svcleanenergy.org

333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, February 14, 2024
7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

2302 Zanker Road
San Jose, CA

Milpitas Police Department, Community Room
1275 North Milpitas Boulevard
Milpitas, CA 95035

Morgan Hill City Hall
17575 Peak Ave.
Morgan Hill, CA 95037

Teleconference Meeting
Webinar:
https://cityofcupertino.zoom.us/j/92088979344

Telephone (Audio Only):
US: +1 669-900-6833
Webinar ID: 920 8897 9344

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.

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 10, 2024, Board of Directors Meeting

1b) Receive December 2023 Treasurer Report

1c) Approve 2024 Updates to Exhibit C, Annual Energy Use, and Exhibit D, Voting Shares, of the SVCE Joint Powers Agreement

1d) Authorize the Chief Executive Officer to Execute an Agreement with Arup for the Electrification Solutions Analysis with a Not to Exceed Limit of $295,000 through October 30, 2024

1e) Receive FY24 Q1 Decarbonization Strategy and Programs Quarterly Report

1f) Authorize the Chief Executive Officer to Execute an Agreement with Stem for Use of their Athena Battery Optimization Software with a Not to Exceed Limit of $1,050,000 Over a Three-Year Term

1g) Approve and Authorize the Chief Executive Officer to Execute a Contract Amendment with School of Thought for Marketing and Advertising Services to Extend for Two Years for an Amount Not to Exceed $600,000

1h) Receive Updates to Business Electric Vehicle (BEV) Rate Components

1i) Executive Committee Report

1j) California Community Power Report

1k) Additional Committee Reports

Regular Calendar

2) CEO Report (Discussion)

3) Appoint 2024 Board Committee Members (Action)

Board Member Announcements and Direction on Future Agenda Items

Public Comment on Closed Session

The public may provide comments regarding the Closed Session item(s) just prior to the Board beginning the Closed Session. Closed Sessions are not open to the public.

Closed Session

Conference with Legal Counsel—Existing Litigation
(California Government Code Section 54956.9(d)(1))
Name of case: Central Coast Community Energy, a California joint powers authority; Silicon Valley Clean Energy Authority, a California joint powers authority v. Big Beau Solar, LLC, et al, Santa Clara County Superior Court Case No. 22CV398156

Conference with Legal Counsel – Anticipated Litigation
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (one potential case)

Adjourn

svcleanenergy.org

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Revised: February 7, 2024

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".

C&I – Commercial and Industrial – Business customers

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.

CARE – California Alternate Rates for Energy Program – A monthly discount of 20% or more on gas and electricity. Participants qualify through income guidelines or if enrolled in certain public assistance programs.

CEC – California Energy Commission

CCCFA – California Community Choice Financing Authority – The California Community Choice Financing Authority (CCCFA) was established in 2021 with the goal to reduce the cost of power purchases for member community choice aggregators (CCAs) through pre-payment structures. The founding members of CCCFA include Central Coast Community Energy, East Bay Community Energy, Marin Clean Energy, and Silicon Valley Clean Energy. CCCFA is a Joint Powers Authority which can help member CCAs save up to 10% or more on power purchase agreements, helping reduce costs for ratepayers and increase available funding for local programs.

CC Power – California Community Power – California Community Power is a Joint Powers Agency comprised of nine CCAs. CC Power allows its member CCAs to combine their buying power to procure new, cost-effective clean energy and reliability resources to continue advancing local and state climate goals.

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).

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.

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.

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.

eHub – SVCE's online customer resource center with the latest information on electric vehicles, home electrification, and solar and battery storage.

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.

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.

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.

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

IRA – Inflation Reduction Act

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.

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

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.

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.

MAWG – Member Agency Working Group, a group of PIOs from SVCE's member communities that gather monthly

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

MWh – Megawatt-hour – measure of energy

NEM – Net Energy Metering – A program in which solar customers receive credit for excess electricity generated by solar panels. The main differences between NEM and FIT programs are the type of rate (flat vs. dependent on time-of-day generation), number of meters required (two vs. one), and flexibility (long-term contract vs. non-binding program enrollment).

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**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.

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.

Power Content Label (PCL) – 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).

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

Prepay – payment in advance by a municipal utility for a number of years of contracted energy, and this prepayment with tax-exempt debt

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.

SB 100 – California Senate Bill 100 established a landmark policy requiring renewable energy and zero-carbon resources supply 100 percent of electric retail sales to end-use customers by 2045.

SMUD – Sacramento Municipality Utility District

SCE – Southern California Edison

SDG&E – San Diego Gas & Electric

TOB – Tariff On-bill – Tariff On-Bill Financing is a model in which utilities use a tariff to enable customers to pay back the cost of a solar panel without credit or income level conditions.

TOU – Time-of-Use 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.

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.

24/7 – Goal of supplying consumer energy demand with 100% carbon-free energy at all hours of the day

Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, January 10, 2024
7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

2302 Zanker Road
San Jose, CA

DRAFT MEETING MINUTES

Call to Order:
Chair Tyson called the meeting to order at 7:00 p.m.

Prior to Roll Call, Director Chua stated she was participating remotely pursuant to AB 2449 under the "Just Cause" provision due to a physical disability that could not be accommodated and her spouse was present in the room.

Roll Call
Present:
George Tyson (Chair), Los Altos Hills
Tina Walia (Vice Chair), Saratoga
Elliot Scozzola, Campbell
Hung Wei, Cupertino
Rebeca Armendariz, Gilroy (participated remotely)
Sally Meadows, Los Altos
Rob Rennie, Los Gatos
Evelyn Chua, Milpitas (participated remotely)
Bryan Mekechuk, Monte Sereno
Yvonne Martinez Beltran, Morgan Hill
Pat Showalter, Mountain View
Larry Klein, Sunnyvale

Absent:
Otto Lee, Santa Clara County

Public Comment on Matters Not Listed on the Agenda
No speakers.

