYVALE CA 94087
Attention:	Affirmation Team
[redacted]	[redacted]
Reference No.:	E10389988 v. 1
Trade Date:	January 6, 2023

This electronic communication and any attachments hereto, are intended only for use by the addresses(s) named herein and may contain legally privileged and/or confidential information, which is exempt from disclosure under applicable law. If you are not the intended recipient of this electronic communication, you are hereby notified that any examination, dissemination, disclosure, distribution, or copying of, or reliance on or use of this electronic communication, and any attachments hereto, is strictly prohibited. If you have received this electronic communication in error, please notify me immediately on the above telephone number and permanently destroy all copies of this electronic communication.

This confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the sale of firm energy (the "Transaction") to SILICON VALLEY CLEAN ENERGY AUTHORITY . The terms are as follows:

Purchaser:	SILICON VALLEY CLEAN ENERGY AUTHORITY
Seller:	MSCGI
Term:	October 1, 2023 to October 31, 2023
Delivery Hours:	Monday through Sunday, including NERC holidays, HE 0100 through 2400 (24 Hours) Pacific Prevailing Time (PPT)

Contract Quantity: [redacted]

Delivery Point: NP15 EZ GEN HUB

Energy Price: [redacted]

Special Conditions: This purchase and sale of energy is Firm (LD). The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

[redacted]

[redacted]

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a Scheduling Coordinator ("SC") to SC transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff.

A CAISO "Schedule Adjustment" (defined as a schedule change implemented by the CAISO that is neither caused by or within the control of either Party) shall not constitute an Uncontrollable Force; rather if there is a CAISO Schedule Adjustment, the Party negatively impacted shall notify the other Party and the Parties shall be obligated to exercise their reasonable efforts to reach an equitable resolution that reflects as nearly as practicable, the intention of the Transaction as originally negotiated. All terms used within the definition of CAISO Energy but not defined in the Agreement shall have the meaning ascribed to them in the Tariff.

[redacted]

[redacted] [redacted]

The parties agree that this transaction is a Forward Contract within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into:

(a) It is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and

(b) It intends to make or take physical delivery of the specified commodity.

This letter is being provided pursuant to and in accordance with the EEI Master Agreement for purchase and sale of Physically settled Electricity in the US and Canada dated November 23, 2016, the ("Agreement") between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the Agreement.

If the recipient of the confirmation disagrees with any of the terms summarized herein, it shall promptly notify MSCGI by telephone and facsimile transmission. Failure by the recipient to execute and return this confirmation or to notify MSCGI of its disagreement within three (3) Business Days of receiving this confirmation constitutes the Counterparty's agreement to the terms set forth herein. Please confirm that terms stated herein accurately reflect the agreement reached between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

Yours Sincerely,	Confirmed as of the date first written above:
	SILICON VALLEY CLEAN ENERGY AUTHORITY
	By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
	Name: Girish Balachandran
Brent Masucci Authorised Signatory **Morgan Stanley Capital Group Inc.**	Title: CEO

MASTER POWER PURCHASE AND SALE AGREEMENT
CONFIRMATION LETTER – RESOURCE ADEQUACY
BETWEEN
CHEVRON POWER HOLDINGS INC.
AND
Silicon Valley Clean Energy Authority

This Confirmation Letter ("Confirmation") confirms the Transaction between Chevron Power Holdings Inc., ("Seller"), and **Silicon Valley Clean Energy Authority**, ("Buyer"), each individually a "Party" and together the "Parties", dated as of December 20, 2022 (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Article 3 of this Confirmation.

This Transaction shall be subject to the terms and conditions of the Western Systems Power Pool Agreement (Effective Version: August 26, 2022) as amended from time to time (the "Master Agreement") to which both Seller and Buyer are members. 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 (as defined herein). To the extent the terms of this Confirmation conflict with the Master Agreement, the terms of this Confirmation shall control.

1.
DEFINITIONS

1.1 "Agreement" has the meaning specified in the introductory paragraph hereof.

1.2 "Alternate Capacity" means any replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 4.5.

1.3 "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.

1.4 "Availability Incentive Payments" has the meaning set forth in the Tariff.

1.5 "Availability Standards" shall mean Availability Standards as defined in Section 40.9 of the Tariff or otherwise applicable to CAISO.

1.6 "Buyer" has the meaning specified in the introductory paragraph hereof and is "Purchaser" within the meaning of the Master Agreement.

1.7 "CAISO" means the California Independent System Operator or its successor.

1.8 "Capacity Replacement Price" means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. The Buyer shall determine such market prices in a commercially reasonable manner. For purposes of this Transaction and Confirmation, the "Capacity Replacement Price" shall be deemed to be the "Replacement Price" as defined in the Master Agreement.

1.9 "Change in RA Requirements" has the meaning set forth in Section 12 of this Confirmation.

1.10 "Compliance Adjusted Unit NQC" has the meaning set forth in Section 12 of this Confirmation.

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

1.12 “Confirmation Effective Date” has the meaning specified in the introductory paragraph hereof.

1.13 “Contingent Firm RA Product” has the meaning specified in Section 3.4 hereof.

1.14 “Contract Price” means, for any Monthly Delivery Period, the price specified under the RA Capacity Price Table in Section 4.9.

1.15 “Contract Quantity” means, with respect to any particular Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in table in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month (as such amount may be adjusted pursuant to Section 4.4).

1.16 “CPUC” means the California Public Utilities Commission.

1.17 “CPUC Decisions” means, to the extent still applicable, CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, 16-06-045, 17-06-027,19-02-022, 20-06-002, 20-06-028, 20-06-031, 20-12-006, 21-06-035 and any other existing or subsequent decisions related to resource adequacy issued from time to time by the CPUC, including any decision resulting from R.21-10-002, as amended from time to time.

1.18 “CPUC Filing Guide” means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE’s to demonstrate compliance with the CPUC’s resource adequacy program.

1.19 “Delivery Period” has the meaning specified in Section 4.1 hereof.

1.20 “Delivery Point” has the meaning specified in Section 4.2 hereof.

1.21 “Designated RA Capacity” shall be equal to, with respect to any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to, minus any reductions to Contract Quantity specified in Section 4.4 with respect to which Seller has not elected to provide Alternate Capacity.

1.22 “Effective Flexible Capacity” means the flexible capacity of a resource that can be counted towards an LSE’s FCR obligation, as identified from time to time by the Tariff, the CPUC Decisions, LRA, or other Governmental Body having jurisdiction.

1.23 “FCR Attributes” means, with respect to a Unit, any and all FCR attributes that can be counted toward an LSE’s FCR, as they are identified from time to time by the CPUC Decisions, the Tariff, an LRA, or other Governmental Body having jurisdiction that can be counted toward FCR and are consistent with the operational limitations and physical characteristics of such Unit. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines the FCR Attributes of a Unit, then such change will not result in a change in obligations or payments made pursuant to this Transaction.

1.24 “FCR Showings” means the FCR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions and the Tariff, or to an LRA having jurisdiction over the LSE.

1.25 “Firm RA Product” has the meaning specified in the Section 3.3 hereof.

1.26 “Flexible Capacity Requirements” or “FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.

1.27 “Flexible RA Attributes” means any and all flexible resource adequacy attributes, as may be identified at any time during the Delivery Period by the CPUC, CAISO or other Governmental Body of competent jurisdiction that can be counted toward Flexible RAR, exclusive of any RA Attributes and LAR Attributes.

1.28 “Flexible RA Product” has the meaning specified in the Section 3.2 hereof.

1.29 “Flexible RAR Showing” means the Flexible RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA of competent jurisdiction over the LSE.

1.30 “Force Majeure” as used herein has the same meaning as “Uncontrollable Forces” as defined in the Master Agreement.

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

1.32 “Generic RA Product” means Designated RA Capacity consisting of RAR Attributes and, if applicable, LAR Attributes, which does not include FCR Attributes.

1.33 “Governmental Body” means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.

1.34 “LAR” means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, or by another LRA having jurisdiction over the LSE, as implemented in the Tariff. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.

1.35 “LAR Attributes” means, with respect to a Unit, any and all resource adequacy attributes (or other locational attributes related to system reliability), as they are identified as of the Confirmation Effective Date by the CPUC Decisions, CAISO, LRA, 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 LAR and are consistent with the operational limitations and physical characteristics of such Unit, but exclusive of any RAR Attributes which are not associated with where in the CAISO Control Area the Unit is physically located or electrically interconnected. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing local areas, then such change will not result in a change in obligations or payments made pursuant to this Transaction.

1.36 “LAR Showings” means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA having jurisdiction over the LSE.

1.37 “Local RAR” means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by any other Governmental Body of competent jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

1.38 "LRA" means Local Regulatory Authority as defined in the Tariff.

1.39 "LSE" means load-serving entity. LSEs may be an investor-owned utility, an electric service provider, a community aggregator or community choice aggregator, or a municipality serving load in the CAISO Control Area (excluding exports).

1.40 "Master Agreement" has the meaning specified in the introductory paragraph hereof.

1.41 "Monthly Delivery Period" means each calendar month during the Delivery Period and shall correspond to each Showing Month.

1.42 "Monthly RA Capacity Payment" has the meaning specified in Section 4.9 hereof.

1.43 "NERC" means the North American Electric Reliability Council, or its successor.

1.44 "NERC/GADS Protocols" means the GADS protocols established by NERC, as may be updated from time to time.

1.45 "Net Qualifying Capacity" has the meaning set forth in the Tariff.

1.46 "Non-Availability Charges" has the meaning set forth in the Tariff.

1.47 "Outage" means 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. For the avoidance of doubt, Outage shall be deemed to include Planned Outage (defined below).

1.48 "Party" and "Parties" have the meanings specified in the introductory paragraph hereof.

1.49 "Planned Outage" means, subject to and as further described in the CPUC Decisions and the Tariff (Planned Outage referred to as "Approved Maintenance Outage" under the Tariff), 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.

1.50 "Product" has the meaning specified in Article 3 hereof.

1.51 "RA Attributes" means, with respect to a Unit, any and all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the CPUC, CAISO or other Governmental Body of competent jurisdiction that can be counted toward RAR, exclusive of any LAR Attributes and Flexible RA Attributes.

1.52 "RA Capacity" means the qualifying and deliverable capacity of the Unit for RAR, LAR, and FCR purposes for the Delivery Period, as determined by the CAISO, or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the RAR Attributes, LAR Attributes and FCR Attributes of the capacity provided by a Unit, as applicable pursuant to this Confirmation.

1.53 "RA Capacity Price" means the price specified in the RA Capacity Price Table in Section 4.9 hereof.

1.54 "RAR" or "Resource Adequacy Requirements" means the resource adequacy requirements, exclusive of LAR and FCR, established for LSEs by the CPUC pursuant to the CPUC Decisions, by the CAISO under the Tariff, or by an LRA or other Governmental Body having jurisdiction.

1.55 "RAR Attributes" means, with respect to a Unit, all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the Tariff, the CPUC Decisions, LRA, or any

Governmental Body having jurisdiction, that can be counted toward RAR and are consistent with the operational limitations and physical characteristics of such Unit, exclusive of any LAR Attributes or FCR Attributes.

1.56 "RAR Showings" means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Tariff or CPUC Decisions, or to an LRA having jurisdiction.

1.57 "Replacement Capacity" has the meaning specified in Section 4.7 hereof.

1.58 "Replacement Unit" means a generating unit meeting the requirements specified in Section 4.5.

1.59 "Resource Category" shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

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

1.61 "Seller" has the meaning specified in the introductory paragraph hereof.

1.62 "Showing" means the LAR Showing or RAR Showing, as applicable.

1.63 "Showing Month" shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, LAR Showing, and/or FCR 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 Effective Date, the monthly RAR Showing made in June is for the Showing Month of August.

1.64 "Subsequent Buyer" means the purchaser of Product from Buyer in a re-sale of Product by Buyer.

1.65 "Supply Plan" means the supply plans, or similar or successor filings, that each Scheduling Coordinator representing RA Capacity submits to the CAISO, LRA, or other Governmental Body, pursuant to Applicable Laws, in order for that RA Capacity to count for its RAR Attributes, LAR Attributes, and/or FCR Attributes.

1.66 "Tariff" means the tariff and protocol provisions of the CAISO, including associated rules, procedures and business practice manuals, as amended or supplemented from time to time.

1.67 "Transaction" has the meaning specified in the introductory paragraph hereof.

1.68 "Unit" or "Units" shall mean the generation assets described in Article 2 hereof (including any Replacement Units), from which RA Capacity is provided by Seller to Buyer.

1.69 "Unit EFC" means the Effective Flexible Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Effective Flexible Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Effective Flexible Capacity. To the extent the Confirmation Effective Date of this Confirmation occurs prior to the CAISO's setting of a Unit EFC for the applicable Unit, the Unit EFC shall be as agreed to by the Parties and specified in Article 2, and Seller represents that, to the best of its knowledge, this Unit EFC is consistent with the CAISO's methodology for determining Unit EFC as of the Confirmation Effective Date. To the extent the CAISO creates new categories of flexible capacity during the term of this Transaction and a Unit can count toward such new categories of flexible capacity while operating consistent with the operational limitation and physical characteristics of such Unit, any and all such new categories of flexible capacity shall be deemed to be part of the Effective Flexible Capacity of that Unit. The above notwithstanding, to the extent the CAISO decides to reduce the applicable Unit EFC, Seller shall not be liable for any costs or damages related to such reduction and the Unit EFC shall be reduced per Section 4.4 of this Confirmation.

1.70 "Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Net Qualifying Capacity.

2.
UNIT INFORMATION

Name	Kern River Cogen Facility
Location	Bakersfield, CA
CAISO Resource ID	OMAR_2_UNIT 1
Product Type (Flexible or Generic)	Generic
Unit NQC (If Generic)	75
Unit EFC (If Flexible)	NA
Resource Type	Gas Cogen
Resource Category (1, 2, 3 or 4)	4
Point of Interconnection with the CAISO Controlled Grid ("Substation")	NA
Flexible RAR Category (1, 2 or 3)	NA
Path 26 (North, South or None)	South
LAR Attributes (Yes or No)	No
Local Capacity Area (if any, as of Confirmation Effective Date)	BCV
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	None
Run Hour Restrictions	None
Flexible Capacity Category (Base/Peak/Super-peak)(as of the Confirmation Effective Date)	NA

3.
RESOURCE ADEQUACY CAPACITY PRODUCT

During the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Confirmation, the Designated RA Capacity in the amount of the Contract Quantity of (i) RAR Attributes and, if applicable, LAR Attributes, and (ii) FCR Attributes, if Flexible RA Product is specified in Section 3.2, and the Contract Quantity shall be either a Firm RA Product or a Contingent Firm RA Product, as specified in either Section 3.3 or 3.4 (the "Product"). The Product does not confer to Buyer any right to the electrical output from the Units, other than the right to include the Designated RA Capacity associated with the Contract Quantity in RAR Showings, LAR Showings, and FCR Showings, as applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, no energy or ancillary services associated with any Unit is required to be made available to Buyer as part of this Transaction and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell pursuant to the Tariff any RA Capacity from a Unit that is in excess of that Unit's Contract Quantity and any RAR Attributes, LAR Attributes or FCR Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

3.1 RAR and LAR Attributes

Seller shall provide Buyer with the Designated RA Capacity of RAR Attributes and, if applicable, LAR Attributes from each Unit, as measured in MWs, in accordance with the terms and conditions of this Agreement.

3.2 ☐ Flexible RA Product

Seller shall provide Buyer with Designated RA Capacity of FCR Attributes from the Units in the amount of the applicable Contract Quantity.

3.3 ☐ Firm RA Product

Seller shall provide Buyer with Designated RA Capacity from the Units in the amount of the Contract Quantity. If the Units are not available to provide the full amount of the Contract Quantity for any reason other than Force Majeure, including without limitation any Outage or any adjustment of the RA Capacity of any Unit, pursuant to Section 4.4, then, Seller shall provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with replacement Designated RA Capacity from Replacement Units pursuant to Section 4.5, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

3.4 ☒ Contingent Firm RA Product

Seller shall provide Buyer with Designated RA Capacity from the Units in the amount of the applicable Contract Quantity; provided, however, that if (i) the Units are not available to provide the full amount of the Contract Quantity due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit, and (ii) Seller has given Buyer timely notice pursuant to Section 4.5, then, Seller may either reduce the Contract Quantity or provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with any portion of the Designated RA Capacity for (x) a reason other than a Force Majeure, Planned Outage or reduction of the RA Capacity of any Unit, or (y) Seller failed to give Buyer timely notice pursuant to Section 4.5(a), then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

4.
DELIVERY AND PAYMENT

4.1 Delivery Period

The Delivery Period shall be December 1- December 31,2023, inclusive. For the avoidance of doubt, nothing in this Agreement shall obligate Seller to provide any RA Capacity to Buyer for any period after the end of the Delivery Period.

4.2 Delivery Point

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

4.3 Contract Quantity

The Contract Quantity for each Monthly Delivery Period shall be:

Contract Quantity (MWs)

Contract Month/Year	RAR Contract Quantity (MWs)
[redacted]	[redacted]

4.4 Adjustments to Contract Quantity

(a) Planned Outages: Seller's obligation to deliver the Contract Quantity for any Showing Month may be reduced at Seller's option if any portion of the Unit is scheduled for a Planned Outage during the applicable Showing Month; provided, Seller notifies Buyer, no later than ten (10) Business Days before the relevant deadlines for the corresponding RAR Showings, LAR Showings and/or FCR Showings applicable to that Showing Month, of the amount of Product from the Unit Buyer is permitted to include in Buyer's RAR Showings, LAR Showings, and/or FCR Showings applicable to that month as a result of such Planned Outage.

If Seller is unable to provide the applicable Contract Quantity for a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such Showing Month from Replacement Units, provided, Seller provides and identifies such Replacement Units in accordance with Section 4.5. If Seller chooses not to provide Product from Replacement Units and a Unit is on a Planned Outage for the applicable Showing Month, then, the Contract Quantity shall be revised in accordance with any applicable adjustments stipulated by the CPUC Filing Guide or CAISO Tariff in effect for the applicable Showing Month in which the Planned Outage occurs.

(b) Reductions in Unit NQC: If Product is both (i) Generic RA Product, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced if the Unit experiences a reduction in RA Capacity as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (a) the applicable Showing Month Contract Quantity and (b) the total amount (in MW) that the RA Capacity was reduced since the Confirmation Effective Date, divided by (c) Unit NQC as of the Confirmation Effective Date. If the Unit experiences such a reduction in RA

Capacity, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.

(c) Reductions in Unit EFC: If Product is both (i) Flexible RA Product specified under Section 3.2, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity of Product for any Showing Month may also be reduced if the Unit experiences a reduction in Unit EFC as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (a) the applicable Showing Month Contract Quantity and (b) the total amount (in MW) Unit EFC was reduced since Confirmation Effective Date, divided by (c) Unit EFC as of the Confirmation Effective Date. If the Unit experiences such a reduction in Unit EFC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.

(d) UCAP: If during the Delivery Period the CAISO or the CPUC either (i) replaces Unit NQC as the value utilized to measure the qualifying capacity of a Unit with a successor value such as unforced capacity (UCAP) or (ii) utilizes such successor value as a supplemental means of measuring the qualifying capacity of a Unit together with Unit NQC, then from and after such replacement Seller will convey the equivalent amount of qualifying capacity of such Unit on a pro rata basis (i.e. following such replacement, Seller's delivery obligation will be obtained by calculating the product of (i) the Contract Quantity divided by the Unit NQC, multiplied by (ii) the Unit's overall qualifying capacity (in MW) as measured by such new method of measuring a Unit's qualifying capacity).

(e) Force Majeure: Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced at Seller's option if the Unit or transmission to the Delivery Point is affected by Force Majeure. If Seller is unable to provide the applicable Contract Quantity for a Showing Month because of Force Majeure, Seller has the option, but not the obligation, to provide Alternate Capacity for such Showing Month from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5. For purposes of this Confirmation, Seller may apportion the effects of a Force Majeure among Buyer and Seller's other customers purchasing substantially the same product from the Unit on a pro rata basis or such other basis as Seller reasonably determines to be equitable.

4.5 Alternate Capacity and Replacement Units

(a) If Seller is unable to provide the full Contract Quantity for any Showing Month for any reason, including, without limitation, due to one of the reasons specified in Section 4.4, or Seller desires to provide the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with Alternate Capacity from one or more Replacement Units, with the total amount of Product provided to Buyer from the Unit and Replacement Units up to an amount equal to the Contract Quantity for the applicable Showing Month; provided that in each case, Seller shall notify Buyer of its intent (i) not to provide or (ii) to provide Alternative Capacity and identify Replacement Units meeting the above requirements no later than ten (10)

Business Days before that Showing Month's applicable deadlines for Buyer's RAR Showings, LAR Showings, and/or FCR Showings. If Seller notifies Buyer in writing as to the particular Replacement Units and such Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for that Showing Month.

(b) With respect to a Contingent Firm RA Product, if Seller does not provide Alternate Capacity in an amount equal to the Contract Quantity for that Showing Month, then Buyer may, but shall not be required to, purchase replacement Product. Seller shall not be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof if the failure to deliver the full Contract Quantity is due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit and Seller notified Buyer, no later than ten (10) Business Days before that Showing Month's relevant deadlines for Buyer's RAR Showings, LAR Showings, and/or FCR Showings, as applicable, of Seller's intent not to provide Alternate Capacity in an amount equal to the Contract Quantity of that Showing Month.

4.6 <u>Delivery of Product</u>

Seller shall provide Buyer with the Designated RA Capacity of Product for each Showing Month consistent with the following:

(a) Seller shall, on a timely basis, submit, or cause the Unit's SC to submit, Supply Plans to identify and confirm the Designated RA Capacity provided to Buyer for each Showing Month so that the total amount of Designated RA Capacity identified and confirmed for such Showing Month equals the Designated RA Capacity, unless specifically requested not to do so by Buyer.

(b) Seller shall cause the Unit's Scheduling Coordinator to submit written notification to Buyer, no later than ten (10) Business Days before the applicable RAR Showings, LAR Showings and/or FCR Showings deadlines for each Showing Month, that Buyer will be credited with the Designated RA Capacity for such Showing Month in the Unit's Scheduling Coordinator Supply Plan so that the Designated RA Capacity credited equals the Designated RA Capacity for such Showing Month.

4.7 <u>Damages for Failure to Provide Designated RA Capacity</u>

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month then the following shall apply:

(a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RAR Attributes, LAR Attributes and/or FCR Attributes as the Designated RA Capacity not provided by Seller, provided, that, if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated RA Capacity having RAR Attributes and no LAR Attributes (such capacity shall also include FCR Attributes if this is a Flexible Capacity Product) and no such RAR capacity is available, then Buyer may replace such portion of the Designated RA Capacity with other capacity having RAR Attributes and LAR Attributes (as well as FCR Attributes if this is a Flexible Capacity Product) ("Replacement Capacity"). Such Replacement Capacity may be provided by CAISO to Buyer pursuant to the Tariff. Buyer may enter into purchase transactions with one or more parties to replace any portion of Designated RA Capacity not provided by Seller. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party and, to the extent such transactions are done at prevailing market prices, such arrangements shall be considered equivalent to the procurement of Replacement Capacity. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity. There shall be no change to the payments owed by Buyer for any reductions to the Capacity Attributes solely as the result of the implementation of Effective Load Carrying Capability (ELCC), unforced capacity (UCAP), or any similar regulatory adjustments.

(b) Seller shall pay to Buyer at the time set forth in Section 9 of the Master Agreement, the following damages in lieu of damages specified in Section 21 of the Master Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity, plus (B) each Capacity Replacement Price times the amount of the Designated RA Capacity neither provided by Seller nor purchased by Buyer pursuant to Section 4.7(a), and (ii) the Designated RA Capacity not provided for the applicable Showing Month times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may offset those damages owed it against any future amounts it may owe to Seller under this Confirmation pursuant to Section 28 of the Master Agreement.

4.8 Indemnities for Failure to Deliver Contract Quantity

Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, resulting from any of the following:

(a) Seller's failure to provide any portion of the Designated RA Capacity;

(b) Seller's failure to provide notice of the non-availability of any portion of Designated RA Capacity as required under Section 4.4;

(c) A Unit Scheduling Coordinator's failure to timely submit accurate Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder; or

(d) A Unit Scheduling Coordinator's failure to submit Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties and fines. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

4.9 Monthly RA Capacity Payment

In accordance with the terms of Section 9 of the Master Agreement, Buyer shall make a Monthly RA Capacity Payment to Seller, in arrears after the applicable Showing Month. The Monthly RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for that Monthly Delivery Period, (b) the Designated RA Capacity for the Monthly Delivery Period, and (c) 1,000; provided, however, that the Monthly RA Capacity Payment shall be adjusted to reflect any portion of the Designated RA Capacity for the Showing Month that was not delivered in accordance with Section 4.6 for such Showing Month. The final product of this Monthly RA Capacity Payment calculation shall be rounded to the nearest penny (i.e., two decimal places).

RA CAPACITY PRICE TABLE

Contract Month/Year	RA Capacity Price ($/kW-month)
[redacted]	[redacted]

4.10 <u>Allocation of Other Payments and Costs</u>

Seller may retain any revenues it may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) capacity revenue for ancillary services, (c) energy sales and flexible product sales, (d) any revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, FCR Showing, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller's account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. The Parties acknowledge and agree that any Non-Availability Charges are the responsibility of Seller, and for Seller's account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. However, Buyer shall be entitled to receive and retain all revenues associated with the Designated RA Capacity of any Unit during the Delivery Period (including any capacity or availability revenues from RMR Agreements for any Unit, Reliability Compensation Services Tariff, and Residual Unit Commitment capacity payments, but excluding payments described in clauses (a) through (c) above). In accordance with Section 4.9 of this Confirmation and Section 9 of the Master Agreement, all such revenues received by Seller, or a Unit's SC, owner, or operator shall be remitted to Buyer, and Seller shall indemnify Buyer for any such revenues that Buyer does not receive, and Seller shall pay such revenues to Buyer if the Unit's SC, owner, or operator fails to remit those revenues to Buyer. If Seller fails to pay such revenues to Buyer, Buyer may offset any amounts owing to it for such revenues against any future amounts it may owe to Seller under this Confirmation.

5. CAISO OFFER REQUIREMENTS

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event of Force Majeure that results in a partial or full Outage of that Unit, Seller shall either schedule or cause the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and shall perform all, or cause the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

6. GENERAL REPRESENTATIONS AND WARRANTIES

In addition to the representations and warranties contained in Section 37 of the Master Agreement, each of Buyer and Seller represents and warrants to the other party that, as of the Effective Date:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) it has all contractual, governmental, regulatory and legal authorizations necessary for it to legally perform its obligations under this Confirmation;

(c) the execution, delivery and performance of this Confirmation are within its powers, and have been duly authorized by all necessary action;

(d) this Confirmation and each other document executed and delivered in accordance with this Confirmation constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending;

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

(f) with respect to the Master Agreement and this Confirmation, the obligations to make payments hereunder do not constitute or create any kind of lien on, or security interest in, any property or revenues of Buyer.

7.
OTHER BUYER AND SELLER COVENANTS

7.1. Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of the Contract Quantity for the sole benefit of Buyer's RAR, LAR and/or FCR, as applicable. Such commercially reasonable actions (neither Party shall be required to spend more than $10,000 in total under the Agreement in support of such actions) shall include, without limitation:

(a) Cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering RAR, LAR and/or FCR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CAISO, the CPUC, or by an LRA having jurisdiction, to demonstrate for each month of the Delivery Period the ability to deliver the Contract Quantity from each Unit to the CAISO Controlled Grid for the minimum hours required to qualify as RA Capacity, and providing information requested by the CPUC, the CAISO or other Governmental Body having jurisdiction to administer RAR, LAR or FCR to demonstrate that the Contract Quantity can be delivered to the CAISO Controlled Grid, pursuant to "deliverability" standards established by the CAISO, or other Governmental Body having jurisdiction to administer RAR, LAR and/or FCR; and

(b) Negotiating in good faith to make necessary amendments, if any, to this Confirmation to conform this Transaction to changes in Applicable Law or clarifications, revisions, or decisions rendered by the CPUC, CAISO, FERC, or other Governmental Body having jurisdiction to administer RAR, LAR and FCR, in each case occurring after the Confirmation Effective Date, so as to maintain the purpose of the benefits of the bargain struck by the Parties on the Confirmation

Effective Date, provided that Seller shall not be required to incur any third party costs or agree to any material modifications to this Agreement.

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

(a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, CAISO, CPUC or other jurisdictional LRA, 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 RAR, LAR, FCR or such analogous capacity obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit's owner or operator;

(c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR, FCR, or analogous capacity obligations in any non-CAISO market;

(d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO.

(e) The owner or operator of each Unit is obligated to maintain and operate each Unit using Good Utility Practice and, if applicable, General Order 167 as outlined by the CPUC in the Enforcement of Maintenance and Operation Standards for Electric Generating Facilities Adopted May 6, 2004, and is obligated to abide by all Applicable Laws in operating such Unit; provided, that the owner or operator of any Unit is not required to undertake capital improvements, facility enhancements, or the construction of new facilities;

(f) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity and, as applicable, RAR, LAR and/or FCR;

(g) If Seller is the owner of any Unit, the respective cumulative sums of LAR Attributes, RAR Attributes, and FCR Attributes that Seller has sold, assigned or transferred for any Unit does not exceed that Unit's RA Capacity;

(h) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit's SC is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, and RAR, LAR and FCR;

(i) Seller has notified the SC of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the Tariff;

(j) Seller has notified the SC of each Unit that Seller is obligated to cause each Unit's SC to provide to Buyer, at least five (5) Business Days before the relevant deadline for each RAR Showing, LAR Showing, and/or FCR Showing, as applicable, the Designated RA Capacity of each Unit that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

(k) Seller has notified each Unit's SC that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

8.
CONFIDENTIALITY

Notwithstanding Section 30.1 of the Master Agreement, the Parties agree that Buyer may disclose the Designated RA Capacity under this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA having jurisdiction in order to support its LAR Showings, RAR Showings, and/or FCR Showings, as applicable, and Seller may disclose the transfer of the Designated RA Capacity under this Transaction to the SC of each Unit in order for such SC to timely submit accurate Supply Plans.

9.
BUYER'S RE-SALE OF PRODUCT

Buyer may re-sell all or a portion of the Product hereunder; provided, however, that (i) any Subsequent Buyer assumes all of Buyer's obligations and liabilities hereunder, and (ii) any such re-sale does not increase Seller's obligations or liabilities hereunder.

10.
MARKET BASED RATE AUTHORITY

Seller agrees, in accordance with Federal Energy Regulatory Commission (FERC) Order No. 697, to, upon reasonable request of Buyer, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller also agrees that it will not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

11.
CHANGE IN LAW

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction, or any change in Applicable Laws, occurring after the Confirmation Effective Date results in (i) material changes to Buyer'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 Buyer's Resource Adequacy Requirements (a "Change in Law"), the Parties shall work in good faith to revise this Confirmation so that the Parties can continue to perform their obligations regarding the purchase and sale of the Product sold hereunder in a manner that best maintains their respective original intentions.

12.
CHANGE IN RA REQUIREMENTS

If, after the Confirmation Effective Date, the CAISO or the CPUC (a) replaces NQC as the value utilized to measure the qualifying capacity of a Unit described in Section 2 that can be applied toward compliance with RAR, or (b) otherwise changes the methodology for calculating the Unit NQC or the applicable successor value such that the Unit NQC or applicable successor value of a Unit described in Section 2 would be reduced (each a "Change in RA Requirements"), then from and after each such Change in RA Requirements (i) Seller will provide notice to Buyer stating the equivalent amount of qualifying capacity of a Unit described in Section 2 that can be applied toward compliance with RAR following the Change in RA Requirements (the "Compliance Adjusted Unit NQC"), and (ii) Seller will be excused from delivering the portion of the Quantity equal to the difference between the Unit NQC as calculated under the CPUC and CAISO resource adequacy counting rules as of the Confirmation Effective Date, minus the Compliance Adjusted Unit NQC applicable after the Change in RA Requirements.

13.

MASTER AGREEMENT AMENDMENTS

For purposes of this Transaction only, the Master Agreement shall be amended as follows:

(a) Section 22.1 of the Master Agreement is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default, and except for such Party's obligations to deliver or receive the quantities of capacity and/or energy due under this Agreement, the exclusive remedy for which is provided in Section 21.3) if such failure is not remedied within ten (10) Business Days after written notice;

(g) 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;

(h) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(i) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(b) Section 22.2(b) of the Master Agreement is amended by inserting in Section 22.2, "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(c) Section 22.3 of the Master Agreement is amended by:

1) In Section 22.3(b), replacing the second sentence thereof with "The "Present Value Rate" shall be determined by the Non-Defaulting Party in a commercially reasonable manner.";

2) In Section 22.3(c), deleting the third sentence thereof and replacing it with the following: "If the Non-Defaulting Party's aggregate Gains exceeds its aggregate Losses and Costs, if any, resulting from the termination of this Agreement, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section in this Confirmation or Agreement to the contrary."

3) In Section 22.3 (d), replacing "this Agreement and any Confirmation" in the third line thereof with "any other agreements, instruments or undertakings between the Defaulting Party and the Non-Defaulting Party";

4) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[intentionally omitted]";

5) In Section 22.3(f), delete the entire provision and replace with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences and provided that Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

(d) Section 24 of the Master Agreement is deleted and replaced with the following:

"This Master Agreement and any Confirmation shall be governed by and construed, enforced and performed in accordance with the laws of the State of California, without regard to principles of conflicts of law."

(e) The netting provisions of Section 28, NETTING, of the Master Agreement shall apply to the transaction covered by this Confirmation as if Buyer and Seller had both executed Exhibit A, NETTING, to the Master Agreement. Both Parties intend for the netting provisions of Exhibit A to the Master Agreement to be effective on the Confirmation Effective Date.

(f) Section 30.1 of the Master Agreement is amended by inserting "or requested" after the word "required" in Section 30.1(4) and by adding the following at the end of the first sentence: "; or (8) to the Party's and such Party's affiliates' lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential".

(g) Subsections 34.1 and 34.2 of the Master Agreement are hereby deleted and replaced with the following:

"34.1 WAIVER OF JURY TRIAL

EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, CLAIM OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT (WHETHER BASED IN CONTRACT, TORT OR ANY OTHER THEORY) AND HEREBY (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM."

(h) The phrase "arbitration or" is hereby deleted from the first line of Section 34.4.

(i) The following shall be inserted as a new Section 34.5; PROVIDED, HOWEVER, THAT THE FOLLOWING NEW SECTION 34.5 SHALL NOT LIMIT BUYER'S

RIGHT TO RECOVER FROM SELLER, OR SELLER'S OBLIGATION TO PAY BUYER, ANY AND ALL AMOUNTS OWED UNDER SECTION 4.8 OF THIS CONFIRMATION, INCLUDING PENALTIES AS SPECIFIED THEREIN:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(j) Section 37 of the Master Agreement is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(k) Section 41 "Witness" of the Master Agreement shall become Section 42 and the following "Standard of Review" Section substituted in its place:

"The Parties agree as follows:

For purposes of this Section, the term "Transaction" means a specific sale and purchase, or an option for sale and purchase, of capacity and/or energy to be supplied by one Party to the other Party. From the date of entering into a Transaction under this Master 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 Master 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 Master 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."

[SIGNATURE PAGE FOLLOWS]

ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE

Chevron Power Holdings Inc.

DocuSigned by:

By:

88942A5BAAAF4DF...

Name: Brenda McNew

Title: Regulatory Officer

Silicon Valley Clean Energy Authority

DocuSigned by:

By: Girish Balachandran

5CA04B9AC4C24C3...

Name: Girish Balachandran

Title: CEO

MASTER POWER PURCHASE AND SALE AGREEMENT

CONFIRMATION LETTER

BETWEEN

SILICON VALLEY CLEAN ENERGY AUTHORITY AND

SOUTHERN CALIFORNIA EDISON COMPANY

This confirmation letter including all appendices hereto ("Confirmation") confirms the Transaction between Silicon Valley Clean Energy Authority ("Counterparty") and Southern California Edison Company ("SCE"), each individually a "Party" and together the "Parties", dated as of 1/17/2023 (the "Confirmation Effective Date") in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation, in the amounts described in this Confirmation. This Transaction is governed by the Edison Electric Institute ("EEI") Master Power Purchase and Sale Agreement between the Parties, effective as of February 7, 2018 , along with the Cover Sheet, any amendments and annexes thereto (the "Master Agreement"), and including, the EEI Collateral Annex to the Master Agreement along with the Paragraph 10 to the Collateral Annex between the Parties (such Paragraph 10 and the Collateral Annex are referred to collectively herein as the "Collateral Annex") (the Master Agreement and the Collateral Annex shall be collectively referred to as the "EEI Agreement"). The EEI 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 EEI Agreement, or the CAISO Tariff (defined herein below). To the extent this Confirmation is inconsistent with any provision of the EEI Agreement, this Confirmation shall govern the rights and obligations of the Parties hereunder.

ARTICLE 1. TRANSACTION TERMS

1.1 Product; Elections

Product: The product, including the Capacity Attributes of the Unit(s), as defined in Appendix C, or Alternate Unit(s) provided in accordance with Section 2.3.

Flexible Capacity: The Product shall include Flexible Capacity if identified in Appendix B as applicable.

1.2 Delivery and Receipt of Product

Seller shall sell and deliver to Buyer, and Buyer shall receive and purchase from Seller the Product in the amount of the applicable Contract Quantity for each month of the Delivery Period.

1.3 Delivery Period and Term

(a) Delivery Period. The Delivery Period is as specified in Appendix B of this Confirmation in the row titled "Delivery Period", unless terminated earlier in accordance with the terms of this Agreement.

(b) Term. The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until the later of (i) the expiration of the Delivery Period or (ii) the date the Parties' obligations under this Confirmation have been satisfied. This Confirmation shall be effective and binding as of the Confirmation Effective Date.

1.4 Contract Quantity

The Contract Quantity for each applicable Showing Month is as shown in Appendix B of this Confirmation under the heading titled "Contract Quantity."

1.5 Flexible Capacity

If the Parties have designated Flexible Capacity as "Applicable", then the Flexible Capacity included in the Contract Quantity for each applicable Showing Month is as shown in Appendix B of this Confirmation under the heading titled "Flexible Capacity."

1.6 Contract Price

The Contract Price means, for any Showing Month, the price specified in Appendix B of this Confirmation under the heading titled "Contract Price," for such Showing Month.

ARTICLE 2. DELIVERY OBLIGATIONS

2.1 Seller's Delivery Obligations

Seller shall provide Buyer with the Expected Contract Quantity of Product for each Showing Month consistent with the following:

(a) Supply Plan Obligation. Seller shall, on a timely basis, submit, or cause the Unit's SC to submit, (i) Monthly Supply Plans and (ii) Annual Supply Plans if the Confirmation Effective Date is prior to the year-ahead Compliance Showing Deadline applicable for the Showing Months as specified in Sections 1.4 and 1.5 herein, in accordance with the CAISO Tariff and no later than the initial Compliance Showing Deadline for such Showing Month, identifying and confirming the transfer of the Expected Contract Quantity of Product to Buyer for each Showing Month (the "Supply Plan Obligation").

(b) Showing Month Notice. If (i) Seller intends to utilize an Alternate Unit in accordance with Section 2.3 to satisfy its Supply Plan Obligation, or (ii) Seller intends to deliver less than the Contract Quantity of Product for such Showing Month for any reason, then Seller shall, or shall cause the Unit's SC to, submit written notification to Buyer (the "Showing Month Notice"), no later than the Compliance Notification Deadline, identifying either or both of the Alternate Units in accordance with Section 2.3 and the Expected Contract Quantity of Product if such amount is less than the Contract Quantity of Product, as applicable.

(c) Contract Quantity Unit Allocation. If Seller is delivering Product to Buyer from more than one Unit, Seller shall deliver such Product to Buyer from each Unit in accordance with the Contract Quantity Unit Allocation, as set forth in Appendix C; provided, Seller may modify the Contract Quantity Unit Allocation from time to time by providing email notice to Buyer's Supply Plan contact, as set forth in Appendix D, no later than the initial Compliance Showing Deadline for each Showing Month.

2.2 Adjustments to Contract Quantity

Seller shall deliver to Buyer the Contract Quantity of Product for each Showing Month consistent with the following:

(a) Planned Outages: 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 if the following conditions are satisfied:

(i) Seller notifies Buyer no later than the Compliance Notification Deadline, of the amount of Product from the Unit Buyer is permitted to include in Buyer's Compliance Showings applicable to that month as a result of such Planned Outage; and

(ii) such reduction to the Contract Quantity of Product can be reflected on Supply Plans in accordance with the CAISO Tariff.

(b) Reductions in Unit NQC and Unit EFC: Seller's obligation to deliver the applicable Contract Quantity for each Showing Month may also be reduced in the event the Unit experiences a reduction in Unit NQC or Unit EFC after the Confirmation Effective Date as determined by the CAISO. In the event the Unit experiences such a reduction in Unit NQC or Unit EFC, Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product or (ii) from Alternate Units, provided, that in each case Seller provides and identifies such Alternate Units in accordance with Section 2.3.

(c) Reductions in Seller Supply Agreement: Seller's obligation to deliver the applicable Contract Quantity for each Showing Month may also be reduced in the event that the underlying Seller supply agreement results in Seller's inability to deliver the Product to Buyer in accordance with this Agreement. Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from Alternate Units, provided, that in each case Seller provides and identifies such Alternate Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

Seller may, at no cost to Buyer, provide Buyer with Product from one or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units is not more than the Contract Quantity for the applicable Showing Month, provided that in each case:

(a) Seller shall notify Buyer no later than the Compliance Notification Deadline for such Showing Month of its intent to provide Product from and identify alternate units that (i) are like-for-like units similar to the Unit originally identified in Appendix C and have the same Capacity Attributes of the Unit originally identified in Appendix C, including the Resource Category and the Unit EFC Category; (ii) are accepted by the CAISO, and (iii) otherwise that satisfy the requirements of this Agreement ("Alternate Units");

(b) Seller shall, or shall cause the Unit's SC to submit a Monthly Supply Plan and an Annual Supply Plan, as applicable, that includes the Alternate Units, in accordance with Section 2.1(a) hereof for such Showing Month;

(c) if Seller does not comply with the requirements of Sections 2.3(a) and (b) for the applicable Showing Month, then any such Alternate Units shall not be deemed a Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product.

Subject to the satisfaction of the conditions contained in subsections (a) – (c) of this Section 2.3, once Seller has identified in writing any Alternate Units that meet the requirements of this Section 2.3, then any such Alternate Units shall be automatically deemed a Unit for purposes of this Confirmation for that Showing Month.

2.4 Damages for Failure to Provide Capacity

If Seller fails to provide Buyer with the Expected Contract Quantity of Product for any Showing Month, in accordance with Section 2.1 (the "Replacement Obligation"), in each case as applicable, then the following shall apply:

(a) Buyer may, but shall not be required to, replace all or any portion of the Replacement Obligation for the applicable Showing Month with capacity having equivalent Capacity Attributes as the Expected Contract Quantity;

provided, if, using commercially reasonable efforts, Buyer is unable to acquire capacity having equivalent Capacity Attributes for any portion of any Showing Month, Buyer may replace such portion of the Replacement Obligation with capacity having Capacity Attributes in excess of the Contract Quantity (the "Replacement Capacity"). Buyer may enter into purchase transactions with one or more parties to purchase Replacement Capacity. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party, and such arrangements shall be considered the procurement of Replacement Capacity. Buyer shall act in a commercially reasonable manner to minimize damages in procuring any Replacement Capacity.

(b) Seller shall pay to Buyer at the time set forth in Section 4.1 of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity, including any transaction costs and expenses incurred in connection with such procurement, plus (B) each applicable Replacement Capacity Price multiplied by the aggregate amount of Replacement Obligation neither provided by Seller as Alternate Capacity nor purchased by Buyer as Replacement Capacity, for all applicable portions of the applicable Showing Month pursuant to Section 2.4(a), and (ii) the Replacement Obligation minus the Alternate Capacity, not provided for all applicable portions of the applicable Showing Month times the Contract Price for that month. Buyer's invoice for such amount shall include a written statement explaining in reasonable detail the calculation of such amount and shall include supporting documentation.

2.5 <u>Indemnities for Failure to Deliver Expected Contract Quantity</u>

Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines, or costs assessed against Buyer by the CPUC or the CAISO, resulting from all or any of the following:

(a) Seller's failure to provide any portion of the Expected Contract Quantity for any portion of the Delivery Period;

(b) Seller's failure to provide a Showing Month Notice for any portion of the Delivery Period;

(c) Seller's or the Unit's SC's failure to timely or accurately submit, or otherwise satisfy its Supply Plan Obligation for any portion of the Expected Contract Quantity or any portion of the Delivery Period; or

(d) any other failure by Seller to perform its obligations under this Confirmation.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines, and costs.

2.6 Buyer's Re-Sale of Product

Buyer may re-sell all or a portion of the Product and any associated rights, in each case, acquired under this Confirmation, in accordance with Applicable Laws and CPUC Decisions ("Resold Product"); provided, with respect to Resold Product that includes the sale of Capacity Attributes that impact Seller's obligations under this Confirmation, Buyer agrees to: (a) notify Seller that such a sale has occurred; (b) provide Seller with the information described in Appendix E; and (c) notify Seller of any subsequent changes to the information in Appendix E with respect to any particular sale; in each case promptly following such sale and in no event later than the initial Compliance Showing Deadline for each Showing Month. Subject to Article 6 below, Seller agrees, and agrees to cause the Unit's SC, to: (i) follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product; and (ii) take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product.

Seller acknowledges and agrees that with respect to any Resold Product, if Buyer incurs any liability to any purchaser of such Resold Product due to the failure of Seller or the Unit's SC to comply with the terms of this Confirmation, and Seller would have had liability to Buyer under this Confirmation for such failure had Buyer not sold the Resold Product to a subsequent purchaser, then Seller shall be liable to Buyer under this Confirmation, including without limitation, pursuant to Sections 2.4 and 2.5, for the amounts it would have been liable to Buyer for had such Resold Product not been sold to a subsequent purchaser. Buyer acknowledges and agrees that with respect to any Resold Product, if Seller incurs any liability to any purchaser of such Resold Product due to the failure of Buyer to comply with the terms of this Confirmation, and Buyer would have had liability to Seller under this Confirmation for such failure had Buyer not sold the Resold Product to a subsequent purchaser, then Buyer shall be liable to Seller under this Confirmation for the amounts it would have been liable to Seller for had such Resold Product not been sold to a subsequent purchaser.

2.7 CAISO Offer Requirements

Seller shall, or cause each Unit's SC to, schedule with, or make available to, the CAISO the Expected Contract Quantity for each Unit in compliance with the CAISO Tariff, and shall, or shall cause each Unit's SC, owner, or operator, as applicable, to perform all obligations under the CAISO Tariff 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 CAISO Tariff provisions, including any penalties, charges or fines imposed on Seller or such Unit's SC, owner, or operator for such noncompliance.

2.8 **Unit SC's Substitution Obligation**

After the obligation to replace all or any portion of the Expected Contract Quantity transfers from the load serving entity to the Unit's SC for a Showing Month in accordance with the CAISO Tariff, and if the CAISO determines that any portion of the Expected Contract Quantity for any portion of a Showing Month that was shown by Buyer in its Compliance Showings requires outage substitution in accordance with Section 40.9.3.6 of the CAISO Tariff because the Unit, or Alternate Unit, as applicable, is scheduled to take an outage (planned or otherwise) (such amount requiring outage substitution, the "SC Substitute Capacity"), then: (a) Seller shall have no liability under Sections 2.4 or 2.5 with respect to such SC Substitute Capacity; and (b) Seller shall have no liability to Buyer for any costs that are allocated to Buyer by the CAISO for any CPM Capacity procured by the CAISO pursuant to the Capacity Procurement Mechanism and that are related to such SC Substitute Capacity.

ARTICLE 3. PAYMENT

3.1 **Monthly Payment**

In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a Monthly Payment to Seller, after the applicable Showing Month, as follows:

Monthly Payment = (A x B x 1,000)

where:

A = applicable Contract Price for that Showing Month.

B = The amount of Contract Quantity of Product actually delivered by Seller to Buyer pursuant to and consistent with Section 2.1 and, if applicable, Section 2.3, for the applicable Showing Month.

The Monthly Payment calculation shall be rounded to two decimal places.

3.2 **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 the Unit for (i) start-up, shutdown, and minimum load costs, (ii) energy sales, (iii) ancillary services, and (iv) black start or reactive power services.

(b) Buyer shall be entitled to receive and retain all revenues associated with the Contract Quantity (including any capacity revenues from RMR Contracts for the Unit, Capacity Procurement Mechanism or its successor, RUC Availability Payments, or its successor, but excluding payments described in Sections 3.2(a)(i)-(iv)). To the extent permitted by the CAISO Tariff, Seller shall, or shall cause each Unit's SC to, submit RUC Availability Bids for the Expected Contract Quantity for each Unit for each hour of the Delivery Period at a bid price of Zero Dollars ($0) per MW per hour, regardless of whether each Unit is shown on a Supply Plan for the applicable Showing Month.

(c) In accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement,

(iii) all such Buyer revenues described in this Section 3.2, 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. If Seller fails to pay such revenues to Buyer, Buyer may offset any amounts owing to it for such revenues pursuant to Article Six of the Master Agreement against any future amounts Buyer may owe to Seller. 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; and

(iv) all such Seller, or a Unit's SC, owner, or operator revenues described in this Section 3.2, but received by Buyer shall be remitted to Seller. If Buyer fails to pay such revenues to Seller, Seller may offset any amounts owing to it for such revenues pursuant to Article Six of the Master Agreement against any future amounts it may owe to Buyer.