Adopt Resolution Commending George Tyson for His Dedicated Service as Chair of the Board of Directors in 2023
Vice Chair Walia presented Chair Tyson with a plaque and resolution on behalf of the Board of Directors and thanked him for his leadership as Chair in 2023.

Vice Chair Walia opened public comment.
No speakers.
Vice Chair Walia closed public comment.

Board members shared their appreciation for Chair Tyson's service as Chair; Chair Tyson provided brief comments.

MOTION: Director Rennie moved and Director Mekechuk seconded the motion to adopt Resolution 2024-01 Commending Director George Tyson for his dedicated service as Chair of the SVCE Board of Directors in 2023.

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

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 13, 2023, Board of Directors Meeting
1b) Receive November 2023 Treasurer Report
1c) Appoint SVCE Treasurer/Auditor and Board Secretary for 2024
1d) Receive SVCE Rate Schedules Effective Jan. 1, 2024
1e) Adopt Resolution to Update Non-Standard Pricing Agreement Policy to Clarify Supporting Products or Services
1f) Approve an Allocation of Program Fund Dollars of $3.45 million to Expand the FutureFit Homes Program and the Silicon Valley Building Electrification: Stronger Together (SVBEST) Program
1g) California Community Power Report
1h) Additional Committee Reports

MOTION: Vice Chair Walia moved and Director Martinez Beltran seconded the motion to approve the Consent Calendar, Items 1a through 1h.

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

Regular Calendar

2) CEO Report (Discussion)

CEO Girish Balachandran addressed the following in his report:

1) Zoe Elizabeth, Deputy Director of Decarbonization Programs and Policy, provided an update on the Ninth Circuit Ruling on the Berkeley gas ban, noting SVCE staff would be available to work with member agency staff and answer any questions;
2) An update from COO and Director of Power Resources Monica Padilla on her transition to CEO; and
3) A report on the first meeting of the Transition Ad Hoc Committee.

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

3) Elect a Chair and Vice Chair of the SVCE Board of Directors for 2024 (Action)

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

Chair – Director Tina Walia
Vice Chair – Director Yvonne Martinez Beltran, Director Bryan Mekechuk and Director George Tyson

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

Director Walia provided brief comments on her interest in serving as Chair.

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

MOTION: Director Mekechuk moved and Director Martinez Beltran seconded the motion to appoint Director Tina Walia as Chair of the 2024 SVCE Board of Directors.

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

Director Tyson announced newly appointed Chair Walia would preside over the remainder of the meeting; Chair Walia thanked board members and provided brief comments.

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

Chair Walia requested Director Martinez Beltran, Director Mekechuk and Director Tyson speak briefly to their interest in the role of Vice Chair; the Directors provided comments on their interest.

Board members provided comments of support.

Chair Walia summarized the process for selection of the Vice Chair:

- A roll call vote would be taken on the three Directors who expressed interest in Vice Chair;
- Board members would vote for their selection of Vice Chair by name;
- In the event a majority vote of seven was not reached, the two individuals with the highest votes would proceed to an additional round of votes until seven votes were received for one person.

Board Clerk Pizano noted members would be called on in alphabetical order by member agency.

VOTE FOR THE POSITION OF VICE CHAIR (1st):

Director Scozzola: Martinez Beltran
Alternate Director Wei: Tyson
Alternate Director Armendariz: Martinez Beltran
Director Meadows: Tyson
Director Tyson: Tyson
Director Rennie: Martinez Beltran
Director Chua: Tyson
Director Mekechuk: Mekechuk
Director Martinez Beltran: Martinez Beltran
Director Showalter: Martinez Beltran
Director Walia: Tyson
Director Klein: Tyson

Board Clerk Pizano reported six votes for Director Tyson, five votes for Director Martinez Beltran, one vote for Mekechuk.
Since a majority vote of seven was not reached, the group proceeded with a second round of votes with Director Martinez Beltran and Director Tyson.

VOTE FOR THE POSITION OF VICE CHAIR (2nd):

Director Scozzola: Martinez Beltran
Alternate Director Wei: Tyson
Alternate Director Armendariz: Martinez Beltran
Director Meadows: Tyson
Director Tyson: Tyson
Director Rennie: Martinez Beltran
Director Chua: Tyson
Director Mekechuk: Tyson
Director Martinez Beltran: Martinez Beltran
Director Showalter: Martinez Beltran
Director Walia: Tyson
Director Klein: Tyson

Board Clerk Pizano reported seven votes for Director Tyson, and five votes for Director Martinez Beltran.

MOTION: Director Rennie moved and Director Martinez Beltran seconded the motion to appoint Director George Tyson as Vice Chair of the SVCE Board of Directors for 2024.

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

4) Appoint Directors to the 2024 SVCE Executive Committee (Action)

Board Clerk Pizano reported six Directors expressed interest in joining the 2024 Executive Committee:
Director Yvonne Martinez Beltran,
Director Larry Klein,
Director Sally Meadows,
Director Bryan Mekechuk,
Director George Tyson, and
Director Tina Walia.

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

MOTION: Director Rennie moved and Director Scozzola seconded the motion to appoint the following directors to the 2024 SVCE Executive Committee: Director Tina Walia, Director Bryan Mekechuk, Director Yvonne Martinez Beltran, Director Larry Klein, Director George Tyson, and Director Meadows.

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

Board Member Announcements and Future Agenda Items
Director Chua shared she recommended to the Milpitas City Council a “Going Electric Tuesday” with a section dedicated on the City of Milpitas’ website.

Adjourn
Chair Walia adjourned the meeting at 7:55 p.m.