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

(e) Seller agrees that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the CAISO Tariff. Furthermore, the Parties agree that any Availability Incentive Payments are for the benefit of the Seller and for Seller's account and that any Non-Availability Charges are the responsibility of the Seller and for Seller's account.

3.3 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.

ARTICLE 4. OTHER BUYER AND SELLER COVENANTS

4.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product

Buyer and Seller shall, throughout the Delivery Period: (a) cause the Benefiting Load Serving Entity SCID to be included in all applicable Supply Plans; (b) 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 or any subsequent purchaser under Section 2.6; and (c) cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the CAISO Tariff. If during the Delivery Period, there is a change to the Benefiting Load Serving Entity SCID, the Parties agree to communicate such changes to each other promptly. 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, CAISO or other Governmental Authority having jurisdiction to administer Compliance Obligations, so as to maintain the benefits of the bargain struck by the Parties on the Confirmation Effective Date.

4.2 Seller's Representations, Warranties and Covenants

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

(i) Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit, and shall furnish Buyer, CAISO, CPUC or other Governmental Authority with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;

(ii) 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;

(iii) Seller shall comply with Applicable Laws relating to the Product;

(iv) (A) 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 the CAISO) notify Buyer in the event the CAISO designates any portion of the Contract Quantity as CPM Capacity and (B) in the event the CAISO makes such a designation Seller shall, and shall cause the Unit's SC to not accept any such designation by the CAISO unless and until Buyer has agreed to accept such designation;

(v) Buyer shall have the exclusive right to offer the Contract Quantity, or any portion thereof, to the CAISO as CPM Capacity and Seller shall not, and shall cause the Unit's SC not to, offer any portion of the Contract Quantity to the CAISO as CPM Capacity or accept any designation of any portion thereof as CPM Capacity;

(vi) The Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;

(vii) Seller shall cause the Unit's SC, owner and operator to comply with Applicable Laws relating to the Product;

(viii) Buyer shall have no liability for the failure of Seller or the failure of the Unit's SC, owner, or operator to comply with such CAISO Tariff provisions, including any penalties, charges or fines imposed on Seller or the Unit's SC, owner, or operator for such noncompliance.

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

(x) Seller has notified the SC of the Unit that Seller has transferred the Contract Quantity, including the amount of Flexible Capacity and Inflexible Capacity, to the extent applicable, with respect to each Showing Month to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the CAISO Tariff and this Confirmation;

(xi) Seller has notified the SC of the Unit that Seller is obligated to cause the Unit's SC to provide to the Buyer, on or prior to the Compliance Notification Deadline, the applicable Expected Contract Quantity of the Unit for such Showing Month, including the amount of Flexible Capacity and Inflexible Capacity, to the extent applicable, that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

(xii) Seller has notified the Unit's SC that Buyer is entitled to the revenues set forth in Section 3.2, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

(b) Seller represents, warrants and covenants to Buyer that, as of the Confirmation Effective Date, all of the information set forth on Appendix C hereto is true, correct and complete.

ARTICLE 5. CONFIDENTIALITY

Notwithstanding Section 10.11 of the Master Agreement, the Parties agree that: (i) Buyer may disclose the Contract Quantity or any applicable portion of the Contract Quantity, including any amounts of Flexible Capacity and Inflexible Capacity, to the extent applicable, under this Transaction to any Governmental Authority, the CPUC, the CAISO in order to support its Compliance Showings, if applicable; (ii) Seller may disclose the transfer of the Contract Quantity and the applicable Expected Contract Quantity (as well as any amounts of Flexible Capacity and Inflexible Capacity, to the extent applicable) for each Showing Month under this Transaction to the SC of the Unit in order for such SC to timely submit accurate Supply Plans; (iii) both Parties may disclose the terms and conditions of the Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the Independent Evaluator; and (iv) Buyer and the Independent Evaluator may disclose the terms and conditions of the Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the CAISO, the CPUC, and all divisions thereof, the California Energy Commission, and participants of the Procurement Review Group established pursuant to D.02-08-071 and D.03-06-071; provided, that each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Authority, CAISO, or SC to further disclose such information. In addition, in the event Buyer resells all or any portion of the Contract Quantity to another party, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to effect such resale transaction.

ARTICLE 6. HOLDBACK

No later than five (5) Business Days before the deadline for the initial Compliance Showing Deadline with respect to a particular Showing Month, Buyer may request that Seller not list, or cause the Unit's SC not to list, a portion or all of a Unit's applicable Expected Contract Quantity for any portion(s) of such Showing Month on the Supply Plan. The amount of Expected Contract Quantity that is the subject of such a request shall be deemed Expected Contract Quantity provided consistent with Section 2.1 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.4 or 2.5. Seller shall, or shall cause the Unit's SC to, comply with Buyer's request under this Article 6.

ARTICLE 7. MARKET BASED RATE AUTHORITY

Seller agrees, in accordance with FERC Order No. 697, to, upon request of Buyer, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR § 35.42. Seller also agrees that it will not, in any filings, if any, made subject to FERC Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 8. COLLATERAL REQUIREMENTS

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

ARTICLE 9. OTHER

9.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement, provided that, with respect to this Transaction only, the following language is added at the end of Section 5.2 of the Master Agreement, with any terms which are defined in this Confirmation being used in the Master Agreement with the definitions given to such terms in this Confirmation:

> "If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur penalties, fines or costs from the CPUC, the CAISO, or any Governmental Authority having jurisdiction, because Buyer is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith, estimate the amount of those penalties or fines and include this estimate in its determination of the Settlement Amount, subject to accounting to Seller when those penalties or fines are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties or fines, Buyer shall promptly remit to Seller the excess amount. 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."

9.2 No Waiver

The failure of either Party to insist in any one instance upon strict performance of any the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishments of such rights for the future, but the same shall continue and remain in full force and effect. Waiver by either Party of any default of the other Party shall not be deemed a waiver of any other default. Waiver by either Party of any failure to comply with any timeline or deadline by the other Party as provided herein in any instance, shall not be deemed a waiver of any failure to comply with such timeline or deadline in the future, or otherwise establish a course of performance.

[Remainder of Page Intentionally Left Blank]

In WITNESS WHEREOF, the Parties have caused this Confirmation to be duly executed as of the Confirmation Effective Date first written:

SILICON VALLEY CLEAN ENERGY AUTHORITY,	**SOUTHERN CALIFORNIA EDISON COMPANY,**
a California joint powers authority .	a California corporation.
By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...	By: DocuSigned by: Constantine Louie 391864B607084BF...
Name: Girish Balachandran	Name: Constantine Louie
Title: Chief Executive Officer	Title: Senior Manager, Energy Trading
Date: 1/13/2023	Date: 1/17/2023

APPENDIX A
DEFINED TERMS

"Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Alternate Capacity" means Product which Seller has elected to provide to Buyer in accordance with the terms of Section 2.3.

"Alternate Unit" means a generating unit meeting the requirements specified in Section 2.3.

"Annual Supply Plan" has the meaning set forth in the CAISO Tariff.

"Applicable Laws" means the CAISO Tariff and all constitutions, treaties, laws, ordinances, rules, regulations, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority that apply to either or both of the Parties, the Project, the Unit or the terms of this Agreement.

"Availability Incentive Payments" has the meaning set forth in the CAISO Tariff.

"Availability Standards" has the meaning set forth in the CAISO Tariff.

"Benefiting Load Serving Entity SCID" is as specified in Appendix D.

"Buyer" has the meaning specified in Appendix B.

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

"CAISO Control Area" has the meaning set forth in the CAISO Tariff.

"CAISO Controlled Grid" has the meaning as set forth in the CAISO Tariff.

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

"Capacity Attributes" means, with respect to a Unit, any and all of the following, in each case which are attributed to or associated with the Unit at any time throughout the Delivery Period:

(a) resource adequacy attributes, as may be identified from time to time by the CPUC, CAISO, or other Governmental Authority having jurisdiction, that can be counted toward RAR;

(b) 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 Authority 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; and

(c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs, howsoever entitled, including any accounting construct counted toward any Compliance Obligation;

provided that, notwithstanding the foregoing, Capacity Attributes shall exclude all flexible capacity resource adequacy attributes, characteristics, certificates, tags, credits, or accounting constructs, howsoever entitled associated with the Unit; provided further, notwithstanding the foregoing, Capacity Attributes shall exclude intra-month substitution resource adequacy attributes.

"<u>Capacity Procurement Mechanism</u>" has the meaning set forth in the CAISO Tariff.

"<u>Collateral Annex</u>" has the meaning specified in the introductory paragraph of this Confirmation.

"<u>Compliance Notification Deadline</u>" means, for each Showing Month, fifteen (15) Business Days before the Compliance Showing Deadline.

"<u>Compliance Obligations</u>" means the RAR and Local RAR.

"<u>Compliance Showings</u>" means the (a) Local RAR compliance or advisory showings (or similar or successor showings) and (b) RAR compliance or advisory showings (or similar or successor showings), in each case, a load serving entity is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, to the CAISO pursuant to the CAISO Tariff, or to any Governmental Authority having jurisdiction.

"<u>Compliance Showing Deadline</u>" means, for each Showing Month, the Compliance Showing plan submission due date for such Showing Month. For illustrative purposes only, as of the Confirmation Effective Date, the applicable Compliance Showing plan submission due dates are as follows: (A) forty-five (45) days prior to the Showing Month covered by the Supply Plan for the Monthly Supply Plan; and (B) the last Business Day of October that is prior to commencement of the year for the Annual Supply Plan, such dates may be modified by the CAISO from time to time throughout the Term.

"<u>Confirmation</u>" has the meaning specified in the introductory paragraph of this Confirmation.

"<u>Confirmation Effective Date</u>" has the meaning specified in the introductory paragraph of this Confirmation.

"Contract Price" means, for any Showing Month, the price specified in Appendix B under the column titled "Contract Price" for such Showing Month.

"Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product associated with the number of MWs set forth in Appendix B under the column titled "Contract Quantity", which Seller has agreed to provide to Buyer from the Unit for each Showing Month.

"Contract Quantity Unit Allocation" means, if Seller is delivering Product to Buyer from more than one Unit, the allocation of Contract Quantity Seller will deliver from each Unit, as set forth in Appendix C and as modified by Seller from time to time in accordance with Section 2.1(c).

"Cover Sheet" has the meaning specified in the introductory paragraph of this Confirmation.

"CPM Capacity" has the meaning set forth in the CAISO Tariff.

"CPUC" means the California Public Utilities Commission.

"CPUC Decisions" means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

"CPUC Filing Guide" 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.

"Current Mark-to-Market Value" has the meaning specified in Section 8.2

"Delivery Period" has the meaning specified in Section 1.3(a).

"EEI" has the meaning specified in the introductory paragraph of this Confirmation.

"EEI Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, 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, and after giving effect to any reductions to Contract Quantity as specified in Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"FFIA Monthly Payment" shall be the Monthly Payment calculated using the Contract Quantity rather than the Expected Contract Quantity, such that variable B in the formula for Monthly Payment shall be as follows: B = the Contract Quantity of Product for each applicable Showing Month.

"Governmental Authority" means any: (a) federal, state, local, municipal or other government; (b) 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 (c) court or governmental tribunal.

"Independent Evaluator" has the meaning set forth in CPUC Decision 04-12-048.

"Local Capacity Area" has the meaning set forth in the CAISO Tariff.

"Local RAR" means the local resource adequacy requirements established for load serving entities by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the CAISO Tariff, or by any other Governmental Authority 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.

"Maintenance Outage" has the meaning set forth in the CAISO Tariff.

"Master Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Monthly Payment" has the meaning specified in Section 3.1.

"Monthly Supply Plan" has the meaning set forth in the CAISO Tariff.

"MW" means megawatt (or 1,000 kilowatts) of alternating current electric energy generating capacity.

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

"Next Showing Month" means the next calendar month for which a Compliance Showing will be made.

"Non-Availability Charges" has the meaning set forth in the CAISO Tariff.

"Planned Outage" means a maintenance outage taken by the Unit originally identified in Appendix C, as such maintenance outage is determined by the applicable Unit or Unit SC.

"Product" means the Capacity Attributes of the Unit(s), including any capacity from RMR Contracts for the applicable Unit, or its successor, Capacity Procurement Mechanism, or its successor, and RUC Availability Payments, or its successor; provided that:

(a) Product does not include any right to the energy or ancillary services from the Unit;

(b) any change by the CAISO, CPUC or other Governmental Authority that defines new or re-defines existing Local Capacity Areas that results in a decrease or increase in the amount of Capacity Attributes related to a Local Capacity Area provided hereunder will not result in a change in payments made pursuant to this Transaction; and

(c) the Parties agree that, under this Confirmation, if the CAISO", CPUC or other Governmental Authority defines new or re-defines existing Local Capacity Areas whereby the Unit subsequently qualifies for a Local Capacity Area, the Product shall include all Capacity Attributes related to such Local Capacity Area.

"RAR" means the resource adequacy requirements established for load serving entities by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the CAISO Tariff, or by any other Governmental Authority having jurisdiction.

"Replacement Capacity" has the meaning specified in Section 2.4.

"Replacement Capacity Price" means the market price for Product with Capacity Attributes reasonably equivalent to the quantity of Product not provided by Seller under this Confirmation, as determined in the manner upon which market prices are determined under Section 5.2(b) of the Master Agreement. For purposes of this Transaction and Confirmation, the "Replacement Capacity Price" shall be deemed to be the "Replacement Price" as defined in Section 1.51 of the Master Agreement.

"Replacement Obligation" has the meaning specified in Section 2.4.

"Resold Product" has the meaning specified in Section 2.6.

"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.

"RMR Contracts" has the meaning set forth in the CAISO Tariff.

"RUC Availability Bid" has the meaning set forth in the CAISO Tariff.

"RUC Availability Payment" has the meaning set forth in the CAISO Tariff.

"SC" has the meaning set forth in the CAISO Tariff.

"SC Substitute Capacity" has the meaning set forth in Section 2.8.

"Seller" has the meaning specified in Appendix B.

"Showing Month" shall be the calendar month of the Delivery Period that is the subject of the Compliance Showing, as set forth in the CPUC Decisions and outlined in the CAISO Tariff. For illustrative purposes only, pursuant to the CAISO Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

"Showing Month Notice" has the meaning specified in Section 2.1(b).

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

"Supply Plan Obligation" has the meaning specified in Section 2.1(a).

"Term" has the meaning specified in Section 1.3(b).

"Unit" shall mean the generation assets described in Appendix C (including any Alternate Units), from which Product is provided by Seller to Buyer.

"Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. The Parties agree that if the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Net Qualifying Capacity.

ADDITIONAL DEFINED TERMS

To the extent that the Parties have selected Flexible Capacity as being "Applicable", the following definitions shall be utilized in lieu of the corresponding definition, where appropriate, or in addition to the definitions set forth in the above Defined Terms:

"Capacity Attributes" means, with respect to a Unit, any and all of the following, in each case which are attributed to or associated with the Unit at any time throughout the Delivery Period:

(a) resource adequacy attributes, as may be identified from time to time by the CPUC, CAISO, or other Governmental Authority having jurisdiction, that can be counted toward RAR;

(b) 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 Authority 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;

(c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs, howsoever entitled, including any accounting construct counted toward any Compliance Obligations; and

(d) flexible capacity resource adequacy attributes for the Unit, including, without limitation, the amount of Unit EFC and MWs associated with Unit EFC as may be identified from time to time by the CPUC, CAISO, or other Governmental Authority having jurisdiction, that can be counted toward Flexible RAR;

provided, notwithstanding the foregoing, Capacity Attributes shall exclude intra-month substitution resource adequacy attributes.

"Compliance Obligations" means the RAR, Local RAR and Flexible RAR.

"Compliance Showings" means the (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) Flexible RAR compliance or advisory showings (or similar successor showings), in each case, a load serving entity is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, to the CAISO pursuant to the CAISO Tariff, or to any Governmental Authority having jurisdiction.

"Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product associated with the number of MWs set forth in Appendix B under the column titled "Contract Quantity", which Seller has agreed to provide to Buyer from the Unit for each Showing Month, and which includes Product which is Flexible Capacity in an amount equal to the amount identified in

Appendix B. All Contract Quantity is Inflexible Capacity except to the extent identified as Flexible Capacity Appendix C.

"Effective Flexible Capacity" has the meaning set forth in the CAISO Tariff.

"Flexible Capacity" means, with respect to any particular Showing Month of the Delivery Period, the number of MWs of Product set forth in Appendix B under the column titled "Flexible Capacity" which Seller has agreed to provide to Buyer from the Unit as part of the Contract Quantity for such Showing Month, and which such MWs of Product are eligible to satisfy a load serving entity's Flexible RAR and which such MWs of Product are associated with MWs of the Unit that are part of the Unit EFC.

"Flexible RAR" means the flexible capacity requirements established for load serving entities by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the CAISO Tariff, or by any other Governmental Authority having jurisdiction and includes any non-binding advisory showings which a load serving entity is to make with respect to flexible capacity.

"Inflexible Capacity" means, with respect to any particular Showing Month of the Delivery Period, the number of MWs of Product set forth in Appendix B under the column titled "Contract Quantity", minus the number of MWs of Product set forth in Appendix B under the column titled "Flexible Capacity", which Seller has agreed to provide to Buyer from the Unit as part of the Contract Quantity for such Showing Month, and which such MWs of Product are not eligible to satisfy a load serving entity's Flexible RAR and which are Product associated MWs of the Unit that are not part of or outside the Unit EFC. Inflexible Capacity is also known as 'generic capacity'.

"Product" means the Capacity Attributes of the Unit, provided that:

(a) Product does not include any right to the energy or ancillary services from the Unit;

(b) any change by the CAISO, CPUC or other Governmental Authority that defines new or re-defines existing Local Capacity Areas that results in a decrease or increase in the amount of Capacity Attributes related to a Local Capacity Area provided hereunder will not result in a change in payments made pursuant to this Transaction;

(c) any change by the CAISO, CPUC or other Governmental Authority that defines new or re-defines existing Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes of the Unit related to Flexible RAR, that results in a decrease or increase in the amount of Capacity Attributes related to Flexible RAR provided hereunder will not result in a change in payments made pursuant to this Transaction;

(d) the Parties agree that, under this Confirmation, if the CAISO, CPUC or other Governmental Authority defines new or re-defines existing Local Capacity Areas whereby the Unit subsequently qualifies for a Local Capacity Area, the Product shall include all Capacity Attributes related to such Local Capacity Area; and

(e) the Parties agree that, under this Confirmation, if the CAISO, CPUC or other Governmental Authority defines new or re-defines existing Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes of the Unit related to Flexible RAR whereby the Unit, or a portion of the Unit which did not previously qualify to satisfy Flexible RAR, subsequently qualifies to satisfy Flexible RAR, the Product shall include all Capacity Attributes of the Unit related to Flexible RAR, including any Capacity Attributes related to Flexible RAR with respect to any portion of the Unit which previously was not able to satisfy Flexible RAR.

"<u>Unit EFC</u>" means the Effective Flexible Capacity (in MWs) of the Unit. The Parties agree that if the CAISO adjusts the Effective Flexible Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Effective Flexible Capacity.

"<u>Unit EFC Category</u>" shall be as described in the annual CPUC Filing Guide*,* as such may be modified, amended, supplemented or updated from time to time.

APPENDIX B
FLEXIBLE CAPACITY, DELIVERY PERIOD, CONTRACT QUANTITY, CONTRACT PRICE, AND FULL FLOATING INDEPENDENT AMOUNT

The quantities specified in this table will control in the event of a conflict between these values and those in Appendix C. The Parties agree to revise the Appendix C as necessary to ensure that the Contract Quantity and Flexible Capacity are satisfied in full.

Buyer	Southern California Edison Company
Seller	Silicon Valley Clean Energy Authority

Flexible Capacity	☒ Applicable	☐ Not applicable
Delivery Period	[redacted], inclusive.	

Showing Month	Year	Contra t Quantity (MW)	Flexible Capacity (MW)	Contract Price ($/kW-month)
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

[redacted]	[redacted]

APPENDIX C
UNIT INFORMATION AND CONTRACT QUANTITY UNIT ALLOCATION

Unit Information

Unit	**1**
CAISO Resource ID	DRACKR_2_DSUBT3
Unit Name	Dracker Solar Unit 3 BESS
Current Scheduling Coordinator SCID	LSCE
Resource Fuel Type	Lithium Battery Storage
Resource Category (1, 2, 3 or 4)	1
Unit EFC Category (1, 2, 3 or N/A)	1
Local Capacity Area (if applicable, as of Confirmation Effective Date)	NA

Unit Contract Quantity Unit Allocation

	Unit **NQC** (1)	Unit **EFC** (2)	**2023** Contract Quantity	**2023** Flexible Capacity
January	NA	NA	NA	NA
February	NA	NA	NA	NA
[redacted]	[redacted]		[redacted]	[redacted]
April	NA	NA	NA	NA
May	NA	NA	NA	NA
June	NA	NA	NA	NA
July	NA	NA	NA	NA
August	NA	NA	NA	NA
September	NA	NA	NA	NA
October	NA	NA	NA	NA
November	NA	NA	NA	NA
December	NA	NA	NA	NA

(1) Unit NQC (Net Qualifying Capacity in MW as of the Confirmation Effective Date)

(2) If Flexible Capacity is designated as applicable in Section 1.1,
Unit EFC (Effective Flexible Capacity in MW, as of the Confirmation Effective Date)

Unit Information

Unit	**2**
CAISO Resource ID	DRACKR_2_DSUBT2
Unit Name	Dracker Solar Unit 2 BESS
Current Scheduling Coordinator SCID	LSCE
Resource Fuel Type	Lithium Battery Storage
Resource Category (1, 2, 3 or 4)	1
Unit EFC Category (1, 2, 3 or N/A)	1
Local Capacity Area (if applicable, as of Confirmation Effective Date)	NA

Unit Contract Quantity Unit Allocation

	Unit **NQC** (1)	Unit **EFC** (2)	**2023** Contract Quantity	**2023** Flexible Capacity
January	NA	NA	NA	NA
February	NA	NA	NA	NA
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
April	NA	NA	NA	NA
May	NA	NA	NA	NA
June	NA	NA	NA	NA
July	NA	NA	NA	NA
August	NA	NA	NA	NA
September	NA	NA	NA	NA
October	NA	NA	NA	NA
November	NA	NA	NA	NA
December	NA	NA	NA	NA

(1) Unit NQC (Net Qualifying Capacity in MW as of the Confirmation Effective Date)

(2) If Flexible Capacity is designated as applicable in Section 1.1,
Unit EFC (Effective Flexible Capacity in MW, as of the Confirmation Effective Date)

APPENDIX D
SUPPLY PLAN INFORMATION

Benefitting load serving entity SCID: LSCE

Counterparty Supply Plan contact information:

[redacted]

SCE Supply Plan contact information[1]:

[redacted]

1. SCE Contract Manager must also be included on all communications.

APPENDIX E
SUBSEQUENT SALE INFORMATION

Contract Key ID:	
Subsequent sale contract quantity (in MW):	
Subsequent sale delivery period:	
Amount of Inflexible Capacity included in subsequent sale contract quantity (in MW):	
New benefitting load serving entity SC identification number:	

MASTER POWER PURCHASE AND SALE AGREEMENT
CONFIRMATION LETTER
BETWEEN
SILICON VALLEY CLEAN ENERGY AUTHORITY AND
SOUTHERN CALIFORNIA EDISON COMPANY

This confirmation letter including all appendices hereto ("Confirmation") confirms the Transaction between Silicon Valley Clean Energy Authority ("Counterparty") and Southern California Edison Company ("SCE"), each individually a "Party" and together the "Parties", dated as of 1/17/2023 (the "Confirmation Effective Date") in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation, in the amounts described in this Confirmation. This Transaction is governed by the Edison Electric Institute ("EEI") Master Power Purchase and Sale Agreement between the Parties, effective as of February 7, 2018, along with the Cover Sheet, any amendments and annexes thereto (the "Master Agreement"), and including, the EEI Collateral Annex to the Master Agreement along with the Paragraph 10 to the Collateral Annex between the Parties (such Paragraph 10 and the Collateral Annex are referred to collectively herein as the "Collateral Annex") (the Master Agreement and the Collateral Annex shall be collectively referred to as the "EEI Agreement"). The EEI 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 EEI Agreement, or the CAISO Tariff (defined herein below). To the extent this Confirmation is inconsistent with any provision of the EEI Agreement, this Confirmation shall govern the rights and obligations of the Parties hereunder.

ARTICLE 1. TRANSACTION TERMS

1.1 Product; Elections

Product: The product, including the Capacity Attributes of the Unit(s), as defined in Appendix C, or Alternate Unit(s) provided in accordance with Section 2.3.

Flexible Capacity: The Product shall include Flexible Capacity if identified in Appendix B as applicable.

1.2 Delivery and Receipt of Product

Seller shall sell and deliver to Buyer, and Buyer shall receive and purchase from Seller the Product in the amount of the applicable Contract Quantity for each month of the Delivery Period.

1.3 Delivery Period and Term

(a) Delivery Period. The Delivery Period is as specified in Appendix B of this Confirmation in the row titled "Delivery Period", unless terminated earlier in accordance with the terms of this Agreement.

(b) Term. The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until the later of (i) the expiration of the Delivery Period or (ii) the date the Parties' obligations under this Confirmation have been satisfied. This Confirmation shall be effective and binding as of the Confirmation Effective Date.

1.4 Contract Quantity

The Contract Quantity for each applicable Showing Month is as shown in Appendix B of this Confirmation under the heading titled "Contract Quantity."

1.5 Flexible Capacity

If the Parties have designated Flexible Capacity as "Applicable", then the Flexible Capacity included in the Contract Quantity for each applicable Showing Month is as shown in Appendix B of this Confirmation under the heading titled "Flexible Capacity."

1.6 Contract Price

The Contract Price means, for any Showing Month, the price specified in Appendix B of this Confirmation under the heading titled "Contract Price," for such Showing Month.

ARTICLE 2. DELIVERY OBLIGATIONS

2.1 Seller's Delivery Obligations

Seller shall provide Buyer with the Expected Contract Quantity of Product for each Showing Month consistent with the following:

(a) Supply Plan Obligation. Seller shall, on a timely basis, submit, or cause the Unit's SC to submit, (i) Monthly Supply Plans and (ii) Annual Supply Plans if the Confirmation Effective Date is prior to the year-ahead Compliance Showing Deadline applicable for the Showing Months as specified in Sections 1.4 and 1.5 herein, in accordance with the CAISO Tariff and no later than the initial Compliance Showing Deadline for such Showing Month, identifying and confirming the transfer of the Expected Contract Quantity of Product to Buyer for each Showing Month (the "Supply Plan Obligation").

(b) Showing Month Notice. If (i) Seller intends to utilize an Alternate Unit in accordance with Section 2.3 to satisfy its Supply Plan Obligation, or (ii) Seller intends to deliver less than the Contract Quantity of Product for such Showing Month for any reason, then Seller shall, or shall cause the Unit's SC to, submit written notification to Buyer (the "Showing Month Notice"), no later than the Compliance Notification Deadline, identifying either or both of the Alternate Units in accordance with Section 2.3 and the Expected Contract Quantity of Product if such amount is less than the Contract Quantity of Product, as applicable.

(c) Contract Quantity Unit Allocation. If Seller is delivering Product to Buyer from more than one Unit, Seller shall deliver such Product to Buyer from each Unit in accordance with the Contract Quantity Unit Allocation, as set forth in Appendix C; provided, Seller may modify the Contract Quantity Unit Allocation from time to time by providing email notice to Buyer's Supply Plan contact, as set forth in Appendix D, no later than the initial Compliance Showing Deadline for each Showing Month.

2.2 Adjustments to Contract Quantity

Seller shall deliver to Buyer the Contract Quantity of Product for each Showing Month consistent with the following:

(a) Planned Outages: 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 if the following conditions are satisfied:

(i) Seller notifies Buyer no later than the Compliance Notification Deadline, of the amount of Product from the Unit Buyer is permitted to include in Buyer's Compliance Showings applicable to that month as a result of such Planned Outage; and

(ii) such reduction to the Contract Quantity of Product can be reflected on Supply Plans in accordance with the CAISO Tariff.

(b) Reductions in Unit NQC and Unit EFC: Seller's obligation to deliver the applicable Contract Quantity for each Showing Month may also be reduced in the event the Unit experiences a reduction in Unit NQC or Unit EFC after the Confirmation Effective Date as determined by the CAISO. In the event the Unit experiences such a reduction in Unit NQC or Unit EFC, Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product or (ii) from Alternate Units, provided, that in each case Seller provides and identifies such Alternate Units in accordance with Section 2.3.

(c) Reductions in Seller Supply Agreement: Seller's obligation to deliver the applicable Contract Quantity for each Showing Month may also be reduced in the event that the underlying Seller supply agreement results in Seller's inability to deliver the Product to Buyer in accordance with this Agreement. Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from Alternate Units, provided, that in each case Seller provides and identifies such Alternate Units in accordance with Section 2.3.

(d) SCE's Swap Reduction Option: If SCE is the Seller under this Confirmation, then SCE's obligation to deliver the Contract Quantity for each Showing Month may be reduced at SCE's option in the event Counterparty fails to deliver, for any reason, the contract quantity of product set forth in the Swap Confirmation; provided, SCE's obligation to deliver the Contract Quantity of Product as set forth in this Section 2.2(c) may be reduced only by the amount of contract quantity of product that Counterparty failed to deliver under the Swap Confirmation (such option, the "Swap Reduction Option"). Notwithstanding Section 2.1(b), if SCE exercises its Swap Reduction Option, SCE shall have the right to modify the Showing Month Notice by submitting written notice to Counterparty of such modification no later than five (5) Business Days before the initial Compliance Showing Deadline for such Showing Month (the "Swap Reduction Deadline"); provided, if Counterparty's failure to deliver, for any reason, the contract quantity of product set forth in the Swap Confirmation occurs after the Swap Reduction Deadline, the Swap Reduction Deadline shall be extended until fifteen (15) Business Days after the initial Compliance Showing Deadline for such Showing Month.

2.3 Seller's Option To Provide Alternate Capacity

Seller may, at no cost to Buyer, provide Buyer with Product from one or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units is not more than the Contract Quantity for the applicable Showing Month, provided that in each case:

(a) Seller shall notify Buyer no later than the Compliance Notification Deadline for such Showing Month of its intent to provide Product from and identify alternate units that (i) are like-for-like units similar to the Unit originally identified in Appendix C and have the same Capacity Attributes of the Unit originally identified in Appendix C, including the Resource Category and the Unit EFC Category; (ii) are accepted by the CAISO, and (iii) otherwise that satisfy the requirements of this Agreement ("Alternate Units");

(b) Seller shall, or shall cause the Unit's SC to submit a Monthly Supply Plan and an Annual Supply Plan, as applicable, that includes the Alternate Units, in accordance with Section 2.1(a) hereof for such Showing Month;

(c) if Seller does not comply with the requirements of Sections 2.3(a) and (b) for the applicable Showing Month, then any such Alternate Units shall not be deemed a Unit for purposes of this Confirmation for that Showing Month and Seller shall not receive payment for such Product.

Subject to the satisfaction of the conditions contained in subsections (a) – (c) of this Section 2.3, once Seller has identified in writing any Alternate Units that meet the requirements of this Section 2.3, then any such Alternate Units shall be automatically deemed a Unit for purposes of this Confirmation for that Showing Month.

2.4 Damages for Failure to Provide Capacity

If Seller fails to provide Buyer with the Expected Contract Quantity of Product for any Showing Month, in accordance with Section 2.1 (the "Replacement Obligation"), in each case as applicable, then the following shall apply:

(a) Buyer may, but shall not be required to, replace all or any portion of the Replacement Obligation for the applicable Showing Month with capacity having equivalent Capacity Attributes as the Expected Contract Quantity; provided, if, using commercially reasonable efforts, Buyer is unable to acquire capacity having equivalent Capacity Attributes for any portion of any Showing Month, Buyer may replace such portion of the Replacement Obligation with capacity having Capacity Attributes in excess of the Contract Quantity (the "Replacement Capacity"). Buyer may enter into purchase transactions with one or more parties to purchase Replacement Capacity. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party, and such arrangements shall be considered the procurement of Replacement Capacity. Buyer shall act in a commercially reasonable manner to minimize damages in procuring any Replacement Capacity.

(b) Seller shall pay to Buyer at the time set forth in Section 4.1 of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity, including any transaction costs and expenses incurred in connection with such procurement, plus (B) each applicable Replacement Capacity Price multiplied by the aggregate amount of Replacement Obligation neither provided by Seller as Alternate Capacity nor purchased by Buyer as Replacement Capacity, for all applicable portions of the applicable Showing Month pursuant to Section 2.4(a), and (ii) the Replacement Obligation minus the Alternate Capacity, not provided for all applicable portions of the applicable Showing Month times the Contract Price for that month. Buyer's invoice for such amount shall include a written statement explaining in reasonable detail the calculation of such amount and shall include supporting documentation.

2.5 Indemnities for Failure to Deliver Expected Contract Quantity

Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines, or costs assessed against Buyer by the CPUC or the CAISO, resulting from all or any of the following:

(a) Seller's failure to provide any portion of the Expected Contract Quantity for any portion of the Delivery Period;

(b) Seller's failure to provide a Showing Month Notice for any portion of the Delivery Period;

(c) Seller's or the Unit's SC's failure to timely or accurately submit, or otherwise satisfy its Supply Plan Obligation for any portion of the Expected Contract Quantity or any portion of the Delivery Period; or

(d) any other failure by Seller to perform its obligations under this Confirmation.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines, and costs.

2.6 Buyer's Re-Sale of Product

Buyer may re-sell all or a portion of the Product and any associated rights, in each case, acquired under this Confirmation, in accordance with Applicable Laws and CPUC Decisions ("Resold Product"); provided, with respect to Resold Product that includes the sale of Capacity Attributes that impact Seller's obligations under this Confirmation, Buyer agrees to: (a) notify Seller that such a sale has occurred; (b) provide Seller with the information described in Appendix E; and (c) notify Seller of any subsequent changes to the information in Appendix E with respect to any particular sale; in each case promptly following such sale and in no event later than the initial Compliance Showing Deadline for each Showing Month. Subject to Article 6 below, Seller agrees, and agrees to cause the Unit's SC, to: (i) follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product; and (ii) take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product.

Seller acknowledges and agrees that with respect to any Resold Product, if Buyer incurs any liability to any purchaser of such Resold Product due to the failure of Seller or the Unit's SC to comply with the terms of this Confirmation, and Seller would have had liability to Buyer under this Confirmation for such failure had Buyer not sold the Resold Product to a subsequent purchaser, then Seller shall be liable to Buyer under this Confirmation, including without limitation, pursuant to Sections 2.4 and 2.5, for the amounts it would have been liable to Buyer for had such Resold Product not been sold to a subsequent purchaser. Buyer acknowledges and agrees that with respect to any Resold Product, if Seller incurs any liability to any purchaser of such Resold Product due to the failure of Buyer to comply with the terms of this Confirmation, and Buyer would have had liability to Seller under this Confirmation for such failure had Buyer not sold the Resold Product to a subsequent purchaser, then Buyer shall be liable to Seller under this Confirmation for the amounts it would have been liable to Seller for had such Resold Product not been sold to a subsequent purchaser.

2.7 CAISO Offer Requirements

Seller shall, or cause each Unit's SC to, schedule with, or make available to, the CAISO the Expected Contract Quantity for each Unit in compliance with the CAISO Tariff, and shall, or shall cause each Unit's SC, owner, or operator, as applicable, to perform all obligations under the CAISO Tariff 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 CAISO Tariff provisions, including any penalties, charges or fines imposed on Seller or such Unit's SC, owner, or operator for such noncompliance.

2.8 Unit SC's Substitution Obligation

After the obligation to replace all or any portion of the Expected Contract Quantity transfers from the load serving entity to the Unit's SC for a Showing Month in accordance with the CAISO Tariff, and if the CAISO determines that any portion of the Expected Contract Quantity for any portion of a Showing Month that was shown by Buyer in its Compliance Showings requires outage substitution in accordance with Section 40.9.3.6 of the CAISO Tariff because the Unit, or Alternate Unit, as applicable, is scheduled to take an outage (planned or otherwise) (such amount requiring outage substitution, the "SC Substitute Capacity"), then: (a) Seller shall have no liability under Sections 2.4 or 2.5 with respect to such SC Substitute Capacity; and (b) Seller shall have no liability to Buyer for any costs that are allocated to Buyer by the CAISO for any CPM Capacity procured by the CAISO pursuant to the Capacity Procurement Mechanism and that are related to such SC Substitute Capacity.

ARTICLE 3. PAYMENT

3.1 Monthly Payment

In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a Monthly Payment to Seller, after the applicable Showing Month, as follows:

Monthly Payment = (A x B x 1,000)

where:

A = applicable Contract Price for that Showing Month.

B = The amount of Contract Quantity of Product actually delivered by Seller to Buyer pursuant to and consistent with Section 2.1 and, if applicable, Section 2.3, for the applicable Showing Month.

The Monthly Payment calculation shall be rounded to two decimal places.

3.2 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 the Unit for (i) start-up, shutdown, and minimum load costs, (ii) energy sales, (iii) ancillary services, and (iv) black start or reactive power services.

(b) Buyer shall be entitled to receive and retain all revenues associated with the Contract Quantity (including any capacity revenues from RMR Contracts for the Unit, Capacity Procurement Mechanism or its successor, RUC Availability Payments, or its successor, but excluding payments described in Sections 3.2(a)(i)-(iv)). To the extent permitted by the CAISO Tariff, Seller shall, or shall cause each Unit's SC to, submit RUC Availability Bids for the Expected Contract Quantity for each Unit for each hour of the Delivery Period at a bid price of Zero Dollars ($0) per MW per hour, regardless of whether each Unit is shown on a Supply Plan for the applicable Showing Month.

(c) In accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement,

(iii) all such Buyer revenues described in this Section 3.2, 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. If Seller fails to pay such revenues to Buyer, Buyer may offset any amounts owing to it for such revenues pursuant to Article Six of the Master Agreement against any future amounts Buyer may owe to Seller. 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; and

(iv) all such Seller, or a Unit's SC, owner, or operator revenues described in this Section 3.2, but received by Buyer shall be remitted to Seller. If Buyer fails to pay such revenues to Seller, Seller may offset any amounts owing to it for such revenues pursuant to Article Six of the Master Agreement against any future amounts it may owe to Buyer.

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

(e) Seller agrees that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the CAISO Tariff. Furthermore, the Parties agree that any Availability Incentive Payments are for the benefit of the Seller and for Seller's account and that any Non-Availability Charges are the responsibility of the Seller and for Seller's account.

3.3 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.

ARTICLE 4. OTHER BUYER AND SELLER COVENANTS

4.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product

Buyer and Seller shall, throughout the Delivery Period: (a) cause the Benefiting Load Serving Entity SCID to be included in all applicable Supply Plans; (b) 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 or any subsequent purchaser under Section 2.6; and (c) cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the CAISO Tariff. If during the Delivery Period, there is a change to the Benefiting Load Serving Entity SCID, the Parties agree to communicate such changes to each other promptly. 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, CAISO or other Governmental Authority having jurisdiction to administer Compliance Obligations, so as to maintain the benefits of the bargain struck by the Parties on the Confirmation Effective Date.

4.2 Seller's Representations, Warranties and Covenants

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

(i) Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit, and shall furnish Buyer, CAISO, CPUC or other Governmental Authority with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;

(ii) 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;

(iii) Seller shall comply with Applicable Laws relating to the Product;

(iv) (A) 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 the CAISO) notify Buyer in the event the CAISO designates any portion of the Contract Quantity as CPM Capacity and (B) in the event the CAISO makes such a designation Seller shall, and shall cause the Unit's SC to not accept any such designation by the CAISO unless and until Buyer has agreed to accept such designation;

(v) Buyer shall have the exclusive right to offer the Contract Quantity, or any portion thereof, to the CAISO as CPM Capacity and Seller shall not, and shall cause the Unit's SC not to, offer any portion of the Contract Quantity to the CAISO as CPM Capacity or accept any designation of any portion thereof as CPM Capacity;

(vi) The Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;

(vii) Seller shall cause the Unit's SC, owner and operator to comply with Applicable Laws relating to the Product;

(viii) Buyer shall have no liability for the failure of Seller or the failure of the Unit's SC, owner, or operator to comply with such CAISO Tariff provisions, including any penalties, charges or fines imposed on Seller or the Unit's SC, owner, or operator for such noncompliance.

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

(x) Seller has notified the SC of the Unit that Seller has transferred the Contract Quantity, including the amount of Flexible Capacity and Inflexible Capacity, to the extent applicable, with respect to each Showing Month to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the CAISO Tariff and this Confirmation;

(xi) Seller has notified the SC of the Unit that Seller is obligated to cause the Unit's SC to provide to the Buyer, on or prior to the Compliance Notification Deadline, the applicable Expected Contract Quantity of the Unit for such Showing Month, including the amount of Flexible

Capacity and Inflexible Capacity, to the extent applicable, that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

(xii) Seller has notified the Unit's SC that Buyer is entitled to the revenues set forth in Section 3.2, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

(b) Seller represents, warrants and covenants to Buyer that, as of the Confirmation Effective Date, all of the information set forth on Appendix C hereto is true, correct and complete.

ARTICLE 5. CONFIDENTIALITY

Notwithstanding Section 10.11 of the Master Agreement, the Parties agree that: (i) Buyer may disclose the Contract Quantity or any applicable portion of the Contract Quantity, including any amounts of Flexible Capacity and Inflexible Capacity, to the extent applicable, under this Transaction to any Governmental Authority, the CPUC, the CAISO in order to support its Compliance Showings, if applicable; (ii) Seller may disclose the transfer of the Contract Quantity and the applicable Expected Contract Quantity (as well as any amounts of Flexible Capacity and Inflexible Capacity, to the extent applicable) for each Showing Month under this Transaction to the SC of the Unit in order for such SC to timely submit accurate Supply Plans; (iii) both Parties may disclose the terms and conditions of the Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the Independent Evaluator; and (iv) Buyer and the Independent Evaluator may disclose the terms and conditions of the Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the CAISO, the CPUC, and all divisions thereof, the California Energy Commission, and participants of the Procurement Review Group established pursuant to D.02-08-071 and D.03-06-071; provided, that each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Authority, CAISO, or SC to further disclose such information. In addition, in the event Buyer resells all or any portion of the Contract Quantity to another party, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to effect such resale transaction.

ARTICLE 6. HOLDBACK

No later than five (5) Business Days before the deadline for the initial Compliance Showing Deadline with respect to a particular Showing Month, Buyer may request that Seller not list, or cause the Unit's SC not to list, a portion or all of a Unit's applicable Expected Contract Quantity for any portion(s) of such Showing Month on the Supply Plan. The amount of Expected Contract Quantity that is the subject of such a request shall be deemed

Expected Contract Quantity provided consistent with Section 2.1 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.4 or 2.5. Seller shall, or shall cause the Unit's SC to, comply with Buyer's request under this Article 6.

ARTICLE 7. MARKET BASED RATE AUTHORITY

Seller agrees, in accordance with FERC Order No. 697, to, upon request of Buyer, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR § 35.42. Seller also agrees that it will not, in any filings, if any, made subject to FERC Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 8. COLLATERAL REQUIREMENTS

[redacted]

[redacted]

[redacted]

[redacted]

[redacted],

[redacted]

[redacted]

[redacted]

ARTICLE 9. OTHER

9.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement, provided that, with respect to this Transaction only, the following language is added at the end of Section 5.2 of the Master Agreement, with any terms which are defined in this Confirmation being used in the Master Agreement with the definitions given to such terms in this Confirmation:

> "If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur penalties, fines or costs from the CPUC, the CAISO, or any Governmental Authority having jurisdiction, because Buyer is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith, estimate the amount of those penalties or fines and include this estimate in its determination of the Settlement Amount, subject to accounting to Seller when those penalties or fines are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties or fines, Buyer shall promptly remit to Seller the excess amount. 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."

9.2 No Waiver

The failure of either Party to insist in any one instance upon strict performance of any the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishments of such rights for the future, but the same shall continue and remain in full force and effect. Waiver by either Party of any default of the other Party shall not be deemed a waiver of any other default. Waiver by either Party of any failure to comply with any timeline or deadline by the other Party as provided herein in any instance, shall not be deemed a waiver of any failure to comply with such timeline or deadline in the future, or otherwise establish a course of performance.

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In WITNESS WHEREOF, the Parties have caused this Confirmation to be duly executed as of the Confirmation Effective Date first written:

SILICON VALLEY CLEAN ENERGY AUTHORITY,	SOUTHERN CALIFORNIA EDISON COMPANY,
a California joint powers authority .	a California corporation.
By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...	By: DocuSigned by: Constantine Louie 391864B607084BF...
Name: Girish Balachandran	Name: Constantine Louie
Title: Chief Executive Officer	Title: Senior Manager, Energy Trading
Date: 1/13/2023	Date: 1/17/2023

APPENDIX A
DEFINED TERMS

"Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Alternate Capacity" means Product which Seller has elected to provide to Buyer in accordance with the terms of Section 2.3.

"Alternate Unit" means a generating unit meeting the requirements specified in Section 2.3.

"Annual Supply Plan" has the meaning set forth in the CAISO Tariff.

"Applicable Laws" means the CAISO Tariff and all constitutions, treaties, laws, ordinances, rules, regulations, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority that apply to either or both of the Parties, the Project, the Unit or the terms of this Agreement.

"Availability Incentive Payments" has the meaning set forth in the CAISO Tariff.

"Availability Standards" has the meaning set forth in the CAISO Tariff.

"Benefiting Load Serving Entity SCID" is as specified in Appendix D.

"Buyer" has the meaning specified in Appendix B.

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

"CAISO Control Area" has the meaning set forth in the CAISO Tariff.

"CAISO Controlled Grid" has the meaning as set forth in the CAISO Tariff.

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

"Capacity Attributes" means, with respect to a Unit, any and all of the following, in each case which are attributed to or associated with the Unit at any time throughout the Delivery Period:

(a) resource adequacy attributes, as may be identified from time to time by the CPUC, CAISO, or other Governmental Authority having jurisdiction, that can be counted toward RAR;

(b) 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 Authority 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; and

(c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs, howsoever entitled, including any accounting construct counted toward any Compliance Obligation;

provided that, notwithstanding the foregoing, Capacity Attributes shall exclude all flexible capacity resource adequacy attributes, characteristics, certificates, tags, credits, or accounting constructs, howsoever entitled associated with the Unit; provided further, notwithstanding the foregoing, Capacity Attributes shall exclude intra-month substitution resource adequacy attributes.

"Capacity Procurement Mechanism" has the meaning set forth in the CAISO Tariff.

"Collateral Annex" has the meaning specified in the introductory paragraph of this Confirmation.

"Compliance Notification Deadline" means, for each Showing Month, fifteen (15) Business Days before the Compliance Showing Deadline.

"Compliance Obligations" means the RAR and Local RAR.

"Compliance Showings" means the (a) Local RAR compliance or advisory showings (or similar or successor showings) and (b) RAR compliance or advisory showings (or similar or successor showings), in each case, a load serving entity is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, to the CAISO pursuant to the CAISO Tariff, or to any Governmental Authority having jurisdiction.

"Compliance Showing Deadline" means, for each Showing Month, the Compliance Showing plan submission due date for such Showing Month. For illustrative purposes only, as of the Confirmation Effective Date, the applicable Compliance Showing plan submission due dates are as follows: (A) forty-five (45) days prior to the Showing Month covered by the Supply Plan for the Monthly Supply Plan; and (B) the last Business Day of October that is prior to commencement of the year for the Annual Supply Plan, such dates may be modified by the CAISO from time to time throughout the Term.

"Confirmation" has the meaning specified in the introductory paragraph of this Confirmation.

"Confirmation Effective Date" has the meaning specified in the introductory paragraph of this Confirmation.

"Contract Price" means, for any Showing Month, the price specified in Appendix B under the column titled "Contract Price" for such Showing Month.

"Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product associated with the number of MWs set forth in Appendix B under the column titled "Contract Quantity", which Seller has agreed to provide to Buyer from the Unit for each Showing Month.

"Contract Quantity Unit Allocation" means, if Seller is delivering Product to Buyer from more than one Unit, the allocation of Contract Quantity Seller will deliver from each Unit, as set forth in Appendix C and as modified by Seller from time to time in accordance with Section 2.1(c).

"Cover Sheet" has the meaning specified in the introductory paragraph of this Confirmation.

"CPM Capacity" has the meaning set forth in the CAISO Tariff.

"CPUC" means the California Public Utilities Commission.

"CPUC Decisions" means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

"CPUC Filing Guide" 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.

"Current Mark-to-Market Value" has the meaning specified in Section 8.2

"Delivery Period" has the meaning specified in Section 1.3(a).

"EEI" has the meaning specified in the introductory paragraph of this Confirmation.

"EEI Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Expected Contract Quantity" means, with respect to any Showing Month of the Delivery Period, 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, and after giving effect to any reductions to Contract Quantity as specified in Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"FFIA Monthly Payment" shall be the Monthly Payment calculated using the Contract Quantity rather than the Expected Contract Quantity, such that variable B in the formula for Monthly Payment shall be as follows: B = the Contract Quantity of Product for each applicable Showing Month.

"Governmental Authority" means any: (a) federal, state, local, municipal or other government; (b) 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 (c) court or governmental tribunal.

"Independent Evaluator" has the meaning set forth in CPUC Decision 04-12-048.

"Local Capacity Area" has the meaning set forth in the CAISO Tariff.

"Local RAR" means the local resource adequacy requirements established for load serving entities by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the CAISO Tariff, or by any other Governmental Authority 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.

"Maintenance Outage" has the meaning set forth in the CAISO Tariff.

"Master Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Monthly Payment" has the meaning specified in Section 3.1.

"Monthly Supply Plan" has the meaning set forth in the CAISO Tariff.

"MW" means megawatt (or 1,000 kilowatts) of alternating current electric energy generating capacity.