ATTEST:

____
Andrea Pizano, Board Secretary

TREASURER REPORT

Fiscal Year to Date
As of December 31, 2023

(Preliminary & Unaudited)

Issue Date: February 14, 2024

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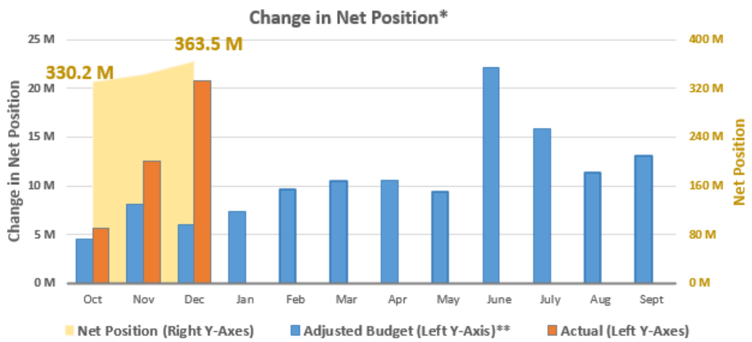
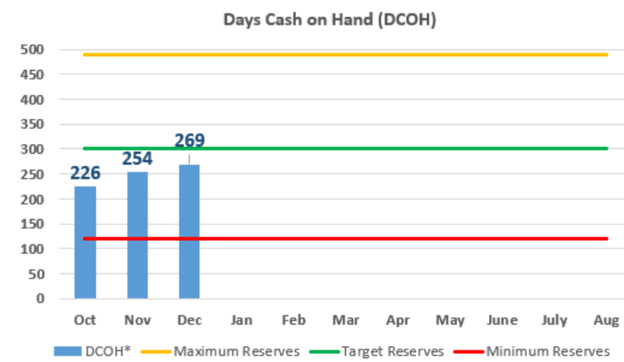
SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights* ($ in millions)
December 31, 2023

Balance Sheet Highlights:

> **SVCE operations resulted in a change in net position of $20.8 million for the month of December and $39 million for fiscal-year-to-date (FYTD).***
> **Total Net Position increased further to $363.5 million.**
> **SVCE is investing ~90% of available funds generating FYTD interest/dividend income of over $5.9 million.**



*Does not yet recognize unspent program dollars
**For reconciliation purposes, budget numbers include actual program expenses and depreciation, exclude GASP 87 expenses.

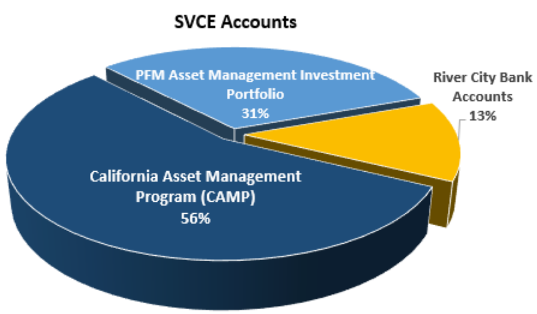


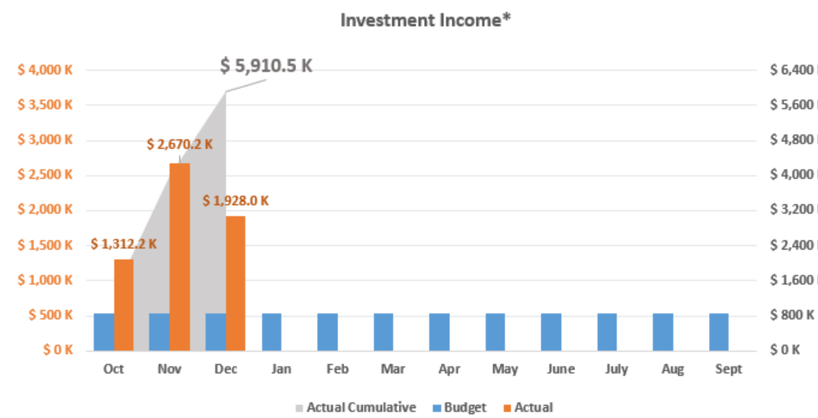
*Adjusted to reflect the Amended Budget (approved in December 2023) revisions and additional program funding

SVCE Yield-bearing Accounts:

Combined Ending Balance	319.2 M
Total Interest/Div. Earned FYTD	5.7 M
Average Return On Investments**	5.3%

* Includes River Bank accounts – Money Market, Collateral and ICS; CAMP; PFM Portfolio
** Average annualized Yield for the current month





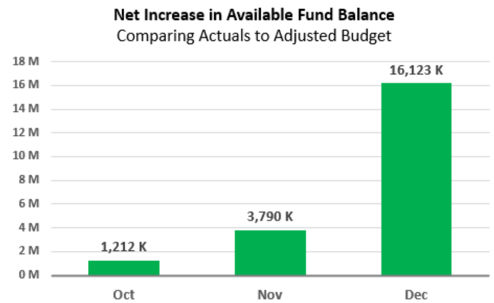
*Includes investment income from SVCE Yield-bearing accounts plus interest on cash collateral

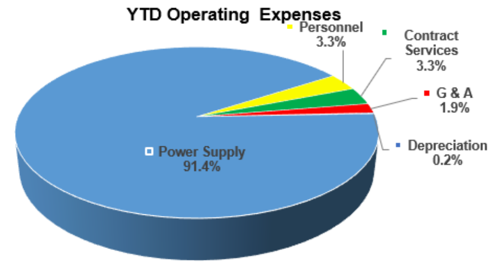
SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights** ($ in millions)
December 31, 2023

Summary of Actual Results vs. Adjusted Budget (includes allocated but unspent program dollars):

> **FYTD operating margin of $40.5million or 33.8% is above the adjusted budget expectations of 20.4% operating margin for the fiscal year to date.**
> **FYTD Power Supply costs are -21.1% below budget.**
> **Retail GWh sales for the month of December and FYTD landed -6.5% and -6.1%below budget respectively.**

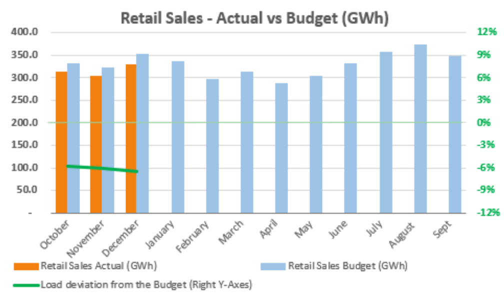
Variance Explanation:
***October and November** - the variance mainly reflects lower than estimated revenues due to smaller customer load, offset by lower operating expenses and higher investment income.*
***December** - softer customer demand was fully offset by much larger savings in power supply cost and other operating expenses.*

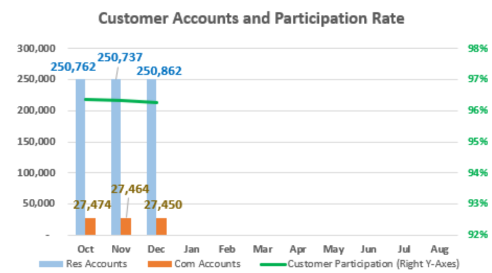




$ in thousands	December			Fiscal YTD			Main Drivers:
	Actual	Adj. Budget	% Dif	Actual	Adj. Budget	% Dif	
Revenue	42.1 M	44.8 M	-6.1%	119.8 M	126.3 M	-5.1%	• -6% lower than budgeted customer load for October-November.
Power Supply Cost	20.3 M	37.4 M	-45.7%	79.4 M	100.6 M	-21.1%	• *Lower costs on SVCE's net open position, environmental products and resource adequacy.*
Operating Margin	21.8 M	7.4 M	193.0%	40.5 M	25.8 M	57.2%	
Operating Expenses (ex Power)	2.3 M	2.7 M	-13.9%	6.0 M	8.1 M	-26.0%	• *Staffing vacancies, underrunning professional services, and lower marketing expenses*
Other Non-Op. Expen. (Income)	-1.9 M	-0.5 M	261.2%	49.5 M	53.8 M	-8.0%	• *Reflects higher Interest Income*
Net Increase in Available Fund Balance	21.4 M	5.3 M	305.6%	-15.0 M	-36.1 M	-58.5%	

Customer Load Statistics:





Total Accounts	**278,312**
Opt-Out Accounts (Month)	**51**
Opt-Out Accounts (FYTD)	**136**
Opt-Up Accounts (Month)	**(5)**
Opt-Up Accounts (FYTD)	**(29)**

Program Funds:

	Beginning Balance	End Balance	YTD Contributions	YTD Expenditures
General Program Fund	$ 56,617,120	$ 86,405,684	$ 31,062,000	$ 1,273,436
CRCR Fund*	$ 5,483,032	$ 9,684,357	$ 4,300,000	$ 98,675
Electrification Discount Fund	$ 9,446,460	$ 9,401,412	$ -	$ 45,048
Building Fund	$ -	$ 20,000,000	$ 20,000,000	$ -

** Customer Relief and Community Resilience Fund*

*** 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.*

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of December 31, 2023

ASSETS		
Current Assets		
Cash & Cash Equivalents	$	244,519,467
Accounts Receivable, net of allowance		37,706,844
Investments		50,585,967
Accrued Revenue		28,159,129
Other Receivables		4,677,600
Prepaid Expenses		2,298,322
Deposits		912,900
Restricted cash		164,793
Total Current Assets		**369,025,022**
Noncurrent assets		
Capital assets, net of depreciation		418,814
Investments		61,401,235
Lease asset, net of amortization		722,250
Deposits		45,130
Total Noncurrent Assets		**62,587,429**
Total Assets		**431,612,451**
LIABILITIES		
Current Liabilities		
Accounts Payable		931,515
Accrued Cost of Electricity		39,021,716
Other accrued liabilities		1,169,170
User Taxes and Energy Surcharges due to other gov'ts		1,368,037
Supplier securit deposits		945,000
Lease liability		515,036
Total Current Liabilities		**43,950,474**
Noncurrent Liabilities		
Supplier security deposits		23,881,250
Lease liability		271,024
Total noncurrent liabilities		**24,152,274**
Total Liabilities		**68,102,748**
NET POSITION		
Net investment in capital assets		355,004
Restricted for security collateral		164,793
Unrestricted (deficit)		362,989,906
Total Net Position	**$**	**363,509,703**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2023 through December 31, 2023