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

"Next Showing Month" means the next calendar month for which a Compliance Showing will be made.

"Non-Availability Charges" has the meaning set forth in the CAISO Tariff.

"Planned Outage" means a maintenance outage taken by the Unit originally identified in Appendix C, as such maintenance outage is determined by the applicable Unit or Unit SC.

"Product" means the Capacity Attributes of the Unit(s), including any capacity from RMR Contracts for the applicable Unit, or its successor, Capacity Procurement Mechanism, or its successor, and RUC Availability Payments, or its successor; provided that:

(a) Product does not include any right to the energy or ancillary services from the Unit;

(b) any change by the CAISO, CPUC or other Governmental Authority that defines new or re-defines existing Local Capacity Areas that results in a decrease or increase in the amount of Capacity Attributes related to a Local Capacity Area provided hereunder will not result in a change in payments made pursuant to this Transaction; and

(c) the Parties agree that, under this Confirmation, if the CAISO", CPUC or other Governmental Authority defines new or re-defines existing Local Capacity Areas whereby the Unit subsequently qualifies for a Local Capacity Area, the Product shall include all Capacity Attributes related to such Local Capacity Area.

"RAR" means the resource adequacy requirements established for load serving entities by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the CAISO Tariff, or by any other Governmental Authority having jurisdiction.

"Replacement Capacity" has the meaning specified in Section 2.4.

"Replacement Capacity Price" means the market price for Product with Capacity Attributes reasonably equivalent to the quantity of Product not provided by Seller under this Confirmation, as determined in the manner upon which market prices are determined under Section 5.2(b) of the Master Agreement. For purposes of this Transaction and Confirmation, the "Replacement Capacity Price" shall be deemed to be the "Replacement Price" as defined in Section 1.51 of the Master Agreement.

"Replacement Obligation" has the meaning specified in Section 2.4.

"Resold Product" has the meaning specified in Section 2.6.

"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.

"RMR Contracts" has the meaning set forth in the CAISO Tariff.

"RUC Availability Bid" has the meaning set forth in the CAISO Tariff.

"RUC Availability Payment" has the meaning set forth in the CAISO Tariff.

"SC" has the meaning set forth in the CAISO Tariff.

"SC Substitute Capacity" has the meaning set forth in Section 2.8.

"Seller" has the meaning specified in Appendix B.

"Showing Month" shall be the calendar month of the Delivery Period that is the subject of the Compliance Showing, as set forth in the CPUC Decisions and outlined in the CAISO Tariff. For illustrative purposes only, pursuant to the CAISO Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

"Showing Month Notice" has the meaning specified in Section 2.1(b).

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

"Supply Plan Obligation" has the meaning specified in Section 2.1(a).

"Swap Confirmation" means that certain EEI Agreement Confirmation between SCE and Counterparty dated concurrently herewith where SCE purchases from Seller the same quantity (in MW) per month, as shown in Appendix B, of system resource adequacy capacity with flexible attributes, if applicable, over the same delivery period as shown in Appendix B.

"Swap Reduction Deadline" has the meaning set forth in Section 2.2(c).

"Swap Reduction Option" has the meaning specified in Section 2.2(c).

"Term" has the meaning specified in Section 1.3(b).

"Unit" shall mean the generation assets described in Appendix C (including any Alternate Units), from which Product is provided by Seller to Buyer.

"Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. The Parties agree that if the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Net Qualifying Capacity.

ADDITIONAL DEFINED TERMS

To the extent that the Parties have selected Flexible Capacity as being "Applicable", the following definitions shall be utilized in lieu of the corresponding definition, where appropriate, or in addition to the definitions set forth in the above Defined Terms:

"Capacity Attributes" means, with respect to a Unit, any and all of the following, in each case which are attributed to or associated with the Unit at any time throughout the Delivery Period:

(a) resource adequacy attributes, as may be identified from time to time by the CPUC, CAISO, or other Governmental Authority having jurisdiction, that can be counted toward RAR;

(b) 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 Authority 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;

(c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs, howsoever entitled, including any accounting construct counted toward any Compliance Obligations; and

(d) flexible capacity resource adequacy attributes for the Unit, including, without limitation, the amount of Unit EFC and MWs associated with Unit EFC as may be identified from time to time by the CPUC, CAISO, or other Governmental Authority having jurisdiction, that can be counted toward Flexible RAR;

provided, notwithstanding the foregoing, Capacity Attributes shall exclude intra-month substitution resource adequacy attributes.

"Compliance Obligations" means the RAR, Local RAR and Flexible RAR.

"Compliance Showings" means the (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) Flexible RAR compliance or advisory showings (or similar successor showings), in each case, a load serving entity is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, to the CAISO pursuant to the CAISO Tariff, or to any Governmental Authority having jurisdiction.

"Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product associated with the number of MWs set forth in Appendix B under the column titled "Contract Quantity", which Seller has agreed to provide to Buyer from the Unit for each Showing Month, and which includes Product which is Flexible Capacity in an amount equal to the amount identified in

Appendix B. All Contract Quantity is Inflexible Capacity except to the extent identified as Flexible Capacity Appendix C.

"Effective Flexible Capacity" has the meaning set forth in the CAISO Tariff.

"Flexible Capacity" means, with respect to any particular Showing Month of the Delivery Period, the number of MWs of Product set forth in Appendix B under the column titled "Flexible Capacity" which Seller has agreed to provide to Buyer from the Unit as part of the Contract Quantity for such Showing Month, and which such MWs of Product are eligible to satisfy a load serving entity's Flexible RAR and which such MWs of Product are associated with MWs of the Unit that are part of the Unit EFC.

"Flexible RAR" means the flexible capacity requirements established for load serving entities by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the CAISO Tariff, or by any other Governmental Authority having jurisdiction and includes any non-binding advisory showings which a load serving entity is to make with respect to flexible capacity.

"Inflexible Capacity" means, with respect to any particular Showing Month of the Delivery Period, the number of MWs of Product set forth in Appendix B under the column titled "Contract Quantity", minus the number of MWs of Product set forth in Appendix B under the column titled "Flexible Capacity", which Seller has agreed to provide to Buyer from the Unit as part of the Contract Quantity for such Showing Month, and which such MWs of Product are not eligible to satisfy a load serving entity's Flexible RAR and which are Product associated MWs of the Unit that are not part of or outside the Unit EFC. Inflexible Capacity is also known as 'generic capacity'.

"Product" means the Capacity Attributes of the Unit, provided that:

(a) Product does not include any right to the energy or ancillary services from the Unit;

(b) any change by the CAISO, CPUC or other Governmental Authority that defines new or re-defines existing Local Capacity Areas that results in a decrease or increase in the amount of Capacity Attributes related to a Local Capacity Area provided hereunder will not result in a change in payments made pursuant to this Transaction;

(c) any change by the CAISO, CPUC or other Governmental Authority that defines new or re-defines existing Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes of the Unit related to Flexible RAR, that results in a decrease or increase in the amount of Capacity Attributes related to Flexible RAR provided hereunder will not result in a change in payments made pursuant to this Transaction;

(d) the Parties agree that, under this Confirmation, if the CAISO, CPUC or other Governmental Authority defines new or re-defines existing Local Capacity Areas whereby the Unit subsequently qualifies for a Local Capacity Area, the Product shall include all Capacity Attributes related to such Local Capacity Area; and

(e) the Parties agree that, under this Confirmation, if the CAISO, CPUC or other Governmental Authority defines new or re-defines existing Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes of the Unit related to Flexible RAR whereby the Unit, or a portion of the Unit which did not previously qualify to satisfy Flexible RAR, subsequently qualifies to satisfy Flexible RAR, the Product shall include all Capacity Attributes of the Unit related to Flexible RAR, including any Capacity Attributes related to Flexible RAR with respect to any portion of the Unit which previously was not able to satisfy Flexible RAR.

"Unit EFC" means the Effective Flexible Capacity (in MWs) of the Unit. The Parties agree that if the CAISO adjusts the Effective Flexible Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Effective Flexible Capacity.

"Unit EFC Category" shall be as described in the annual CPUC Filing Guide*,* as such may be modified, amended, supplemented or updated from time to time.

APPENDIX B
FLEXIBLE CAPACITY, DELIVERY PERIOD, CONTRACT QUANTITY, CONTRACT PRICE, AND FULL FLOATING INDEPENDENT AMOUNT

The quantities specified in this table will control in the event of a conflict between these values and those in Appendix C. The Parties agree to revise the Appendix C as necessary to ensure that the Contract Quantity and Flexible Capacity are satisfied in full.

Buyer	Silicon Valley Clean Energy Authority
Seller	Southern California Edison Company

Flexible Capacity	☒ Applicable	☐ Not applicable
Delivery Period	[redacted] [redacted].	

Showing Month	**Year**	**Contract Quantity (MW)**	**Flexible Capacity (MW)**	**Contract Price ($/kW-month)**
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

[redacted]	[redacted]

APPENDIX C
UNIT INFORMATION AND CONTRACT QUANTITY UNIT ALLOCATION

Unit Information

Unit	**1**
CAISO Resource ID	DRACKR_2_DSUBT3
Unit Name	Dracker Solar Unit 3 BESS
Current Scheduling Coordinator SCID	LSCE
Resource Fuel Type	Lithium Battery Storage
Resource Category (1, 2, 3 or 4)	1
Unit EFC Category (1, 2, 3 or N/A)	1
Local Capacity Area (if applicable, as of Confirmation Effective Date)	NA

Unit Contract Quantity Unit Allocation

	Unit **NQC** (1)	Unit **EFC** (2)	**2023** Contract Quantity	**2023** Flexible Capacity
January	NA	NA	NA	NA
February	NA	NA	NA	NA
[redacted]	[redacted]		[redacted]	[redacted]
April	NA	NA	NA	NA
May	NA	NA	NA	NA
June	NA	NA	NA	NA
July	NA	NA	NA	NA
August	NA	NA	NA	NA
September	NA	NA	NA	NA
October	NA	NA	NA	NA
November	NA	NA	NA	NA
December	NA	NA	NA	NA

(1) Unit NQC (Net Qualifying Capacity in MW as of the Confirmation Effective Date)

(2) If Flexible Capacity is designated as applicable in Section 1.1,
Unit EFC (Effective Flexible Capacity in MW, as of the Confirmation Effective Date)

Unit Information

Unit	**2**
CAISO Resource ID	DRACKR_2_DSUBT2
Unit Name	Dracker Solar Unit 2 BESS
Current Scheduling Coordinator SCID	LSCE
Resource Fuel Type	Lithium Battery Storage
Resource Category (1, 2, 3 or 4)	1
Unit EFC Category (1, 2, 3 or N/A)	1
Local Capacity Area (if applicable, as of Confirmation Effective Date)	NA

Unit Contract Quantity Unit Allocation

	Unit **NQC** (1)	Unit **EFC** (2)	**2023** Contract Quantity	**2023** Flexible Capacity
January	NA	NA	NA	NA
February	NA	NA	NA	NA
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
April	NA	NA	NA	NA
May	NA	NA	NA	NA
June	NA	NA	NA	NA
July	NA	NA	NA	NA
August	NA	NA	NA	NA
September	NA	NA	NA	NA
October	NA	NA	NA	NA
November	NA	NA	NA	NA
December	NA	NA	NA	NA

(1) Unit NQC (Net Qualifying Capacity in MW as of the Confirmation Effective Date)

(2) If Flexible Capacity is designated as applicable in Section 1.1,
Unit EFC (Effective Flexible Capacity in MW, as of the Confirmation Effective Date)

APPENDIX D
SUPPLY PLAN INFORMATION

Benefitting load serving entity SCID: LSVCE

Counterparty Supply Plan contact information:

[redacted]

SCE Supply Plan contact information[1]:

[redacted]

1. SCE Contract Manager must also be included on all communications.

APPENDIX E
SUBSEQUENT SALE INFORMATION

Contract Key ID:	
Subsequent sale contract quantity (in MW):	
Subsequent sale delivery period:	
Amount of Inflexible Capacity included in subsequent sale contract quantity (in MW):	
New benefitting load serving entity SC identification number:	

CARBON FREE PRODUCT CONFIRMATION

This confirmation ("Confirmation") confirms the Transaction between Morgan Stanley Capital Group Inc., a Delaware Corporation ("Party A") and Silicon Valley Clean Energy Authority, a California joint powers authority ("Party B"), each individually a "Party" and together the "Parties", dated as of January 9, 2023 (the "Effective Date"). This Transaction is governed by, constitutes part of, and is subject to the terms and provisions of the Master Power Purchase and Sale Agreement dated November 23, 2016 between the Parties (the "Master Agreement") as amended June 1, 2021. This Confirmation and the Master Agreement, including any appendices, exhibits or amendments thereto, shall collectively be referred to as the "Agreement."

The Parties agree as follows:

Seller: Morgan Stanley Capital Group Inc.	**Buyer:** Silicon Valley Clean Energy Authority
Product:	Carbon Free Product
Contract Price:	"<u>Contract Price</u>" shall be equal to the sum of (1) the Energy Price, and (2) the Carbon Free Premium, where: "<u>Energy Price</u>" is equal to [redacted] for Hour Ending 01 through Hour Ending 24; and "<u>Carbon Free Premium</u>" is equal to [redacted]
Contract Quantity:	1. [redacted] of CAISO Energy per hour during the Delivery Term 2. [redacted] of Carbon Free Energy delivered between June 1, 2023 and May 31, 2024 ("Year One Quantity") and [redacted] of Carbon Free Energy delivered between June 1, 2024 and May 31, 2025 ("Year Two Quantity" and each, an "Annual Quantity")
Minimum Calendar Year Carbon Free Energy Quantity (MWh):	For each Annual Quantity volume, a minimum volume must be delivered in the first calendar year of each contract year. In Year One, [redacted] must be delivered in 2023. In Year Two, [redacted] must be delivered in 2024. This requirement shall not affect the obligation of the Seller to deliver, and the Buyer to receive, the Year One Quantity and the Year Two Quantity in full. For each MWh of the Minimum Calendar Year Carbon Free Energy Quantity that Seller fails to deliver, Seller shall make a liquidated payment in accordance with Section 1.2(b) of this Confirmation.
Delivery Term:	Two contract years, as follows: Year One: June 1, 2023 to May 31, 2024, inclusive; and Year Two: June 1, 2024 to May 31, 2025, inclusive.
Carbon Free Energy Delivery Point:	CAISO balancing authority area
CAISO Energy Delivery Point:	NP15 EZ GEN HUB
CAISO Energy Delivery Hours:	Monday through Sunday HE 0100 through 2400 (24 Hours)
CAISO Energy Quantity (MW):	[redacted] during the Delivery Term

This Confirmation is subject to the General Terms and Conditions and the Exhibit identified below and attached hereto:
Exhibit A – Carbon Free Sources

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.

MORGAN STANLEY CAPITAL GROUP INC.	**SILICON VALLEY CLEAN ENERGY AUTHORITY,** a California joint powers authority
Sign: Katie Martin	Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Print: Katie Martin	Print: Girish Balachandran
Title: Vice President	Title: CEO

GENERAL TERMS AND CONDITIONS:

1. **PRODUCT**.

1.1 Product. For the Carbon Free Energy component of the Product delivered under this Confirmation, Seller shall use one or more Carbon Free Sources set forth in Exhibit A; provided however, Seller may designate additional Specified Sources as Carbon Free Sources upon five (5) days' prior written notice to Buyer thereof; provided that such additional Specified Sources shall meet the requirement of Carbon Free Source as defined herein.

1.2 Seller Delivery Obligation.

(a) Throughout the Delivery Period, Seller shall sell and deliver or make available, or cause to be sold and delivered or made available to Buyer, the Contract Quantity of the Product.

(b) The Contract Quantity is a firm obligation of Seller. If Seller fails to deliver the Contract Quantity of the Product, or any component thereof, Buyer shall be entitled to receive from Seller amounts calculated as follows:

(i) with respect to the CAISO Energy component of the Product, Buyer shall be entitled to receive from Seller an amount calculated in accordance with Article Four of the Master Agreement; provided, that the Replacement Price shall be calculated based on the costs reasonably incurred by Buyer to purchase such substitute Product, or in the absence of a purchase, the market price for the Product at the Delivery Point as determined by Buyer in a commercially reasonable manner.

(ii) With respect to the Carbon Free Energy component of the Product, for (A) each MWh of the Minimum Monthly Carbon Free Energy Quantity that Seller fails to deliver or (B) each MWh of the Annual Quantity that Seller fails to deliver, Buyer shall be entitled to receive from Seller an amount calculated in accordance with Article Four of the Master Agreement; provided, that the Replacement Price shall be calculated based on the costs reasonably incurred by Buyer to purchase such substitute Carbon Free Energy, or in the absence of a purchase, the market price for the Carbon Free Energy as determined by Buyer in a commercially reasonable manner, including by reference to prevailing market prices for carbon compliance instruments.

2. **DELIVERY TERM**. This Confirmation shall be in full force and effect as of the Effective Date. The Parties' obligations with respect to the delivery of the Product during the Delivery Term shall continue after the Delivery Term and this Confirmation shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless earlier terminated pursuant to the terms hereof.

3. **SCHEDULING**. Seller, or its designated scheduling coordinator, will perform all scheduling requirements applicable to the Transaction contemplated under this Confirmation. All scheduling will be performed consistent with all applicable CAISO and WECC prevailing protocols. The Carbon Free Energy will be scheduled by the Seller from the Carbon Free Sources into CAISO without substituting electricity from another source. For greater certainty, the Parties hereby acknowledge and agree that the Contract Quantities of Carbon Free Energy shall be evidenced by the lesser of the metered Carbon Free Energy quantity generated by the Carbon Free Source and the NERC e-Tag showing the quantity of Carbon Free Energy scheduled into CAISO. For greater certainty, no NERC e-Tags will be generated for deliveries from a Carbon Free Source within the CAISO Balancing Authority. Each month the Seller will deliver at least the Minimum Monthly Product Quantity (MWh) of Carbon Free Energy until the Annual Quantity has been met. IST scheduling for CAISO Energy will be complete by the Business Day prior to the day of delivery. Scheduling to be completed by 9:00 a.m. Pacific Prevailing Time (PPT).

e-Tagging: Each e-tag for Carbon Free Energy from an out-of-state Carbon Free Source will include the following, depending on the Carbon Free Source from which Carbon Free Energy is delivered:

E-Tag Location	**Carbon Free Energy**
Last CA (Control Area) under 'Physical Path'	CAISO Balancing Authority
Last or 'sink' PSE (Purchasing Selling Entity) under 'Physical Path'	SVCE or MSCG01
NERC Source	As set forth in Exhibit A
Misc(Token/Value) field	As set forth in Exhibit A
Comment field	As set forth in Exhibit A

4. **MONTHLY BILLING SETTLEMENT**.

4.1 Payment. For each month during the Delivery Term, (a) Buyer shall pay Seller an amount equal to the Energy Price multiplied by CAISO Energy Quantity delivered during such month, and (b) Buyer shall pay Seller an amount equal to the Carbon Free Premium multiplied by the Carbon Free Energy delivered during such month. Seller shall be entitled to retain all revenues associated with delivery of the Product to the CAISO. Each Party will settle this Transaction by making the payments required by this Transaction and by submitting, via the CAISO's IST process, IST schedules to the CAISO consistent with the terms of this Transaction before the applicable IST deadline. If there is a failure with the submission of IST schedules that match this Transaction, the Parties shall work together to make such adjustments as are necessary to put the parties in the same position they would have been in if the proper IST submissions had been made.

4.2 Monthly Invoice Timeline. Buyer shall pay undisputed invoice amounts on or before the twenty-third (23rd) day of the month in which the invoice was received, provided that such invoice was received by the fifteenth (15th) day of the month, otherwise the invoice will be paid on the next month's monthly distribution date under the Security Documents (i.e., the 23rd of the month).

5. **TRACKING OF CARBON FREE ENERGY QUANTITY DELIVERIES**.

(a) Seller shall be responsible for meeting all requirements for delivery and verification of Carbon Free Energy imports, including NERC e-Tags. In addition, Seller shall produce NERC e-Tags in a format that adequately demonstrates that Buyer is purchasing a Carbon Free Energy product hereunder.

(b) Seller shall provide Buyer, within a reasonable time after request, (i) proof of the veracity of the representations made by Seller in Section 7 herein and (ii) hourly meter data or an equivalent report showing the actual generation for the Carbon Free Sources.

(c) Seller, upon the reasonable request of the Buyer, will deliver additional documents and information related to this Transaction to Buyer; provided however such obligation is only to the extent such information is either (i) in the Seller's possession or (ii) reasonably available to Seller.

6. **COMPLIANCE REPORTING**. For Carbon Free Energy delivered pursuant to this Confirmation that is imported into California, Seller will be the electricity importer into California for purposes of the Cap and Trade Regulations. The Parties acknowledge that Seller will be responsible for satisfying the Compliance Obligation (as such term is defined in the Cap and Trade Regulations) under the Cap and Trade Regulation associated with any imported Carbon Free Energy that Seller schedules and delivers to the CAISO Balancing Authority and that they will work together such that Seller may claim that such Carbon Free Energy is from a Specified Source to mitigate such Compliance Obligation. Buyer shall be responsible for submitting compliance reports to the CPUC and/or other Governmental Authorities on behalf of Silicon Valley Clean Energy and will require resource information, electronic tagging information, and other documentation to be provided by Seller. Seller shall provide all reasonable information to Buyer necessary for Buyer to timely comply with periodic compliance reporting requirements and as otherwise required by Applicable Law with respect to the Product.

7. **SELLER REPRESENTATIONS AND WARRANTIES**. Seller hereby represents and warrants to Buyer that:

(a) it has the right to sell the Carbon Free Energy;

(b) the Carbon Free Energy has never been sold for any other purpose or use;

(c) the Carbon Free Energy is free and clear of all liens or other encumbrances;

(d) as of the Effective Date of this Confirmation, the Carbon Free Sources have been assigned an emissions factor of zero (0) by CARB as reported by CARB; and

(e) it is one of: (i) the owner or operator of the Carbon Free Sources with prevailing rights to sell the electricity sold hereunder, or (ii) is selling or remarketing electricity procured pursuant to a Specified Source Transaction from the Carbon Free Sources through the market path and possesses or has the right to obtain copies of written documents that the energy it is reselling or remarketing was procured pursuant to Specified Source transaction(s) from the Carbon Free Sources through the market path.

8. **STANDARD OF CARE AND GOOD FAITH**. When performing its obligations hereunder, Seller shall act in good faith and shall perform all work in a manner consistent with Prudent Utility Practices.

9. **COMPLIANCE WITH SECURITY DOCUMENTS**. During the entire period that this Confirmation remains in effect, Buyer shall comply with the Security Documents

10. **BUYER LIMITED ASSIGNMENT**. Notwithstanding anything to the contrary, Buyer may make a limited assignment to an entity ("Limited Assignee") that has creditworthiness that is equal to or better than the creditworthiness of Buyer (measured as of the Effective Date) of Buyer's right to receive the Product and its obligation to make payments to the Seller, which assignment shall be expressly subject to the Limited Assignee's timely payment of amounts due under the Agreement, at any time upon not less than thirty (30) days' Notice by delivering a written request for such assignment, which request must include a proposed form of agreement reasonably acceptable to Seller. Provided that Buyer delivers a proposed assignment agreement complying with the previous sentence, Seller agrees to (i) comply with Limited Assignee's reasonable requests for "know-your-customer" and similar account opening information and documentation with respect to Seller, including but not limited to information related to forecasted delivery schedules, credit rating, and compliance with anti-money laundering rules, the Dodd-Frank Act, the Commodity Exchange Act, the Patriot Act and similar rules, regulations, requirements and corresponding policies; and (ii) promptly execute such assignment agreement and implement such assignment as contemplated thereby, subject only to the countersignature of Limited Assignee and Buyer and Seller's ability to make the representations and warranties contained therein.

11. **DEFINITIONS**. Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"ACS" means "asset-controlling supplier" as that term is defined in the Cap and Trade Regulations.

"Applicable Law" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Project(s), or the terms of the Agreement.

"CAISO" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

"CAISO Energy" means a quantity of Energy equal to the hourly quantity without Ancillary Services that is or will be scheduled as an Inter-SC Trade pursuant to the CAISO Tariff for which the only excuse for failure to deliver or receive is an Uncontrollable Force. Terms that are capitalized, but not defined in this definition shall have the meaning ascribed to them in the CAISO Tariff.

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

"Cap and Trade Regulations" means the Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations (California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5 respectively) promulgated by the California Air Resources Board of the California Environmental Protection Agency pursuant to the California Global Warming Solutions Act of 2006.

"Carbon Free Energy" means Energy deliveries from Carbon Free Sources.

"Carbon Free Product" means Carbon Free Energy and CAISO Energy.

"Carbon Free Source" means any Specified Source, except for nuclear-powered generation assets, that is located within the WECC and that is considered by the State of California to have zero Greenhouse Gas emissions in accordance with the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (title 17, California Code of Regulations, sections 95100 to 95133). Carbon Free Source does not include any Renewable Energy Credits or any Energy source with an e-tag with a source point associated with a nuclear or coal-fired generating resource.