OPERATING REVENUES	
Electricity Sales, Net	$ 119,365,336
GreenPrime electricity premium	384,756
Liquidated damages	75,000
Other income	13,324
TOTAL OPERATING REVENUES	**119,838,416**
OPERATING EXPENSES	
Cost of Electricity	79,360,925
Contract services	2,769,063
Staff compensation and benefits	2,851,695
Other operating expenses	1,607,320
Depreciation	160,474
TOTAL OPERATING EXPENSES	**86,749,477**
OPERATING INCOME(LOSS)	**33,088,939**
NONOPERATING REVENUES (EXPENSES)	
Interest Income	5,910,451
Financing costs	(25,502)
TOTAL NONOPERATING REVENUES (EXPENSES)	**5,884,949**
CHANGE IN NET POSITION	38,973,888
Net Position at beginning of period	324,535,815
Net Position at end of period	**$ 363,509,703**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2023 through December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 136,237,649
Receipts of security deposits	24,938,965
Other operating receipts	8,324
Payments to suppliers for electricity	(119,976,834)
Payments for other goods and services	(6,531,617)
Payments for staff compensation and benefits	(2,987,610)
Tax and surcharge payments to other governments	(2,390,777)
Net cash provided (used) by operating activities	**29,298,100**
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Finance costs paid	(25,502)
Net cash provided (used) by financing activities	**(25,502)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Payments of lease liability	(129,705)
Acquisition of capital assets	(52,679)
Net cash provided (used) by capital and related financing activities	**(182,384)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(24,942,886)
Proceeds from investment sales	5,332,462
Investment income received	4,509,965
Net cash provided (used) by investing activities	**(15,100,459)**
Net change in cash and cash equivalents	13,989,755
Cash and cash equivalents at beginning of year	230,694,505
Cash and cash equivalents at end of period	**$ 244,684,260**
Reconciliation to the Statement of Net Position	
Cash and cash equivalents (unrestricted)	$ 244,519,467
Restricted cash	164,793
Cash and cash equivalents	**$ 244,684,260**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2023 through December 31, 2023

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

Operating Income (loss)	$ 33,088,939
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	160,474
(Increase) decrease in accounts receivable	12,182,549
(Increase) decrease in other receivables	(106,597)
(Increase) decrease in accrued revenue	2,272,993
(Increase) decrease in prepaid expenses	(945,145)
(Increase) decrease in current deposits	24,689,579
Increase (decrease) in accounts payable	(1,915,723)
Increase (decrease) in accrued cost of electricity	(41,725,192)
Increase (decrease) in accrued liabilities	(112,390)
Increase (decrease) in energy settlements payable	2,142,376
Increase (decrease) in taxes and surcharges due to other governments	(358,763)
Increase (decrease) in supplier security deposits	(75,000)
Net cash provided (used) by operating activities	**$ 29,298,100**

SILICON VALLEY CLEAN ENERGY AUTHORITY
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through December 31, 2023

	FYTD	FYTD	Variance		FY 2023-24	FY 2023-24
OPERATING REVENUES	Actual	Amended Budget	$	%	Amended Budget	Remaining Budget
Energy Sales	$119,365,336	$126,022,359	-$6,657,023	-5%	$552,667,000	$433,301,664
Green Prime Premium	384,756	303,582	$81,174	27%	1,968,000	1,583,244
Other Income	88,324	12,500	75,824	607%	50,000	(38,324)
TOTAL OPERATING REVENUES	**119,838,416**	**126,338,441**	**(6,500,025)**	**-5%**	**554,685,000**	**434,846,584**
ENERGY EXPENSES						
Power Supply	79,360,925	100,584,130	(21,223,205)	-21%	399,546,000	320,185,075
Operating Margin	**40,477,491**	**25,754,311**	**14,723,180**	**57%**	**155,139,000**	**114,661,509**
	33.8%	20.4%				
OPERATING EXPENSES						
Data Management	760,880	853,125	(92,245)	-11%	3,413,000	2,652,120
PG&E Fees	301,283	367,500	(66,217)	-18%	1,470,000	1,168,717
Salaries & Benefits	2,851,695	3,851,411	(999,716)	-26%	15,406,000	12,554,305
Professional Services	956,982	2,021,119	(1,064,137)	-53%	8,084,000	7,127,018
Marketing & Promotions	255,246	337,313	(82,067)	-24%	1,349,000	1,093,754
Notifications	110,969	5,250	105,719	2014%	21,000	(89,969)
Lease	130,962	137,813	(6,851)	-5%	551,000	420,038
General & Administrative	617,655	516,653	101,002	20%	2,067,000	1,449,345
TOTAL OPERATING EXPENSES	**5,985,672**	**8,090,184**	**(2,104,512)**	**-26%**	**32,361,000**	**26,375,328**
OPERATING INCOME/(LOSS)	**34,491,819**	**17,664,127**	**16,827,692**	**95%**	**122,778,000**	**88,286,181**
NON-OPERATING REVENUES						
Investment Income	5,910,451	1,608,408	4,302,043	267%	6,434,000	523,549
TOTAL NON-OPERATING REVENUES	**5,910,451**	**1,608,408**	**4,302,043**	**267%**	**6,434,000**	**523,549**
NON-OPERATING EXPENSES						
Financing	20,958	750	20,208	2694%	3,000	(17,958)
CAPITAL EXPENDITURES, TRANSFERS, & OTHER						
Capital Outlay	42,172	12,500	29,672	237%	50,000	7,828
Transfer to Programs Fund	28,874,000	28,874,000	-	0%	28,874,000	-
Nuclear Allocation	2,188,000	2,188,000	-	0%	2,188,000	-
Transfer to Building Fund	20,000,000	20,000,000	-		20,000,000	-
Transfer to CRCR Fund	4,300,000	4,300,000	-	0%	4,300,000	-
Transfer from Electrification Discount Fund	(45,048)	-	(45,048)	n/a	-	45,048
Transfer from CRCR Fund - customer bill relief	-	-	-	n/a	-	-
TOTAL OTHER USES	**55,359,124**	**55,374,500**	**(15,376)**	**0%**	**55,412,000**	**52,876**
	49,469,631	53,766,842				
NET INCREASE(DECREASE) IN AVAILABLE FUND BALANCE	**-$14,977,812**	**-$36,102,715**	**$21,124,903**	**-59%**	**$73,797,000**	

SILICON VALLEY CLEAN ENERGY AUTHORITY
GENERAL PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through December 31, 2023

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
Transfers in - General Programs	$ 28,874,000	$ 28,874,000	$ -	100.0%
Transfers in - Nuclear Allocation	$ 2,188,000	$ 2,188,000	$ -	100.0%
Total	$ 31,062,000	$ 31,062,000	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures*	27,099,994	1,273,436	25,826,558	4.7%
Net increase (decrease) in fund balance	**$ 3,962,006**	**$29,788,564**		
Fund balance at beginning of period		56,617,120		
Fund balance at end of period		$86,405,684		

CUSTOMER RELIEF & COMMUNITY RESILIENCY FUND
BUDGETARY COMPARISON SCHEDULE*
October 1, 2023 through December 31, 2023

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
Transfer from Operating Fund	$ 4,300,000	$ 4,300,000	$ -	100.0%
EXPENDITURES & OTHER USES:				
Customer bill relief credit	4,300,000	-	4,300,000	0.0%
Other program expenditures	3,535,082	98,675	3,436,407	2.8%
Total Program expenditures	7,835,082	98,675	7,736,407	
Net increase (decrease) in fund balance	**$ (3,535,082)**	**4,201,325**		
Fund balance at beginning of period		5,483,032		
Fund balance at end of period		$9,684,357		

ELECTRIFICATION DISCOUNT FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through December 31, 2023

	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund *	$ -	$ -	$ -	#DIV/0!
EXPENDITURES & OTHER USES:				
Program expenditures *	600,000	45,048	554,952	7.5%
Net increase (decrease) in fund balance	**$ (600,000)**	**(45,048)**		
Fund balance at beginning of period		9,446,460		
Fund balance at end of period		$9,401,412		

BUILDING FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through December 31, 2023

	BUDGET	ACTUAL	ADOPTED BUDGET REMAINING	ACTUAL/ ADOPTED BUDGET
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund *	$ 20,000,000.00	$ 20,000,000.00	$ -	100.0%
EXPENDITURES & OTHER USES:				
Program expenditures *	-	-	-	
Net increase (decrease) in fund balance	**$ 20,000,000**	**20,000,000**		
Fund balance at beginning of period		-		
Fund balance at end of period		$20,000,000		

SILICON VALLEY CLEAN ENERGY AUTHORITY

OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2023 through December 31, 2023

Net Increase (decrease) in available fund balance per budgetary comparison schedule	$	(14,977,812)
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position		
Subtract depreciation expense		(160,474)
Subract program expense not in operating budget		(1,372,111)
Add back GASB 87 expenses not in operating budget		125,161
Add back transfer to Program fund		55,316,952
Add back capital asset acquisition		42,172
Change in Net Position		**38,973,888**

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2023 through December 31, 2023

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	$ 37,692,603	$ 39,705,552	$ 41,967,181										$ 119,365,336
Green electricity premium	136,391	$ 117,438	$ 130,927										384,756
Liquidated damages	-	$ 75,000	$ -										75,000
Other Income	2,500	$ 4,974	$ 5,850										13,324
Total operating revenues	37,831,494	39,902,964	42,103,958	-	-	-	-	-	-	-	-	-	119,838,416
OPERATING EXPENSES													
Cost of electricity	31,160,273	$ 27,896,672	$ 20,303,980										79,360,925
Staff compensation and benefits	910,013	$ 913,400	$ 1,028,282										2,851,695
Data manager	253,895	$ 253,378	$ 253,607										760,880
Service fees - PG&E	98,425	$ 98,101	$ 104,757										301,283
Consultants and other professional fees	541,215	$ 504,693	$ 660,992										1,706,900
Other operating expenses	420,848	$ 324,106	$ 862,366										1,607,320
Depreciation	49,996	$ 56,455	$ 54,023										160,474
Total operating expenses	33,434,665	30,046,805	23,268,007	-	-	-	-	-	-	-	-	-	86,749,477
Operating income (loss)	4,396,829	9,856,159	18,835,951	-	-	-	-	-	-	-	-	-	33,088,939
NONOPERATING REVENUES (EXPENSES)													
Grant income	-	$ -	$ -										-
Interest income	1,312,249	$ 2,670,244	$ 1,927,958										5,910,451
Financing costs	(6,183)	$ (10,369)	$ (8,950)										(25,502)
Total nonoperating revenues (expenses)	1,306,066	2,659,875	1,919,008	-	-	-	-	-	-	-	-	-	5,884,949
CHANGE IN NET POSITION	**$ 5,702,895**	**$ 12,516,034**	**$ 20,754,959**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 38,973,888**

SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2023 through December 31, 2023

Ending Balance of SVCE Accounts:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	$ 22,348,341	$ 32,458,101	$ 46,012,498	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
California Asset Management Program (CAMP)	$ 196,558,074	$ 184,428,757	$ 199,405,498	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PFM Asset Management Investment Portfolio	$ 111,010,094	$ 111,598,147	$ 113,008,833	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Ending Balance	**$ 329,916,509**	**$ 328,485,005**	**$ 358,426,829**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

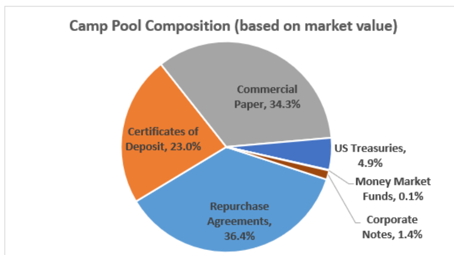
Return On Investments:

Annual % Yield	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	3.47%	3.58%	3.73%									
California Asset Management Program (CAMP)	5.56%	5.58%	5.55%									
PFM Asset Management Investment Portfolio	5.41%	5.42%	5.40%									
Average Return On Investments:	**5.37%**	**5.33%**	**5.27%**									