"Change in Law" has the meaning set forth in Section 2.2 hereof.

"Commercially Reasonable Efforts" for the purposes of this Confirmation, "commercially reasonable efforts" or acting in a "commercially reasonable manner" shall not require a Party to undertake extraordinary or unreasonable measures.

"Compliance Obligation" has the meaning set forth by the Cap and Trade Regulations.

"CPUC" means the California Public Utilities Commission.

"Customers" means the residential, commercial, industrial, and all other retail end use customers that have not opted out of the Silicon Valley Clean Energy Program, as designated from time to time by Buyer as being served by Buyer within the jurisdictional boundaries of the County of Santa Clara.

"Delivery Term" has the meaning set forth on page 1 of this Confirmation .

"Effective Date" has the meaning set forth on page 1 of this Confirmation.

"Energy" means electrical energy, measured in MWh.

"Exhibits" shall be those certain Exhibits, which are attached hereto and made a part hereof.

"FERC" means the Federal Energy Regulatory Commission.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Mandatory Reporting Rule" means the regulations entitled Mandatory Greenhouse Gas Emissions Reporting set forth in Article 2 of Subchapter 10 of Title 17 of the California Code of Regulations.

"MW" means megawatt.

"MWh" means megawatt-hour.

"Prudent Industry Practices" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of generating facilities similar to the Project(s) in the United States during the relevant time period) that, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result, giving due regard to manufacturers' warranties and recommendations, contractual obligations, the requirements or guidance of Governmental Authority, including CAISO, Applicable Law, the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Industry Practice shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

"Security Documents" has the meaning set forth in the Master Agreement.

"Silicon Valley Clean Energy Program" means the community choice aggregation program operated by Buyer.

"Specified Source" means an electricity generating facility that is a "specified source", as such term is defined in the Mandatory Reporting Rule.

"Unspecified Sources of Power" means electricity that is not traceable to a specific generation source (e.g., what is commonly known as "market" or "system" power) by any auditable contract.

EXHIBIT A

CARBON FREE SOURCES

Carbon Free Source	Fuel Source	CARB ID	Location	Emissions Factor (MT CO2e per MWh)
Priest Rapids	Hydroelectric	500054	Washington	0
Wanapum	Hydroelectric	500054	Washington	0
Rocky Reach	Hydroelectric	500055	Washington	0
Rock Island	Hydroelectric	500003	Washington	0

WSPP RESOURCE ADEQUACY CONFIRMATION

This confirmation under the WSPP Agreement ("Confirmation") confirms the transaction between Silicon Valley Clean Energy, a California joint powers authority ("SVCE") and Clean Power Alliance of Southern California, a California joint powers authority ("CPA"), and each individually a "Party" and together the "Parties", dated as of January 24, 2023 (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 August 26, 2022 (the "WSPP Agreement"). The WSPP Agreement and this Confirmation, including any applicable appendices, exhibits or amendments hereto, 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.

The terms of the Transaction to which this Confirmation relates are as follows:

Seller:	Silicon Valley Clean Energy	**Purchaser:**	Clean Power Alliance of Southern California

Product:	☒ RAR ☐ Local RAR ☐ Flexible Capacity, as further described in Appendix B
Contract Price ($/kW-mo):	[redacted] as further described in Appendix B
Contract Quantity (MW):	[redacted] as further described in Appendix B
Delivery Period:	[redacted] inclusive, as further described in Appendix B
Unit:	As further described in Appendix B
Payment Terms:	20th Day of Showing Month, as further described in Article 3
Collateral:	[redacted]
Total Notional Value:	[redacted]

This Confirmation is subject to the Appendices identified below and attached hereto:
Appendix A – Defined Terms **Appendix B – Product and Unit Information** **Appendix C – Notice Information** **Appendix D – Planned Outage Schedule**

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.

SILICON VALLEY CLEAN ENERGY, a California joint powers authority

DocuSigned by:

Sign: Girish Balachandran

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Print: Girish Balachandran

Title: CEO

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA, a California joint powers authority

Sign:

Print: Matthew Langer

Title: Chief Operating Officer

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are described on page 1 of this Confirmation and 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 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 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 each day of 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 each day of such Showing Month shall equal the Expected Contract Quantity.

(d) Seller may sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel or be a nuclear generating facility. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Purchaser with the specific information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.

(e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any Showing Month, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Purchaser's instructions, including Purchaser's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Purchaser has elected to submit the Product from the Shown Unit(s) 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 shall not have failed to deliver the Expected Contract Quantity if Purchaser fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) The Shown Unit(s) must not have characteristics that would trigger the need for Purchaser or Seller to file an advice letter or other request for authorization with the CPUC.[1]

2.2 Adjustments to Contract Quantity

If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each day of 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 for the applicable days of such Planned Outages; 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 for each day of 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.

In the event Seller is unable to provide the Contract Quantity for any portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Showing Month from Replacement Units, provided Seller provides and identifies such Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for each day of each Showing Month for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide a portion of the Contract Quantity for any day of a 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 in an amount such that the total amount of Product provided to Purchaser from the Unit and any Replacement Unit(s) for each day of the 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 Replacement Unit(s) from which such Alternate Capacity shall be provided before the Notification Deadline for such Showing Month; and

(b) The designation of any Replacement Unit(s) by Seller shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld.

[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

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3, and Purchaser has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Showing Month. Purchaser's approval of a Replacement Unit as to a given Showing Month shall not be construed as approval of such Replacement Unit for any subsequent Showing Month.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Purchaser have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Showing Months for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Purchaser with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Purchaser's receipt of any such Seller proposed changes, Purchaser shall notify Seller in writing of 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 shall 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 shall be liable to Purchaser for the amounts Seller would have owed Purchaser under this Confirmation if Purchaser had not resold the Product.

(b) Purchaser shall notify Seller in writing of any resale of Product and the Subsequent Purchaser no later than two (2) Business Days before the Notification Deadline for each Showing Month for which Purchaser has resold 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 shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity for re-sale into such market, and 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 pay for the Product as provided in Article 9 of the WSPP Agreement and this Confirmation; except that under Section 9.4 of the WSPP Agreement, in case any portion of any bill is in dispute, then only the undisputed portion of the bill shall be paid when due. The disputed portion of the bill shall be adjusted or paid upon final resolution of the dispute. Purchaser shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Business Days after Purchaser's receipt of Seller's invoice or (ii) the twentieth (20^{th}) day of the Showing Month; provided, however, if such day is not a Business Day then payment shall be made on the 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 shall 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) 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 and 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 RAR 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 the Shown Unit(s);

(d) If applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Purchaser; and

(e) Seller has notified or will notify the Shown Unit's SC that Purchaser is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Purchaser, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Purchaser's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Purchaser that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Purchaser as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Purchaser.

ARTICLE 5
ADDITIONAL WSPP AGREEMENT AMENDMENTS; GENERAL PROVISIONS

5.1 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."

5.2 Confidentiality

Notwithstanding Section 30.1 of the WSPP Agreement:

(a) (i) Purchaser may disclose information in order to support its Compliance

Showings or otherwise show it has met its Compliance Obligations; (ii) Seller may disclose to a Unit's SC or as necessary for submitting Supply Plans; and (iii) Purchaser may disclose information to any Subsequent Purchaser. Each Party recognizes that this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.). In order to designate information as confidential, the disclosing party must clearly stamp and identify the specific portion of the material designated with the word "Confidential." The Parties agree not to over-designate material as confidential. Over-designation would include stamping whole agreements, entire pages or series of pages as Confidential that clearly contain information that is not confidential.

(b) Upon request or demand of any third person or entity not a Party hereto to CPA pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information ("Requested Confidential Information"), CPA will as soon as practical notify Seller in writing via email that such request has been made. Seller will be solely responsible for taking at its sole expense whatever legal steps are necessary to prevent release of the Requested Confidential Information to the third party by CPA. If Seller takes no such action after receiving the foregoing notice from CPA, CPA shall, at its discretion, be permitted to comply with the third party's request or demand and is not required to defend against it. If Seller does take or attempt to take such action, CPA shall provide timely and reasonable cooperation to Seller, if requested by Seller, and Seller agrees to indemnify and hold harmless CPA, its officers, employees and agents ("CPA Indemnified Parties") from any claims, liability, award of attorneys' fees, or damages, and to defend any action, claim or lawsuit brought against any of CPA Indemnified Parties for CPA's refusal to disclose any Requested Confidential Information.

5.3 Dodd-Frank Act

The Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

5.4 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction results in any change in applicable law occurring after the Confirmation Effective Date that (i) materially changes 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

Product sold hereunder in order to maintain the original intent. If the Change in Law results in the Product no longer being able to be counted towards Purchaser's Resource Adequacy Requirements, and the Parties have not reached agreement on amendments within thirty (30) days after the initiation of discussions regarding the Change in Law that would allow the Product to be able to be counted towards Purchaser's Resource Adequacy Requirements, Purchaser may terminate this Confirmation upon written notice to Seller, which shall be effective the next Business Day after such notice is received, and any such termination shall be without liability to either Party, subject to payment of any amounts owing as of the effective date of such termination.

5.5 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.

5.6 Collateral

[redacted]

5.7 No Recourse to Members of Purchaser

Purchaser is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Purchaser will solely be responsible for all debts, obligations and liabilities accruing and arising out of this Confirmation. Seller will have no rights and will not make any claims, take any actions or assert any remedies against any of Purchaser's constituent members, or the officers, directors, advisors, contractors, consultants or employees of Purchaser or Purchaser's constituent members, in connection with this Confirmation.

5.8 Other WSPP Agreement Changes

For this Transaction, the WSPP Agreement shall be amended as follows:

(a) Section 22.1 of the WSPP Agreement is modified by inserting the following new text at the end thereof:

"(f) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that is unable to generally pay its debts as they become due;

(g) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(h) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(b) Section 22.2(b) of the WSPP Agreement is amended by inserting “and is continuing” after “Event of Default occurs” in the first line thereof and deleting the second sentence therein.

(c) Section 22.3 of the WSPP Agreement is amended by:

In Section 22.3(c), deleting the third sentence thereof and replacing it with the following: “If the Non-Defaulting Party’s aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary.”

(d) In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: “[Intentionally omitted]”

(e) In Section 22.3(f), delete the entire provision and replace with the following:

“If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34.”

(f) Section 28.1 of the WSPP Agreement shall be applicable and the Parties shall net monthly payments in accordance with Exhibit A of the WSPP. Both Parties intend for the netting provisions of Exhibit A to the WSPP Agreement to be effective on the Confirmation Effective Date.

(g) Section 30.1 of the WSPP Agreement is amended by inserting “or requested” after the word “required” in Section 30.1(4) and by adding the following at the end of the first sentence: “; or (8) to the Party’s and such Party’s affiliates’ lenders, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential”.

(h) Subsections 34.1 and 34.2 of the WSPP Agreement are hereby deleted and replaced with the following:

“34.1 INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A

DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION."

"34.2 EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN LOS ANGELES, 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."

(i) The phrase "arbitration or" is hereby deleted from the first line of Section 34.4.

(j) The following shall be inserted as a new Section 34.5:

"34.5 LIMITATION OF DAMAGES. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND THE AGREEMENT FOR THE BREACH, LIABILITY FOR THE BREACH IS LIMITED AS SET FORTH IN THE PROVISION AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, THE DIRECT DAMAGES ARE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR THE BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS OTHERWISE SPECIFIED IN ANY CONFIRMATION, NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE."

(k) Section 37 of the WSPP Agreement is amended by inserting the following in the beginning of the section: "On the date of entering into this Confirmation,".

(l) Section 41 "Witness" of the WSPP Agreement 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."

5.9 <u>Counterparts</u>

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

5.10 <u>Entire Agreement; No Oral Agreements or Modifications</u>

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Purchaser in accordance with the terms of Section 2.3.

"CAISO" means the California ISO or the successor organization to the functions thereof.

"Capacity Attributes" means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

"CIRA Tool" means the CAISO Customer Interface for Resource Adequacy.

"Compliance Obligations" means, as applicable, RAR, Local RAR and FCR.

"Compliance Showings" means the applicable LSE's compliance with the Resource Adequacy Requirements of the CPUC for an applicable Showing Month.

"Contingent Firm RA Product" has the meaning set forth in Article 1 herein.

"CPUC Decisions" means any currently effective or future decisions, resolutions, or rulings related to the Resource Adequacy Requirements.

"Effective Flexible Capacity" has the meaning given in the CAISO 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 particular day of 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 as Alternate Capacity with respect to such day, and (b) for Contingent Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, less any reductions to Contract Quantity for such day consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity" or "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.

"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.

"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.

"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 the CAISO 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, Local RAR and/or FCR for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications described on page 1 of this Confirmation and 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.

"Replacement Unit" means a generating unit meeting the requirements specified 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.

"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, but not necessarily identified by Seller to Purchaser on the Effective Date.

"Subsequent Purchaser" means the purchaser of Product from Purchaser in a re-sale of Product by Purchaser.

"Tariff" means the CAISO Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," in each case as amended or supplemented from time to time.

"Unit" means the generation unit described in Appendix B. A Unit or Shown Unit may not be a nuclear or 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.

Delivery Period: [redacted], inclusive.

Contract Quantity and Contract Price:

RAR and Local RAR, as applicable

Showing Month and Year	Contract Quantity (MW)	Contract Price ($/kW-mo)
[redacted]	[redacted]	[redacted]

Unit 1

Unit Specific Information	
Resource Name	Kern River Cogen Facility
Physical Location	Bakersfield, CA
CAISO Resource ID	OMAR_2_UNIT 3
SCID of Resource	TS 12
Unit NQC by month (e.g., Jan=50,Feb=65):	April 75, May 73.67
Unit EFC by month (e.g., Jan=30, Feb=50)	NA
Resource Type (e.g., gas, hydro, solar, etc.)	Gas Cogen
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	N/A
TAC Area (e.g., PG&E, SCE)	SCE
Prorated Percentage of Unit Factor	N/A
Prorated Percentage of Unit Flexible Factor	N/A
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	BCV
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4

APPENDIX C
NOTICE INFORMATION

[redacted]

[redacted]

APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

EEI RESOURCE ADEQUACY CONFIRMATION

This confirmation ("Confirmation") confirms the transaction between Direct Energy Business Marketing, LLC ("DEBM"), ("Party A") and Silicon Valley Clean Energy Authority ("Party B"), each individually a "Party" and together the "Parties", dated as of December 7, 2022 (the "Effective Date"), by which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product. This Transaction is governed by the Edison Electric Institute Master Power Purchase and Sale Agreement between the Parties dated November 28, 2016 as amended from time to time (the "Master Agreement"). The Master Agreement and this Confirmation, including any applicable appendices, exhibits or amendments hereto, shall be collectively referred to herein as the "Agreement" and shall constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the Master Agreement are defined in the Tariff. References to Sections are references to Sections of this Confirmation unless stated to be references to Sections of the Master Agreement or a statute.

The terms of the Transaction to which this Confirmation relates are as follows:

Seller:	Direct Energy Business Marketing, LLC	**Buyer:**	Silicon Valley Clean Energy Authority

Product:	☒ RAR ☐ Local RAR ☐ Flexible Capacity, as further described in Appendix B
Contract Price ($/kW-day):	[redacted]
Contract Quantity (MW):	[redacted]
Delivery Period:	[redacted] inclusive, as further described in Appendix B
Unit Information:	Described in Appendix B
Payment Terms:	20th Day of the month following the Delivery Period, as further described in Article 3

This Confirmation is subject to the Appendices identified below and attached hereto:
Appendix A – Defined Terms **Appendix B – Product and Unit Information** **Appendix C – Notice Information** **Appendix D – Planned Outage Schedule**

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.

Direct Energy Business Marketing, LLC	**Silicon Valley Clean Energy Authority**
Sign:______________________	Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Print: Jay Robertson	Print: Girish Balachandran
Title: Director, West Commercial Operations	Title: CEO

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are described on page 1 of this Confirmation and in Appendix B. Appendices A, B, C, and D are incorporated into this Confirmation.

☐ **Firm RA Product:**

Seller shall provide Buyer 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 Buyer 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 Buyer for penalties or fines pursuant to the terms of Section 2.5.

☒ **Contingent Firm RA Product:**

Seller shall provide Buyer 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 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 Buyer 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 Buyer 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 Buyer 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 day of the Delivery Period, Seller shall sell and deliver to Buyer, and Buyer 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 each day of 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 Buyer, 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 day of the Delivery Period, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Buyer for each day of the Delivery Period. The total amount of Product identified and confirmed for each day of the Delivery Period shall equal the Expected Contract Quantity.

(d) Seller may sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel or be a nuclear generating facility. 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 Buyer with the specific information contemplated in Appendix B no later than the Notification Deadline for the Delivery Period.

(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 day of the Delivery Period, 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 Delivery Period.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Buyer's instructions, including Buyer's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any day of the Delivery Period during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Buyer has elected to submit the Product from the Shown Unit(s) 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 day of the Delivery Period in such amount as instructed by Buyer for the applicable day(s) of the Delivery Period. Seller shall not have failed to deliver the Expected Contract Quantity if Buyer fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) The Shown Unit(s) must not have characteristics that would trigger the need for Buyer or Seller to file an advice letter or other request for authorization with the CPUC.

2.2 Adjustments to Contract Quantity

If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each day of the Delivery Period 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 days of such Planned Outages; provided, (i) Seller notifies Buyer by the Notification Deadline applicable to that day of the Delivery Period of the amount of Product from the Unit that Buyer may include in Buyer's Compliance Showings for each day of 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.

In the event Seller is unable to provide the Contract Quantity for any portion of a Delivery Period because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Delivery Period from Replacement Units, provided Seller provides and identifies such Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for each day of each Delivery Period for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide a portion of the Contract Quantity for any day of a Delivery Period from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with replacement Product from one or more Replacement Units in an amount such that the total amount of Product provided to Buyer from the Unit and any Replacement Unit(s) for each day of the Delivery Period is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Buyer in writing of its intent to provide Alternate Capacity and shall identify the Replacement Unit(s) from which such Alternate Capacity shall be provided before the Notification Deadline for such Delivery Period; and

(b) The designation of any Replacement Unit(s) by Seller shall be subject to Buyer'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 Buyer 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 Delivery Period. Buyer's approval of a Replacement Unit as to a given Delivery Period shall not be construed as approval of such Replacement Unit for any subsequent Delivery Period.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Buyer have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Delivery Periods for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Buyer with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Buyer's receipt of any such Seller proposed changes, Buyer shall notify Seller in writing of reasonable requests for modifications to such Seller proposed changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Buyer's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Buyer'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 day of the Delivery Period, Seller shall be liable for damages pursuant to Section 4.1 of the Master Agreement.

(b) Seller shall indemnify, defend and hold harmless Buyer from any penalties, fines or costs, including Environmental Costs, assessed against Buyer 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 shall Buyer 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 Buyer for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Buyer may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the Master Agreement.

2.6 Buyer's Re-Sale of Product

(a) Buyer 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. For any such a resale, the Resource Adequacy Plan of Buyer as used herein will refer to the Resource Adequacy Plan of Subsequent Buyer. Seller shall, or shall cause the Shown Unit's SC, to follow Buyer's instructions with respect to providing such resold Product to Subsequent Buyers, 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 Buyers to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a Subsequent Buyer due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller shall be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.

(b) Buyer shall notify Seller in writing of any resale of Product and the Subsequent Buyer no later than two (2) Business Days before the Notification Deadline for each Delivery Period for which Buyer has resold Product. Buyer shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Delivery Period.

(c) If CAISO or CPUC develops a centralized capacity market, Buyer shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity for re-sale into such market, and Seller and the Unit's SC shall comply with the Buyer's direction and Buyer shall retain and receive all revenues from such re-sale.

(d) Buyer 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 Buyer's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Buyer shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Buyer, (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 Buyer 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 Buyer has agreed to accept such designation.

ARTICLE 3
PAYMENTS

3.1 Payment

After Seller has delivered the Expected Contract Quantity in accordance with Section 2.1 and issued its invoice, Buyer shall pay for the Product as provided in Article Six of the Master Agreement and this Confirmation. Buyer shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Buyer's receipt of Seller's invoice or (ii) the twentieth (20^{th}) day of the month after the Delivery Period; provided, however, if such day is not a Business Day then payment shall be made by the following Business Day ("RA Capacity Payment"). Each Unit's RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for the relevant day of the Delivery Period, (b) the Expected Contract Quantity for the day of the Delivery Period, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Delivery Period that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

(a) Seller shall 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. Buyer must promptly report receipt of any such revenues to Seller. Buyer must pay to Seller any such amounts described in this Section 3.2(a) received by Buyer or a Subsequent Buyer. 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 Buyer under the Master Agreement.

(b) Buyer 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 Buyer. Seller shall pay to Buyer 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, Buyer may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the Master Agreement.

(c) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER BUYER 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. Buyer is not liable for, and Seller shall indemnify and hold Buyer 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 Buyer's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Buyer and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Buyer's rights to the Expected Contract Quantity for the sole benefit of Buyer or any Subsequent Buyer, and (b) that Buyer 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 and 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 RAR 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 Buyer 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 the Shown Unit(s);

(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 Buyer; and

(e) Seller has notified or will notify the Shown Unit's SC that Buyer 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 Buyer, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Buyer's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 5
AMENDMENTS TO THE MASTER AGREEMENT; GENERAL PROVISIONS

5.1 Termination Payment

For this Transaction, the following is inserted at the end Section 5.2 of the Master Agreement:

"If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Buyer or a Subsequent Buyer is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its calculation of the Settlement Amount, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer must promptly remit to Seller the excess amount with interest in accordance with Section 6.2 of the Master 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."

5.2 <u>Confidentiality</u>

Notwithstanding anything in the Master Agreement:

(a) Buyer may disclose information as necessary in order to support its Compliance Showings or otherwise show it has met its Compliance Obligations;

(b) Seller may disclose as necessary to a Shown Unit's SC or as necessary for submitting Supply Plans;

(c) Each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Buyer, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and

(d) Buyer may disclose information to any Subsequent Buyer.

5.3 <u>Dodd-Frank Act</u>

Each Party represents and warrants to the other that it is an "eligible contract participant" within the meaning of the United States Commodity Exchange Act §1a(18). Without limiting Section 10.10 of the Master Agreement, the Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

5.4 <u>Change in Law</u>

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction results in any change in applicable law occurring after the Confirmation Effective Date that (i) materially changes Buyer'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 requirements for Resource Adequacy Requirements such that the Product can no longer be counted towards Buyer's Resource Adequacy Requirements (a "<u>Change in Law</u>"), 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 Product sold hereunder in order to maintain the original intent of the Parties under this

Confirmation. If the Change in Law results in the Product no longer being able to be counted towards Buyer's Resource Adequacy Requirements, and the Parties have not reached agreement within thirty (30) days after the initiation of discussions regarding the Change in Law on amendments that would allow the Product to be able to be counted towards Buyer's Resource Adequacy Requirements, Buyer may terminate this Confirmation upon written notice to Seller, which shall be effective the next Business Day after such notice is received, and any such termination shall be without liability to either Party, subject to payment of any amounts owing as of the effective date of such termination.

5.5 Governing Law

This Confirmation, including the provisions and requirements of the Tariff and the definition of the Product and its components, and any portion of the Master Agreement applicable to this Transaction shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof.

5.6 Credit and Collateral

Except as provided in the Master Agreement, neither Party shall be required to post collateral or other security for this Transaction.

5.7 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

5.8 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 to the contrary, this Transaction may be confirmed only through a written document executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a written document executed by both Parties.

APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Buyer 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 Delivery Period.

"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 the Resource Adequacy Requirements.

"Delivery Period" means the period specified in Appendix B during which Seller shall deliver the Product to Buyer.

"Effective Flexible Capacity" has the meaning given in the CAISO 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 particular day 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 as Alternate Capacity with respect to such day, and (b) for Contingent Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, less any reductions to Contract Quantity for such day consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity" or "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.

"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.

"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.

"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 the CAISO Tariff.

"Notification Deadline" is five (5) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, or three (3) Business Days before the relevant deadlines for the corresponding Compliance Showings for the Delivery Period, if applicable.

"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, Local RAR and/or FCR for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications described on page 1 of this Confirmation and 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 Buyer 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 Buyer 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.

"Replacement Unit" means a generating unit meeting the requirements specified 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.

"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, but not necessarily identified by Seller to Buyer on the Effective Date.

"Subsequent Buyer" means the Buyer of Product from Buyer in a re-sale of Product by Buyer.

"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 may not be a nuclear or 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.

Delivery Period: [redacted]

Contract Quantity and Contract Price:

Contract Month/Year	RAR Contract Quantity (MWs)	RA Capacity Price ($/kW-month)
[redacted]		

Unit Information

Name	GILROY COGEN AGGREGATE
Location	Gilroy, CA
CAISO Resource ID	GILROY_1_UNIT
Product Type (Flexible or Generic)	Generic
SCID of Resource	CALJ
Resource Type	Natural Gas
Resource Category (1, 2, 3 or 4)	4
Point of Interconnection with the CAISO Controlled Grid ("Substation")	NA
Flexible RAR Category (1, 2 or 3)	NA
Path 26 (North, South or None)	North
LAR Attributes (Yes or No)	No
Local Capacity Area (if any, as of Confirmation Effective Date)	N/A
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	None
Run Hour Restrictions	None
Flexible Capacity Category (Base/Peak/Super-peak)(as of the Confirmation Effective Date)	NA

APPENDIX C
NOTICE INFORMATION

[redacted]

[redacted]

APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

EEI RESOURCE ADEQUACY CONFIRMATION

This confirmation ("Confirmation") confirms the transaction between Direct Energy Business Marketing, LLC ("DEBM"), ("Party A") and Silicon Valley Clean Energy Authority ("Party B"), each individually a "Party" and together the "Parties", dated as of December 7, 2022 (the "Effective Date"), by which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product. This Transaction is governed by the Edison Electric Institute Master Power Purchase and Sale Agreement between the Parties dated November 28, 2016 as amended from time to time (the "Master Agreement"). The Master Agreement and this Confirmation, including any applicable appendices, exhibits or amendments hereto, shall be collectively referred to herein as the "Agreement" and shall constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the Master Agreement are defined in the Tariff. References to Sections are references to Sections of this Confirmation unless stated to be references to Sections of the Master Agreement or a statute.

The terms of the Transaction to which this Confirmation relates are as follows:

Seller:	Direct Energy Business Marketing, LLC	**Buyer:**	Silicon Valley Clean Energy Authority

Product:	☒ RAR ☐ Local RAR ☒ Flexible Capacity, as further described in Appendix B
Contract Price ($/kW-day):	[redacted]
Contract Quantity (MW):	
Delivery Period:	[redacted] inclusive, as further described in Appendix B
Unit Information:	Described in Appendix B
Payment Terms:	20th Day of the month following the Delivery Period, as further described in Article 3

This Confirmation is subject to the Appendices identified below and attached hereto:
Appendix A – Defined Terms **Appendix B – Product and Unit Information** **Appendix C – Notice Information** **Appendix D – Planned Outage Schedule**

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.

Direct Energy Business Marketing, LLC	**Silicon Valley Clean Energy Authority**
Sign:	Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
Print: Jay Robertson	Print: Girish Balachandran
Title: Director, West Commercial Operations	Title: CEO

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are described on page 1 of this Confirmation and in Appendix B. Appendices A, B, C, and D are incorporated into this Confirmation.

☐ **Firm RA Product:**

Seller shall provide Buyer 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 Buyer 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 Buyer for penalties or fines pursuant to the terms of Section 2.5.

☒ **Contingent Firm RA Product:**

Seller shall provide Buyer 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 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 Buyer 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 Buyer 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 Buyer 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 day of the Delivery Period, Seller shall sell and deliver to Buyer, and Buyer 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 each day of 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 Buyer, 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 day of the Delivery Period, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Buyer for each day of the Delivery Period. The total amount of Product identified and confirmed for each day of the Delivery Period shall equal the Expected Contract Quantity.

(d) Seller may sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel or be a nuclear generating facility. 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 Buyer with the specific information contemplated in Appendix B no later than the Notification Deadline for the Delivery Period.

(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 day of the Delivery Period, 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 Delivery Period.

(f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Buyer's instructions, including Buyer's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any day of the Delivery Period during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Buyer has elected to submit the Product from the Shown Unit(s) 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 day of the Delivery Period in such amount as instructed by Buyer for the applicable day(s) of the Delivery Period. Seller shall not have failed to deliver the Expected Contract Quantity if Buyer fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.

(g) The Shown Unit(s) must not have characteristics that would trigger the need for Buyer or Seller to file an advice letter or other request for authorization with the CPUC.

2.2 Adjustments to Contract Quantity

If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each day of the Delivery Period 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 days of such Planned Outages; provided, (i) Seller notifies Buyer by the Notification Deadline applicable to that day of the Delivery Period of the amount of Product from the Unit that Buyer may include in Buyer's Compliance Showings for each day of 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.

In the event Seller is unable to provide the Contract Quantity for any portion of a Delivery Period because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Delivery Period from Replacement Units, provided Seller provides and identifies such Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for each day of each Delivery Period for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide a portion of the Contract Quantity for any day of a Delivery Period from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with replacement Product from one or more Replacement Units in an amount such that the total amount of Product provided to Buyer from the Unit and any Replacement Unit(s) for each day of the Delivery Period is not more than the Contract Quantity, provided that in each case:

(a) Seller shall notify Buyer in writing of its intent to provide Alternate Capacity and shall identify the Replacement Unit(s) from which such Alternate Capacity shall be provided before the Notification Deadline for such Delivery Period; and

(b) The designation of any Replacement Unit(s) by Seller shall be subject to Buyer'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 Buyer 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 Delivery Period. Buyer's approval of a Replacement Unit as to a given Delivery Period shall not be construed as approval of such Replacement Unit for any subsequent Delivery Period.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Buyer have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Delivery Periods for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Buyer with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Buyer's receipt of any such Seller proposed changes, Buyer shall notify Seller in writing of reasonable requests for modifications to such Seller proposed changes, and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Buyer's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Buyer'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 day of the Delivery Period, Seller shall be liable for damages pursuant to Section 4.1 of the Master Agreement.

(b) Seller shall indemnify, defend and hold harmless Buyer from any penalties, fines or costs, including Environmental Costs, assessed against Buyer 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 shall Buyer 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 Buyer for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Buyer may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the Master Agreement.

2.6 Buyer's Re-Sale of Product

(a) Buyer 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. For any such a resale, the Resource Adequacy Plan of Buyer as used herein will refer to the Resource Adequacy Plan of Subsequent Buyer. Seller shall, or shall cause the Shown Unit's SC, to follow Buyer's instructions with respect to providing such resold Product to Subsequent Buyers, 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 Buyers to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a Subsequent Buyer due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller shall be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.

(b) Buyer shall notify Seller in writing of any resale of Product and the Subsequent Buyer no later than two (2) Business Days before the Notification Deadline for each Delivery Period for which Buyer has resold Product. Buyer shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Delivery Period.

(c) If CAISO or CPUC develops a centralized capacity market, Buyer shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity for re-sale into such market, and Seller and the Unit's SC shall comply with the Buyer's direction and Buyer shall retain and receive all revenues from such re-sale.

(d) Buyer 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 Buyer's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Buyer shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Buyer, (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 Buyer 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 Buyer has agreed to accept such designation.

ARTICLE 3
PAYMENTS

3.1 Payment

After Seller has delivered the Expected Contract Quantity in accordance with Section 2.1 and issued its invoice, Buyer shall pay for the Product as provided in Article Six of the Master Agreement and this Confirmation. Buyer shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Buyer's receipt of Seller's invoice or (ii) the twentieth (20^{th}) day of the month after the Delivery Period; provided, however, if such day is not a Business Day then payment shall be made by the following Business Day ("RA Capacity Payment"). Each Unit's RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for the relevant day of the Delivery Period, (b) the Expected Contract Quantity for the day of the Delivery Period, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Delivery Period that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

(a) Seller shall 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. Buyer must promptly report receipt of any such revenues to Seller. Buyer must pay to Seller any such amounts described in this Section 3.2(a) received by Buyer or a Subsequent Buyer. 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 Buyer under the Master Agreement.

(b) Buyer 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 Buyer. Seller shall pay to Buyer 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, Buyer may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the Master Agreement.

(c) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4
OTHER BUYER 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. Buyer is not liable for, and Seller shall indemnify and hold Buyer 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 Buyer's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Buyer and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Buyer's rights to the Expected Contract Quantity for the sole benefit of Buyer or any Subsequent Buyer, and (b) that Buyer 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 and 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 RAR 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 Buyer 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 the Shown Unit(s);

(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 Buyer; and

(e) Seller has notified or will notify the Shown Unit's SC that Buyer 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 Buyer, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Buyer's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 5
AMENDMENTS TO THE MASTER AGREEMENT; GENERAL PROVISIONS

5.1 Termination Payment

For this Transaction, the following is inserted at the end Section 5.2 of the Master Agreement:

"If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Buyer or a Subsequent Buyer is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include the estimate in its calculation of the Settlement Amount, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer must promptly remit to Seller the excess amount with interest in accordance with Section 6.2 of the Master 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."

5.2 <u>Confidentiality</u>

Notwithstanding anything in the Master Agreement:

(a) Buyer may disclose information as necessary in order to support its Compliance Showings or otherwise show it has met its Compliance Obligations;

(b) Seller may disclose as necessary to a Shown Unit's SC or as necessary for submitting Supply Plans;

(c) Each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Buyer, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and

(d) Buyer may disclose information to any Subsequent Buyer.

5.3 <u>Dodd-Frank Act</u>

Each Party represents and warrants to the other that it is an "eligible contract participant" within the meaning of the United States Commodity Exchange Act §1a(18). Without limiting Section 10.10 of the Master Agreement, the Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

5.4 <u>Change in Law</u>

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction results in any change in applicable law occurring after the Confirmation Effective Date that (i) materially changes Buyer'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 requirements for Resource Adequacy Requirements such that the Product can no longer be counted towards Buyer's Resource Adequacy Requirements (a "<u>Change in Law</u>"), 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 Product sold hereunder in order to maintain the original intent of the Parties under this

Confirmation. If the Change in Law results in the Product no longer being able to be counted towards Buyer's Resource Adequacy Requirements, and the Parties have not reached agreement within thirty (30) days after the initiation of discussions regarding the Change in Law on amendments that would allow the Product to be able to be counted towards Buyer's Resource Adequacy Requirements, Buyer may terminate this Confirmation upon written notice to Seller, which shall be effective the next Business Day after such notice is received, and any such termination shall be without liability to either Party, subject to payment of any amounts owing as of the effective date of such termination.

5.5 Governing Law

This Confirmation, including the provisions and requirements of the Tariff and the definition of the Product and its components, and any portion of the Master Agreement applicable to this Transaction shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof.

5.6 Credit and Collateral

Except as provided in the Master Agreement, neither Party shall be required to post collateral or other security for this Transaction.

5.7 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

5.8 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 to the contrary, this Transaction may be confirmed only through a written document executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a written document executed by both Parties.

APPENDIX A
DEFINED TERMS

"Alternate Capacity" means replacement Product which Seller has elected to provide to Buyer 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 Delivery Period.

"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 the Resource Adequacy Requirements.

"Delivery Period" means the period specified in Appendix B during which Seller shall deliver the Product to Buyer.

"Effective Flexible Capacity" has the meaning given in the CAISO 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 particular day 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 as Alternate Capacity with respect to such day, and (b) for Contingent Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, less any reductions to Contract Quantity for such day consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

"Firm RA Product" has the meaning set forth in Article 1 herein.

"Flexible Capacity" or "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.

"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.

"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.

"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 the CAISO Tariff.

"Notification Deadline" is five (5) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, or three (3) Business Days before the relevant deadlines for the corresponding Compliance Showings for the Delivery Period, if applicable.

"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, Local RAR and/or FCR for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications described on page 1 of this Confirmation and 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 Buyer 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 Buyer 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.

"Replacement Unit" means a generating unit meeting the requirements specified 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.

"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, but not necessarily identified by Seller to Buyer on the Effective Date.

"Subsequent Buyer" means the Buyer of Product from Buyer in a re-sale of Product by Buyer.

"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 may not be a nuclear or 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.

[redacted]

Contract Quantity and Contract Price:

Contract Month/Year	Flexible RAR Contract Quantity (MWs)	RA Capacity Price ($/kW-month)
[redacted]		

Unit Information

Name	Pastoria Energy Facility
Location	Lebecs, CA
CAISO Resource ID	LEBECS_2_UNITS
Product Type (Flexible or Generic)	Flexible
SCID of Resource	CALJ
Resource Type	Natural Gas
Resource Category (1, 2, 3 or 4)	4
Point of Interconnection with the CAISO Controlled Grid ("Substation")	NA
Flexible RAR Category (1, 2 or 3)	1
Path 26 (North, South or None)	South
LAR Attributes (Yes or No)	No
Local Capacity Area (if any, as of Confirmation Effective Date)	N/A
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	None
Run Hour Restrictions	None
Flexible Capacity Category (Base/Peak/Super-peak)(as of the Confirmation Effective Date)	NA

APPENDIX C
NOTICE INFORMATION

[redacted]

[redacted]

APPENDIX D
PLANNED OUTAGE SCHEDULE

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

MASTER POWER PURCHASE AND SALE AGREEMENT
CONFIRMATION LETTER
BETWEEN
CALPINE ENERGY SERVICES, L.P.
AND
SILICON VALLEY CLEAN ENERGY AUTHORITY

This confirmation letter ("Confirmation") confirms the Transaction between **Calpine Energy Services, L.P.**, a Delaware limited partnership ("Seller"), and **Silicon Valley Clean Energy Authority**, a California joint powers authority ("Buyer"), each individually a "Party" and together the "Parties", dated as of December 16, 2022 (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Article 3 of this Confirmation. This Transaction is governed by the Edison Electric Institute Master Power Purchase and Sale Agreement between the Parties, and that certain Cover Sheet, effective as of March 9, 2018, along with any annexes and amendments thereto (collectively, the "Master Agreement"). 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 (as defined herein).

1. DEFINITIONS

1.1 "Agreement" has the meaning specified in the introductory paragraph hereof.

1.2 "Alternate Capacity" means any replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 4.5.

1.3 "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.

1.4 "Availability Incentive Payments" has the meaning set forth in the Tariff.

1.5 "Availability Standards" shall mean Availability Standards as defined in Section 40.9 of the Tariff or otherwise applicable to CAISO.

1.6 "Buyer" has the meaning specified in the introductory paragraph hereof.

1.7 "CAISO" means the California Independent System Operator or its successor.

1.8 "Capacity Replacement Price" means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. The Buyer shall determine such market prices in a commercially reasonable manner. For purposes of the definition of Section 1.51 of the Master Agreement, "Capacity Replacement Price" shall be deemed to be the "Replacement Price."

1.9 "Confirmation" has the meaning specified in the introductory paragraph hereof.

1.10 "Confirmation Effective Date" has the meaning specified in the introductory paragraph hereof.

1.11 "Contingent Firm RA Product" has the meaning specified in Section 3.4 hereof.

1.12 "Contract Price" means, for any Monthly Delivery Period, the price specified under the RA Capacity Price Table in Section 4.9.

1.13 "Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in the table in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month (as such amount may be adjusted pursuant to Section 4.4).

1.14 "Control Area" has the meaning set forth in the Tariff.

1.15 "CPUC Decisions" means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, 16-06-045, 17-06-027, 18-06-030, 18-06-031, 19-02-022 and 19-06-026, and any other existing or subsequent decisions related to resource adequacy issued from time to time by the CPUC, as amended from time to time.

1.16 "CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE's to demonstrate compliance with the CPUC's resource adequacy program.

1.17 "Delivery Period" has the meaning specified in Section 4.1 hereof.

1.18 "Delivery Point" has the meaning specified in Section 4.2 hereof.

1.19 "Designated RA Capacity" shall be equal to, with respect to any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to, minus any reductions to Contract Quantity made in accordance with Section 4.4 with respect to which Seller has not elected to provide Alternate Capacity.

1.20 "Effective Flexible Capacity" means the flexible capacity of a resource that can be counted towards an LSE's FCR obligation, as identified from time to time by the Tariff, the CPUC Decisions, LRA, or other Governmental Body having jurisdiction.

1.21 "FCR Attributes" means, with respect to a Unit, any and all FCR attributes that can be counted toward an LSE's FCR, as they are identified from time to time by the CPUC Decisions, the Tariff, an LRA, or other Governmental Body having jurisdiction that can be counted toward FCR and are consistent with the operational limitations and physical characteristics of such Unit. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines the FCR Attributes of a Unit, then such change will not result in a change in obligations or payments made pursuant to this Transaction.

1.22 "FCR Showings" means the FCR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions and the Tariff, or to an LRA having jurisdiction over the LSE.

1.23 "Firm RA Product" has the meaning specified in the Section 3.3 hereof.

1.24 "Flexible Capacity Requirements" or "FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.

1.25 "Flexible RA Product" has the meaning specified in the Section 3.2 hereof.

1.26 "GADS" means the Generating Availability Data System or its successor.

1.27 "Generic RA Product" means Product consisting of RAR Attributes and, if applicable, LAR Attributes, which does not include FCR Attributes.

1.28 "Governmental Body" means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.

1.29 "LAR" means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, or by another LRA having jurisdiction over the LSE, as implemented in the Tariff. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.

1.30 "LAR Attributes" means, with respect to a Unit, any and all resource adequacy attributes (or other locational attributes related to system reliability), as they are identified as of the Confirmation Effective Date by the CPUC Decisions, CAISO, LRA, 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 LAR and are consistent with the operational limitations and physical characteristics of such Unit, but exclusive of any RAR Attributes which are not associated with where in the CAISO Control Area the Unit is physically located or electrically interconnected. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing local areas, then such change will not result in a change in obligations or payments made pursuant to this Transaction.

1.31 "LAR Showings" means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA having jurisdiction over the LSE.

1.32 "LRA" has the meaning set forth in the Tariff.

1.33 "LSE" means load-serving entity. LSEs may be an investor-owned utility, an electric service provider, a community aggregator or community choice aggregator, or a municipality serving load in the CAISO Control Area (excluding exports).

1.34 "Master Agreement" has the meaning specified in the introductory paragraph hereof.

1.35 "Monthly Delivery Period" means each calendar month during the Delivery Period and shall correspond to each Showing Month.

1.36 "Monthly RA Capacity Payment" has the meaning specified in Section 4.9 hereof.

1.37 "NERC" means the North American Electric Reliability Council, or its successor.

1.38 "NERC/GADS Protocols" means the GADS protocols established by NERC, as may be updated from time to time.

1.39 "Net Qualifying Capacity" has the meaning set forth in the Tariff.

1.40 "Non-Availability Charges" has the meaning set forth in the Tariff.

1.41 "Notification Deadline" means fifteen (15) Business Days before the relevant deadlines for the corresponding RAR Showings, LAR Showings and/or FCR Showings for the applicable Showing Month.

1.42 "Outage" means 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. For the avoidance of doubt, Outage shall be deemed to include Planned Outage (defined below).

1.43 "Party" and "Parties" have the meanings specified in the introductory paragraph hereof.

1.44 "Planned Outage" means, subject to and as further described in the CPUC Decisions and the Tariff (Planned Outage referred to as "Approved Maintenance Outage" under the Tariff), 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.

1.45 "Product" has the meaning specified in Article 3 hereof.

1.46 "RA Capacity" means the qualifying and deliverable capacity of the Unit for RAR, LAR, and FCR purposes for the Delivery Period, as determined by the CAISO, or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the RAR Attributes, LAR Attributes and FCR Attributes of the capacity provided by a Unit, as applicable pursuant to this Confirmation.

1.47 "RA Capacity Price" means the price specified in the RA Capacity Price Table in Section 4.9 hereof.

1.48 "RAR" or "Resource Adequacy Requirements" means the resource adequacy requirements, exclusive of LAR and FCR, established for LSEs by the CPUC pursuant to the CPUC Decisions, by the CAISO under the Tariff, or by an LRA or other Governmental Body having jurisdiction.

1.49 "RAR Attributes" means, with respect to a Unit, any and all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the Tariff, the CPUC Decisions, LRA, or any Governmental Body having jurisdiction, that can be counted toward RAR and are consistent with the operational limitations and physical characteristics of such Unit, exclusive of any LAR Attributes or FCR Attributes.

1.50 "RAR Showings" means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Tariff or CPUC Decisions, or to an LRA having jurisdiction.

1.51 "Replacement Capacity" has the meaning specified in Section 4.7 hereof.

1.52 "Replacement Unit" means a generating unit meeting the requirements specified in Section 4.5.

1.53 "Resource Category" shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.

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

1.55 "Seller" has the meaning specified in the introductory paragraph hereof.

1.56 "Showing Month" shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, LAR Showing, and/or FCR 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 Effective Date, the monthly RAR Showing made in June is for the Showing Month of August.

1.57 "Subsequent Buyer" means the purchaser of Product from Buyer in a re-sale of Product by Buyer.

1.58 "Supply Plan" means the supply plans, or similar or successor filings, that each Scheduling Coordinator representing RA Capacity submits to the CAISO, LRA, or other Governmental Body, pursuant to Applicable Laws, in order for that RA Capacity to count for its RAR Attributes, LAR Attributes, and/or FCR Attributes.

1.59 “Tariff” means the tariff and protocol provisions of the CAISO, including associated rules, procedures and business practice manuals, as amended or supplemented from time to time.

1.60 “Transaction” has the meaning specified in the introductory paragraph hereof.

1.61 “Unit” or “Units” shall mean the generation assets described in Article 2 hereof (including any Replacement Units), from which RA Capacity is provided by Seller to Buyer.

1.62 “Unit EFC” means the Effective Flexible Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Effective Flexible Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Effective Flexible Capacity. To the extent the Confirmation Effective Date of this Confirmation occurs prior to the CAISO’s setting of a Unit EFC for the applicable Unit, the Unit EFC shall be as agreed to by the Parties and specified in Article 2, and Seller represents that, to the best of its knowledge, this Unit EFC is consistent with the CAISO’s methodology for determining Unit EFC as of the Confirmation Effective Date. To the extent the CAISO creates new categories of flexible capacity during the term of this Transaction and a Unit can count toward such new categories of flexible capacity while operating consistent with the operational limitation and physical characteristics of such Unit, any and all such new categories of flexible capacity shall be deemed to be part of the Effective Flexible Capacity of that Unit. The above notwithstanding, to the extent the CAISO decides to reduce the applicable Unit EFC, Seller shall not be liable for any costs or damages related to such reduction and the Unit EFC shall be reduced per Section 4.4 of this Confirmation.

1.63 “Unit NQC” means the Net Qualifying Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Net Qualifying Capacity.

2.
UNIT INFORMATION

Name: Pastoria Energy Facility

Location: Lebec, CA

CAISO Resource ID: LEBECS_2_UNITS

Resource Type: I_Phys_Res

Resource Category (1, 2, 3 or 4): 4

Point of interconnection with the CAISO Controlled Grid (“Substation”): LEBEC

Path 26 (North, South or None): South

Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment: None

Run Hour Restrictions: None

LAR Attributes (Yes/No): No

If yes: Local Capacity Area (as of Confirmation Effective Date): N/A

Product Type (Flexible/Generic): Flex/Generic

If Generic: Unit NQC (as of the Confirmation Effective Date): Varies by Month

If Flexible: Unit EFC (as of the Confirmation Effective Date): Varies by Month

Flexible Capacity Category (Base/Peak/Super-peak) (as of the Confirmation Effective Date): Base

3.
RESOURCE ADEQUACY CAPACITY PRODUCT

During the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Confirmation, the Contract Quantity of (i) RAR Attributes and, if applicable, LAR Attributes, and (ii) FCR Attributes, if Flexible RA Product is specified in Section 3.2, and the Contract Quantity shall be either a Firm RA Product or a Contingent Firm RA Product, as specified in either Section 3.3 or 3.4 (the "Product"). The Product does not confer to Buyer any right to the electrical output from the Units, other than the right to include the Designated RA Capacity associated with the Contract Quantity in RAR Showings, LAR Showings, and FCR Showings, as applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, no energy or ancillary services associated with any Unit is required to be made available to Buyer as part of this Transaction and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell pursuant to the Tariff any RA Capacity from a Unit that is in excess of that Unit's Contract Quantity and any RAR Attributes, LAR Attributes or FCR Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

3.1 <u>RAR and LAR Attributes</u>

Seller shall provide Buyer with RAR Attributes and, if applicable, LAR Attributes from each Unit, as measured in MWs, in accordance with the terms and conditions of this Agreement.

3.2 ☒ <u>Flexible RA Product</u>

Seller shall provide Buyer with FCR Attributes from the Units in the amount of the applicable Contract Quantity.

3.3 ☐ <u>Firm RA Product</u>

Seller shall provide Buyer with Product from the Units in the amount of the Contract Quantity. If, and to the extent, the Units are not available to provide the full amount of the Contract Quantity for any reason other than Force Majeure, including without limitation any Outage or any adjustment of the RA Capacity of any Unit, pursuant to Section 4.4, then, Seller shall provide Buyer with Product from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with such Product from Replacement Units pursuant to Section 4.5, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

3.4 ☒ <u>Contingent Firm RA Product</u>

Seller shall provide Buyer with Product from the Units in the amount of the applicable Contract Quantity; provided, however, that if, and to the extent that, (i) the Units are not available to provide the full amount of the Contract Quantity due to Force Majeure or any reduction in Contract Quantity in accordance with Section 4.4, and (ii) Seller has given Buyer timely notice pursuant to Section 4.5, then, Seller may either reduce the Contract Quantity or provide Buyer with Product from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with any portion of the Designated RA Capacity (x) for a reason other than a Force Majeure, Planned Outage in accordance with Section 4.4(a), or reduction of the RA Capacity of any Unit, or (y) Seller failed to give Buyer timely notice pursuant to Section 4.5(a), then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

4.
DELIVERY AND PAYMENT

4.1 Delivery Period

The Delivery Period shall be [redacted], inclusive. For the avoidance of doubt, nothing in this Agreement shall obligate Seller to provide any RA Capacity to Buyer for any period after the end of the Delivery Period.

4.2 Delivery Point

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

4.3 Contract Quantity

The Contract Quantity of each Unit for each Monthly Delivery Period shall be:

Contract Quantity (MWs)

Contract Year/Month	Contract Quantity (MWs)	Resource ID	Product Type
[redacted]			Flex/Cont Firm
			Contingent Firm
			Flex/Cont Firm
			Contingent Firm
			Contingent Firm
			Contingent Firm
			Contingent Firm

4.4 Adjustments to Contract Quantity

(a) Planned Outages: Seller's obligation to deliver the Contract Quantity for any Showing Month may be reduced at Seller's option if any portion of the Unit is scheduled for a Planned Outage during the applicable Showing Month; provided, Seller notifies Buyer, no later than the Notification Deadline, of the amount of Product from the Unit Buyer is permitted to include in Buyer's RAR Showings, LAR Showings, and/or FCR Showings applicable to that month as a result of such Planned Outage.

If Seller is unable to provide the applicable Contract Quantity for a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such Showing Month from Replacement Units, provided, Seller provides and identifies such Replacement Units in accordance with Section 4.5. If Seller chooses not to provide Product from Replacement Units and a Unit is on a Planned Outage for the applicable Showing Month, then, the Contract Quantity shall be revised in accordance with any applicable adjustments stipulated by the CPUC Filing Guide or CAISO Tariff in effect for the applicable Showing Month in which the Planned Outage occurs.

(b) Reductions in Unit NQC: If Product is both (i) Generic RA Product, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced if the Unit experiences a reduction in Unit NQC as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (a) the applicable Showing Month Contract Quantity and (b) the total amount (in MW) Unit NQC was reduced since Confirmation Effective Date, divided by (c) Unit NQC as of the Confirmation Effective Date. If the Unit experiences such a reduction in Unit NQC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.

(c) Reductions in Unit EFC: If Product is both (i) Flexible RA Product specified under Section 3.2, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity of Product for any Showing Month may also be reduced if the Unit experiences a reduction in Unit EFC as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (a) the applicable Showing Month Contract Quantity and (b) the total amount (in MW) Unit EFC was reduced since Confirmation Effective Date, divided by (c) Unit EFC as of the Confirmation Effective Date. If the Unit experiences such a reduction in Unit EFC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.

(d) UCAP: If during the Delivery Period the CAISO or the CPUC either replaces Unit NQC as the value utilized to measure the qualifying capacity of a Unit with a successor value such as unforced capacity (UCAP) or utilizes such successor value as a supplemental means of measuring the qualifying capacity of a Unit together with Unit NQC, then the Parties shall negotiate an amendment to this Confirmation so that from and after such replacement, Seller shall convey to Buyer an amount of qualifying capacity of such Unit, to be determined by Seller, of (i) no less than the amount obtained by calculating the Buyer's share of such qualifying capacity on a pro rata basis but (ii) no more than the Contract Quantity. Seller's pro-rata delivery obligation pursuant to clause (i) above will be obtained by calculating the product of (A) the Contract Quantity divided by the Unit NQC, multiplied by (B) the Unit's overall qualifying capacity (in MW) as measured by such new method of measuring a Unit's qualifying capacity).

4.5 Alternate Capacity and Replacement Units

(a) If Seller is unable to provide the full Contract Quantity for any Showing Month for any reason, including, without limitation, due to one of the reasons specified in Section 4.4, or Seller desires to provide the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with Alternate Capacity from one or more Replacement Units, with the total amount of Product provided to Buyer from the Unit and Replacement Units up to an amount equal to the Contract Quantity for the applicable Showing Month; provided that in each case, Seller shall notify Buyer of its intent (i) not to provide or (ii) to provide Alternative Capacity and identify Replacement Units meeting the above requirements no later than the Notification Deadline. If Seller notifies Buyer in writing as to the particular Replacement Units and such Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for that Showing Month.

(b) With respect to a Contingent Firm RA Product, if Seller does not provide Alternate Capacity in an amount equal to the Contract Quantity for that Showing Month, then Buyer may, but shall not be required to, purchase replacement Product. Seller shall not be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of

Sections 4.7 and 4.8 hereof if (i) the failure to deliver the full Contract Quantity is due to a reduction in Contract Quantity in accordance with Section 4.4 or Force Majeure and (ii) Seller has notified Buyer, no later than the Notification Deadline, of Seller's intent not to provide Alternate Capacity in an amount equal to the Contract Quantity of that Showing Month.

4.6 Delivery of Product

Seller shall provide Buyer with the Designated RA Capacity of Product for each Showing Month consistent with the following:

(a) Seller shall, on a timely basis, submit, or cause the Unit's SC to submit, Supply Plans to identify and confirm the Designated RA Capacity provided to Buyer for each Showing Month so that the total amount of Designated RA Capacity identified and confirmed for such Showing Month equals the Designated RA Capacity, unless specifically requested not to do so by the Buyer.

(b) Seller shall cause the Unit's Scheduling Coordinator to submit written notification to Buyer, no later than the Notification Deadline, that Buyer will be credited with the Designated RA Capacity for such Showing Month in the Unit's Scheduling Coordinator Supply Plan so that the Designated RA Capacity credited equals the Designated RA Capacity for such Showing Month.

4.7 Damages for Failure to Provide Designated RA Capacity

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month then the following shall apply:

(a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RAR Attributes, LAR Attributes and/or FCR Attributes as the Designated RA Capacity not provided by Seller, provided, that, if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated RA Capacity having RAR Attributes and no LAR Attributes (such capacity shall also include FCR Attributes if this is a Flexible Capacity Product) and no such RAR capacity is available, then Buyer may replace such portion of the Designated RA Capacity with other capacity having RAR Attributes and LAR Attributes (as well as FCR Attributes if this is a Flexible Capacity Product) ("Replacement Capacity"). Such Replacement Capacity may be provided by CAISO to Buyer pursuant to the Tariff. Buyer may enter into purchase transactions with one or more parties to replace any portion of Designated RA Capacity not provided by Seller. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party and, to the extent such transactions are done at prevailing market prices, such arrangements shall be considered equivalent to the procurement of Replacement Capacity. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity.

(b) Seller shall pay to Buyer at the time set forth in Section 4.1 of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity, plus (B) each Capacity Replacement Price times the amount of the Designated RA Capacity neither provided by Seller nor purchased by Buyer pursuant to Section 4.7(a), and (ii) the Designated RA Capacity not provided for the applicable Showing Month times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may offset those damages owed it against any future amounts it may owe to Seller under this Confirmation pursuant to Article Six of the Master Agreement.

4.8 Indemnities for Failure to Deliver Contract Quantity

Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, resulting from any of the following:

(a) Seller's failure to provide any portion of the Designated RA Capacity;

(b) Seller's failure to provide notice of the non-availability of any portion of Designated RA Capacity as required under Section 4.6;

(c) A Unit Scheduling Coordinator's failure to timely submit Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder; or

(d) A Unit Scheduling Coordinator's failure to submit accurate Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties and fines. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

4.9 Monthly RA Capacity Payment

In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a Monthly RA Capacity Payment to Seller for each Unit, in arrears after the applicable Showing Month. Each Unit's Monthly RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for that Monthly Delivery Period, (b) the Designated RA Capacity for the Monthly Delivery Period, and (c) 1,000; provided, however, that the Monthly RA Capacity Payment shall be prorated to reflect any portion of Designated RA Capacity that was not delivered pursuant to Section 4.4 at the time of the CAISO filing for the respective Showing Month. The final product of this Monthly RA Capacity Payment calculation shall be rounded to the nearest penny (i.e., two decimal places).

RA CAPACITY PRICE TABLE

Contract Year/Month	Resource ID	RA Capacity Price ($/kW-month)
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]

4.10 Allocation of Other Payments and Costs

Seller may retain any revenues it may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) capacity revenue for ancillary services, (c) energy sales, (d) any revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, FCR Showing, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller's account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. The Parties acknowledge and agree that any Non-Availability Charges are the responsibility of Seller, and for Seller's account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. However, Buyer shall be entitled to receive and retain all revenues associated with the Designated RA Capacity of any Unit during the Delivery Period (including any capacity or availability revenues from RMR Agreements for any Unit, Reliability Compensation Services Tariff, and Residual Unit Commitment capacity payments, but excluding payments described in clauses (a) through (c) above). In accordance with Section 4.9 of this Confirmation and Article Six of the Master Agreement, all such revenues received by Seller, or a Unit's SC, owner, or operator shall be remitted to Buyer, and Seller shall indemnify Buyer for any such revenues that Buyer does not receive, and Seller shall pay such revenues to Buyer if the Unit's SC, owner, or operator fails to remit those revenues to Buyer. If Seller fails to pay such revenues to Buyer, Buyer may offset any amounts owing to it for such revenues against any future amounts it may owe to Seller under this Confirmation.

5.
CAISO OFFER REQUIREMENTS

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event of Force Majeure that results in a partial or full Outage of that Unit, Seller shall either schedule or cause the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and shall perform all, or cause the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

6.
RESERVED

7.
OTHER BUYER AND SELLER COVENANTS

7.1. Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of the Contract Quantity for the sole benefit of Buyer's RAR, LAR and/or FCR, as applicable. Such commercially reasonable actions (neither Party shall be required to spend more than $10,000 in total under the Agreement in support of such actions) shall include, without limitation:

(a) Cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering RAR, LAR and/or FCR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CAISO, the CPUC, or by an LRA having jurisdiction, to demonstrate for each month of the Delivery Period the ability to deliver the Contract Quantity from each Unit to the CAISO Controlled Grid for the minimum hours required to qualify as RA Capacity, and providing information requested by the CPUC, the CAISO or other Governmental Body having jurisdiction to administer RAR, LAR or FCR to demonstrate that the Contract Quantity can be delivered to the CAISO

Controlled Grid, pursuant to “deliverability” standards established by the CAISO, or other Governmental Body having jurisdiction to administer RAR, LAR and/or FCR; and

(b) Negotiating 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, CAISO, FERC, or other Governmental Body having jurisdiction to administer RAR, LAR and FCR, so as to maintain the benefits of the bargain struck by the Parties on the Confirmation Effective Date.

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

(a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, CAISO, CPUC or other jurisdictional LRA, 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 RAR, LAR, FCR or such analogous capacity obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit’s owner or operator;

(c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR, FCR, or analogous capacity obligations in any non-CAISO market;

(d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO;

(e) The owner or operator of each Unit is obligated to maintain and operate each Unit using Good Utility Practice and, if applicable, General Order 167 as outlined by the CPUC in the Enforcement of Maintenance and Operation Standards for Electric Generating Facilities Adopted May 6, 2004, and is obligated to abide by all Applicable Laws in operating such Unit; provided, that the owner or operator of any Unit is not required to undertake capital improvements, facility enhancements, or the construction of new facilities;

(f) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity and, as applicable, RAR, LAR and/or FCR;

(g) If Seller is the owner of any Unit, the respective cumulative sums of LAR Attributes, RAR Attributes, and FCR Attributes that Seller has sold, assigned or transferred for any Unit does not exceed that Unit’s RA Capacity;

(h) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit’s SC is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, and RAR, LAR and FCR;

(i) Seller has notified the SC of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the Tariff;

(j) Seller has notified the SC of each Unit that Seller is obligated to cause each Unit’s SC to provide to the Buyer, at least five (5) Business Days before the relevant deadline for each RAR Showing, LAR Showing, and/or FCR Showing, as applicable, the Designated RA Capacity of each Unit that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

(k) Seller has notified each Unit's SC that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

8.
CONFIDENTIALITY

Notwithstanding Section 10.11 of the Master Agreement, the Parties agree that Buyer may disclose information regarding this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA having jurisdiction as necessary to support its LAR Showings, RAR Showings, and/or FCR Showings, as applicable, and Seller may disclose information regarding this Transaction to the SC of each Unit as necessary for such SC to timely submit accurate Supply Plans. Buyer may disclose information related to this Transaction to a Subsequent Buyer.

9.
BUYER'S RE-SALE OF PRODUCT

(a) Buyer may re-sell all or a portion of the Contract Quantity of Product hereunder. Seller will, or will cause the Unit's SC, to follow Buyer's instructions with respect to providing such resold Product to Subsequent Buyers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller will, and will cause the Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Buyers to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a Subsequent Buyer due to the failure of Seller or the Unit's SC to comply with this Confirmation, Seller will be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.

(b) Buyer will notify Seller in writing of any resale of Product and the Subsequent Buyer no later than two Business Days before the Notification Deadline for the Showing Month. Buyer will notify Seller of any subsequent changes or further resales no later than two Business Days before the Notification Deadline for the Showing Month.

(c) If CAISO or CPUC develops a centralized capacity market, Buyer will have exclusive rights to offer, bid, or otherwise submit the applicable Contract Quantity of Product for each day during the Delivery Period provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive all revenues from such re-sale. Seller agrees to take all commercially reasonable actions to assist Buyer with such re-sale, provided that Seller's obligation to assist shall not require modification of any of the commercial terms of this Confirmation.

10.
MARKET BASED RATE AUTHORITY

Seller agrees, in accordance with Federal Energy Regulatory Commission (FERC) Order No. 697, to, upon request of Buyer, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller also agrees that it will not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

11.
COLLATERAL REQUIREMENTS

[redacted]

[*SIGNATURE PAGE FOLLOWS*]

ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE

Calpine Energy Services, L.P.

By: ______________________________

Name: William Stokes

Title: Vice President

Silicon Valley Clean Energy Authority

DocuSigned by:
Girish Balachandran
5CA64B9AC4C24C3...

By: ______________________________

Name: Girish Balachandran

Title: CEO

Morgan Stanley

Commodities

Morgan Stanley Capital Group Inc.
Attn: Commodities
1585 Broadway
New York, NY 10036-8293

Date:	January 6, 2023
To:	SILICON VALLEY CLEAN ENERGY AUTHORITY 333 W EL CAMINO REAL #330, SUNNYVALE CA 94087
Attention:	Affirmation Team
[redacted]	[redacted]
Reference No.:	E10389989 v. 1
Trade Date:	January 6, 2023

This electronic communication and any attachments hereto, are intended only for use by the addresses(s) named herein and may contain legally privileged and/or confidential information, which is exempt from disclosure under applicable law. If you are not the intended recipient of this electronic communication, you are hereby notified that any examination, dissemination, disclosure, distribution, or copying of, or reliance on or use of this electronic communication, and any attachments hereto, is strictly prohibited. If you have received this electronic communication in error, please notify me immediately on the above telephone number and permanently destroy all copies of this electronic communication.

This confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the sale of firm energy (the "Transaction") to SILICON VALLEY CLEAN ENERGY AUTHORITY . The terms are as follows:

Purchaser:	SILICON VALLEY CLEAN ENERGY AUTHORITY
Seller:	MSCGI
Term:	January 1, 2024 to March 31, 2024
Delivery Hours:	Monday through Sunday, including NERC holidays, HE 0100 through 2400 (24 Hours) Pacific Prevailing Time (PPT)

Contract Quantity: [redacted]

Delivery Point: NP15 EZ GEN HUB

Energy Price: [redacted]

Special Conditions: This purchase and sale of energy is Firm (LD). The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

[redacted]

[redacted]

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a Scheduling Coordinator ("SC") to SC transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff.

A CAISO "Schedule Adjustment" (defined as a schedule change implemented by the CAISO that is neither caused by or within the control of either Party) shall not constitute an Uncontrollable Force; rather if there is a CAISO Schedule Adjustment, the Party negatively impacted shall notify the other Party and the Parties shall be obligated to exercise their reasonable efforts to reach an equitable resolution that reflects as nearly as practicable, the intention of the Transaction as originally negotiated. All terms used within the definition of CAISO Energy but not defined in the Agreement shall have the meaning ascribed to them in the Tariff.

[redacted]

[redacted] [redacted]

The parties agree that this transaction is a Forward Contract within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into:

(a) It is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and

(b) It intends to make or take physical delivery of the specified commodity.

This letter is being provided pursuant to and in accordance with the EEI Master Agreement for purchase and sale of Physically settled Electricity in the US and Canada dated November 23, 2016, the ("Agreement") between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the Agreement.

If the recipient of the confirmation disagrees with any of the terms summarized herein, it shall promptly notify MSCGI by telephone and facsimile transmission. Failure by the recipient to execute and return this confirmation or to notify MSCGI of its disagreement within three (3) Business Days of receiving this confirmation constitutes the Counterparty's agreement to the terms set forth herein. Please confirm that terms stated herein accurately reflect the agreement reached between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

Yours Sincerely, Brent Masucci Authorised Signatory **Morgan Stanley Capital Group Inc.**	Confirmed as of the date first written above: SILICON VALLEY CLEAN ENERGY AUTHORITY By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3... Name: Girish Balachandran Title: CEO

Morgan Stanley

Commodities

Morgan Stanley Capital Group Inc.
Attn: Commodities
1585 Broadway
New York, NY 10036-8293

Date:	January 6, 2023
To:	SILICON VALLEY CLEAN ENERGY AUTHORITY 333 W EL CAMINO REAL #330, SUNNYVALE CA 94087
Attention:	Affirmation Team
[redacted]	[redacted]
Reference No.:	E10389990 v. 1
Trade Date:	January 6, 2023

This electronic communication and any attachments hereto, are intended only for use by the addresses(s) named herein and may contain legally privileged and/or confidential information, which is exempt from disclosure under applicable law. If you are not the intended recipient of this electronic communication, you are hereby notified that any examination, dissemination, disclosure, distribution, or copying of, or reliance on or use of this electronic communication, and any attachments hereto, is strictly prohibited. If you have received this electronic communication in error, please notify me immediately on the above telephone number and permanently destroy all copies of this electronic communication.

This confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the sale of firm energy (the "Transaction") to SILICON VALLEY CLEAN ENERGY AUTHORITY . The terms are as follows:

Purchaser:	SILICON VALLEY CLEAN ENERGY AUTHORITY
Seller:	MSCGI
Term:	April 1, 2024 to June 30, 2024
Delivery Hours:	Monday through Sunday, including NERC holidays, HE 0100 through 2400 (24 Hours) Pacific Prevailing Time (PPT)

Contract Quantity: [redacted]

Delivery Point: NP15 EZ GEN HUB

Energy Price: [redacted]

Special Conditions: This purchase and sale of energy is Firm (LD). The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

[redacted]

[redacted]

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a Scheduling Coordinator ("SC") to SC transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff.

A CAISO "Schedule Adjustment" (defined as a schedule change implemented by the CAISO that is neither caused by or within the control of either Party) shall not constitute an Uncontrollable Force; rather if there is a CAISO Schedule Adjustment, the Party negatively impacted shall notify the other Party and the Parties shall be obligated to exercise their reasonable efforts to reach an equitable resolution that reflects as nearly as practicable, the intention of the Transaction as originally negotiated. All terms used within the definition of CAISO Energy but not defined in the Agreement shall have the meaning ascribed to them in the Tariff.

[redacted]

[redacted] [redacted]

The parties agree that this transaction is a Forward Contract within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into:

(a) It is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and

(b) It intends to make or take physical delivery of the specified commodity.

This letter is being provided pursuant to and in accordance with the EEI Master Agreement for purchase and sale of Physically settled Electricity in the US and Canada dated November 23, 2016, the ("Agreement") between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the Agreement.

If the recipient of the confirmation disagrees with any of the terms summarized herein, it shall promptly notify MSCGI by telephone and facsimile transmission. Failure by the recipient to execute and return this confirmation or to notify MSCGI of its disagreement within three (3) Business Days of receiving this confirmation constitutes the Counterparty's agreement to the terms set forth herein. Please confirm that terms stated herein accurately reflect the agreement reached between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

Yours Sincerely,	Confirmed as of the date first written above:
	SILICON VALLEY CLEAN ENERGY AUTHORITY
	By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
	Name: Girish Balachandran
Brent Masucci Authorised Signatory **Morgan Stanley Capital Group Inc.**	Title: CEO

Morgan Stanley

Commodities

Morgan Stanley Capital Group Inc.
Attn: Commodities
1585 Broadway
New York, NY 10036-8293

Date: January 6, 2023
To: SILICON VALLEY CLEAN ENERGY AUTHORITY
333 W EL CAMINO REAL #330,
SUNNYVALE CA 94087

Attention: Affirmation Team

[redacted]

Reference No.: E10390090 v. 1
Trade Date: January 6, 2023

This electronic communication and any attachments hereto, are intended only for use by the addresses(s) named herein and may contain legally privileged and/or confidential information, which is exempt from disclosure under applicable law. If you are not the intended recipient of this electronic communication, you are hereby notified that any examination, dissemination, disclosure, distribution, or copying of, or reliance on or use of this electronic communication, and any attachments hereto, is strictly prohibited. If you have received this electronic communication in error, please notify me immediately on the above telephone number and permanently destroy all copies of this electronic communication.

This confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the sale of firm energy (the "Transaction") to SILICON VALLEY CLEAN ENERGY AUTHORITY . The terms are as follows:

Purchaser: SILICON VALLEY CLEAN ENERGY AUTHORITY

Seller: MSCGI

Term: July 1, 2024 to September 30, 2024

Delivery Hours:

Monday through Sunday, including NERC holidays, HE 0100 through 2400 (24 Hours)
Pacific Prevailing Time (PPT)

Contract Quantity: [redacted]

Delivery Point: NP15 EZ GEN HUB

Energy Price: [redacted]

Special Conditions: This purchase and sale of energy is Firm (LD). The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

[redacted]

[redacted]

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a Scheduling Coordinator ("SC") to SC transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff.

A CAISO "Schedule Adjustment" (defined as a schedule change implemented by the CAISO that is neither caused by or within the control of either Party) shall not constitute an Uncontrollable Force; rather if there is a CAISO Schedule Adjustment, the Party negatively impacted shall notify the other Party and the Parties shall be obligated to exercise their reasonable efforts to reach an equitable resolution that reflects as nearly as practicable, the intention of the Transaction as originally negotiated. All terms used within the definition of CAISO Energy but not defined in the Agreement shall have the meaning ascribed to them in the Tariff.

[redacted]

[redacted] [redacted]

The parties agree that this transaction is a Forward Contract within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into:

(a) It is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and

(b) It intends to make or take physical delivery of the specified commodity.

This letter is being provided pursuant to and in accordance with the EEI Master Agreement for purchase and sale of Physically settled Electricity in the US and Canada dated November 23, 2016, the ("Agreement") between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the Agreement.

If the recipient of the confirmation disagrees with any of the terms summarized herein, it shall promptly notify MSCGI by telephone and facsimile transmission. Failure by the recipient to execute and return this confirmation or to notify MSCGI of its disagreement within three (3) Business Days of receiving this confirmation constitutes the Counterparty's agreement to the terms set forth herein. Please confirm that terms stated herein accurately reflect the agreement reached between SILICON VALLEY CLEAN ENERGY AUTHORITY and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

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	SILICON VALLEY CLEAN ENERGY AUTHORITY
	By: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3...
	Name: Girish Balachandran
Brent Masucci Authorised Signatory **Morgan Stanley Capital Group Inc.**	Title: CEO

Morgan Stanley

Commodities

Morgan Stanley Capital Group Inc.
Attn: Commodities
1585 Broadway
New York, NY 10036-8293

Date:	January 6, 2023
To:	SILICON VALLEY CLEAN ENERGY AUTHORITY 333 W EL CAMINO REAL #330, SUNNYVALE CA 94087
Attention:	Affirmation Team
[redacted]	[redacted]
Reference No.:	E10390096 v. 1
Trade Date:	January 6, 2023

This confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the sale of firm energy (the "Transaction") to SILICON VALLEY CLEAN ENERGY AUTHORITY . The terms are as follows:

Purchaser:	SILICON VALLEY CLEAN ENERGY AUTHORITY
Seller:	MSCGI
Term:	October 1, 2024 to December 31, 2024
Delivery Hours:	Monday through Sunday, including NERC holidays, HE 0100 through 2400 (24 Hours) Pacific Prevailing Time (PPT)

Contract Quantity: [redacted]

Delivery Point: NP15 EZ GEN HUB

Energy Price: [redacted]

Special Conditions: This purchase and sale of energy is Firm (LD). The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

[redacted]

[redacted]

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a Scheduling Coordinator ("SC") to SC transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff.

A CAISO "Schedule Adjustment" (defined as a schedule change implemented by the CAISO that is neither caused by or within the control of either Party) shall not constitute an Uncontrollable Force; rather if there is a CAISO Schedule Adjustment, the Party negatively impacted shall notify the other Party and the Parties shall be obligated to exercise their reasonable efforts to reach an equitable resolution that reflects as nearly as practicable, the intention of the Transaction as originally negotiated. All terms used within the definition of CAISO Energy but not defined in the Agreement shall have the meaning ascribed to them in the Tariff.

[redacted]

[redacted] [redacted]

The parties agree that this transaction is a Forward Contract within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into:

(a) It is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and

(b) It intends to make or take physical delivery of the specified commodity.

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