Interest Earned	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	$ 9,534	$ 9,534	$ 11,867	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
California Asset Management Program (CAMP)	$ 830,321	$ 870,683	$ 976,741	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PFM Asset Management Investment Portfolio	$ 622,598	$ 1,124,697	$ 1,223,686	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Interest/Div. Earned	**$ 1,462,452**	**$ 2,004,914**	**$ 2,212,294**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

CAMP Portfolio Statistics
As of December 31, 2023

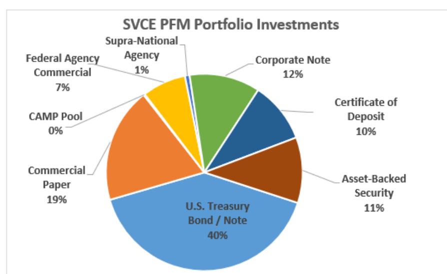
Beginning of the Month Market Value	$ 184,428,757
Ending of The Month Market Value	$ 199,405,498
Yield at Market	5.55%
Weighted Average Maturity (days)	48

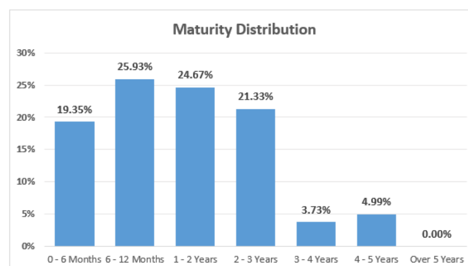


PFM Portfolio Statistics
As of December 31, 2023

Portfolio Par Value	$ 112,761,668
Portfolio Market Value (icl. Accrued Interest)	$ 113,008,833
Yield at Cost	5.40%
Yield at Market	4.92%
Benchmark Yield*	4.59%
Weighted Average Maturity (days)	553

*ICE BofA 0-3 Year U.S. Treasury Index





SVCE Investment Policy:
https://svcleanenergy.org/wp-content/uploads/2018/10/FP-08_Investments-Policy-F.pdf

SILICON VALLEY CLEAN ENERGY AUTHORITY
RETAIL SALES, CUSTOMER ACCOUNTS AND AGING REPORT

	October	November	December	January	February	March	April	May	June	July	August	Sept	YTD
Retail Sales Actual (GWh)	312.6	302.5	327.8										943
Retail Sales Budget (GWh)	331.7	322.1	350.5	335.5	297.1	311.4	286.9	302.4	331.4	355.3	373.4	347.6	1,004
Load deviation from the Budget	*-5.8%*	*-6.1%*	*-6.5%*										*-6.1%*
Customer Participation Rate Res	96.3%	96.3%	96.2%										
Customer Participation Rate Com	96.8%	96.7%	96.6%										
Total Accounts	278,236	278,201	278,312	-	-	-	-	-	-	-	-	-	
Opt-Out Accounts	56	29	51										136
Opt-Up Accounts	-18	-6	-5										-29

Age Summary (as of 1/1/2024)

<30 days	$36,291,702
<60 days	$2,088,824
<90 days	$1,070,909
<120 days	$775,171
Older	$3,242,076

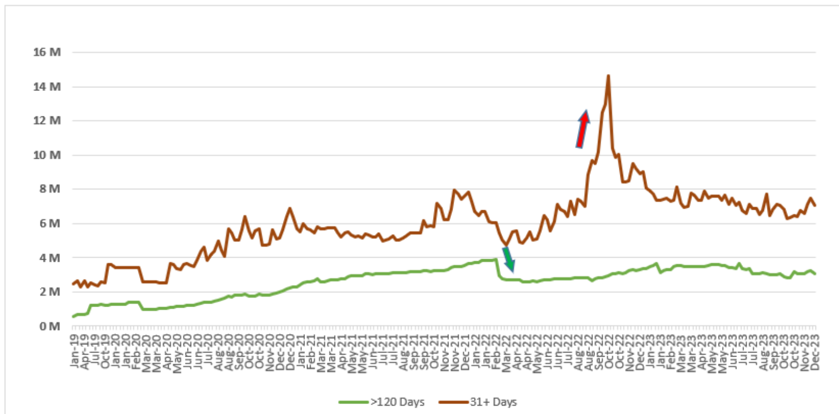
Accounts Receivable Days

29 Days

$43,468,683

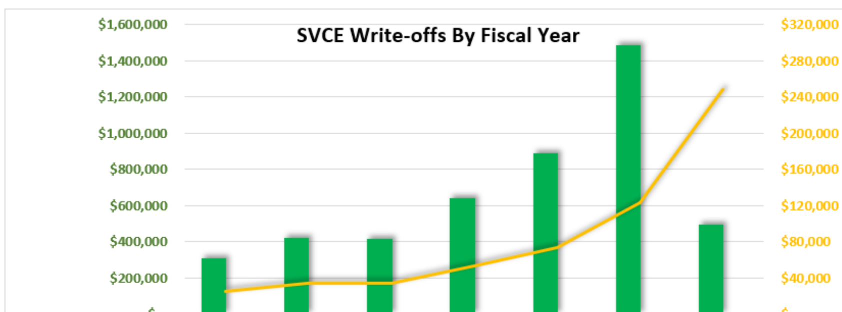
TOTAL DUE

SVCE Arrearager Total for customers 31+ days late and 120+ days late



	Date	Amount
High	11/29/2021	$7.99M
Low	4/17/2020	$2.54M
Current	7/31/2023	$7.2 M

- **Green arrow indicates receipt of $1.3M in Federal CAPP funds.**
- **An additional $717K in CAPP funding provided in Winter 2023.**
- **Growth at red arrow indicates short-term PG&E billing-hold issue in Fall 2022 that was quickly resolved.**



	'17-'18	'18-'19	'19-'20	'20-'21	21-'22	22-'23	23-'24
Total (L Axes)	$308,552	$417,275	$415,187	$639,455	$885,995	$1,484,752	$495,673
% Revenue	0.12%	0.14%	0.14%	0.25%	0.23%	0.33%	0.41%
Av./Month (R Axes)	$25,713	$34,773	$34,599	$53,288	$73,833	$123,729	$247,837

Bad Debt % (*Budget*)

0.90%

Bad Debt % (Actual)
November 2023 FYTD

0.41%

Certificate of Compliance

During the reporting period for the period ended December 31, 2023, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").

Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
BUY										
11/27/23	12/04/23	HOME DEPOT INC CORPORATE NOTES DTD 12/04/2023 4.950% 09/30/2026	437076CV2	235,000.00	(234,485.35)	0.00	(234,485.35)			
12/04/23	12/11/23	CCCIT 2023-A1 A1 DTD 12/01/2023 5.230% 12/01/2027	17305EGW9	245,000.00	(244,969.28)	0.00	(244,969.28)			
12/05/23	12/08/23	JP MORGAN CORP NOTES (CALLABLE) DTD 12/08/2023 5.110% 12/08/2026	48125LRU8	600,000.00	(600,000.00)	0.00	(600,000.00)			
12/05/23	12/12/23	INTER-AMERICAN DEVEL BK NOTES DTD 12/12/2023 4.375% 02/01/2027	4581X0EM6	850,000.00	(849,277.50)	0.00	(849,277.50)			
12/07/23	12/14/23	BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028	05522RDH8	355,000.00	(354,952.32)	0.00	(354,952.32)			
Transaction Type Sub-Total				**2,285,000.00**	**(2,283,684.45)**	**0.00**	**(2,283,684.45)**			
INTEREST										
12/01/23	12/01/23	JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	600,000.00	0.00	2,472.00	2,472.00			
12/01/23	12/25/23	FHMS K057 A2 DTD 09/28/2016 2.570% 07/01/2026	3137BRQJ7	1,175,000.00	0.00	2,516.46	2,516.46			
12/01/23	12/25/23	FHMS K058 A1 DTD 11/09/2016 2.340% 07/01/2026	3137BSP64	525,596.31	0.00	1,024.91	1,024.91			
12/01/23	12/25/23	FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026	3137BNGT5	1,100,000.00	0.00	2,516.25	2,516.25			
12/01/23	12/25/23	FHMS K065 A1 DTD 07/24/2017 2.864% 10/01/2026	3137F1G36	808,229.13	0.00	1,928.97	1,928.97			
12/01/23	12/25/23	FNA 2015-M11 A2 DTD 07/30/2015 2.848% 04/01/2025	3136APSZ6	655,273.56	0.00	1,555.34	1,555.34			
12/01/23	12/25/23	FHMS K736 A2 DTD 09/01/2019 2.282% 07/01/2026	3137FNWX4	750,000.00	0.00	1,426.25	1,426.25			
12/01/23	12/25/23	FHMS K729 A2 DTD 01/01/2020 2.525% 10/01/2026	3137FQXJ7	1,050,000.00	0.00	2,209.38	2,209.38			
12/01/23	12/25/23	FHMS K733 A2 DTD 11/09/2018 3.750% 08/01/2025	3137FJXQ7	571,548.75	0.00	1,786.09	1,786.09			
12/01/23	12/25/23	FHMS K039 A2 DTD 09/01/2014 3.303% 07/01/2024	3137BDCW4	1,125,083.64	0.00	3,096.79	3,096.79			

Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST										
12/01/23	12/25/23	FHMS K059 A2 DTD 11/29/2016 3.120% 09/01/2026	3137BSRE5	700,000.00	0.00	1,820.00	1,820.00			
12/09/23	12/09/23	NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	500,000.00	0.00	8,750.00	8,750.00			
12/14/23	12/14/23	VISA INC (CALLABLE) CORP NOTES DTD 12/14/2015 3.150% 12/14/2025	92826CAD4	1,000,000.00	0.00	15,750.00	15,750.00			
12/15/23	12/15/23	CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	805,000.00	0.00	3,461.50	3,461.50			
12/15/23	12/15/23	WOART 2023-D A2A DTD 11/08/2023 5.910% 02/16/2027	98164DAB3	350,000.00	0.00	2,125.96	2,125.96			
12/15/23	12/15/23	HART 2023-C A2A DTD 11/13/2023 5.800% 01/15/2027	44918CAB8	645,000.00	0.00	3,325.33	3,325.33			
12/15/23	12/15/23	CARMX 2022-2 A3 DTD 04/28/2022 3.490% 02/16/2027	14317HAC5	725,000.00	0.00	2,108.54	2,108.54			
12/15/23	12/15/23	ALLYA 2023-1 A3 DTD 07/19/2023 5.460% 05/15/2028	02007WAC2	500,000.00	0.00	2,275.00	2,275.00			
12/15/23	12/15/23	TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	240,000.00	0.00	1,144.93	1,144.93			
12/15/23	12/15/23	US TREASURY NOTES DTD 12/15/2022 4.000% 12/15/2025	91282CGA3	2,500,000.00	0.00	50,000.00	50,000.00			
12/15/23	12/15/23	HDMOT 2023-B A3 DTD 09/27/2023 5.690% 08/15/2028	41285YAC9	935,000.00	0.00	4,433.46	4,433.46			
12/15/23	12/15/23	COPAR 2023-2 A2A DTD 10/11/2023 5.910% 10/15/2026	14044EAB4	1,100,000.00	0.00	5,417.50	5,417.50			
12/15/23	12/15/23	MBART 2023-2 A2 DTD 10/25/2023 5.920% 11/16/2026	58769FAB1	315,000.00	0.00	1,554.00	1,554.00			
12/15/23	12/15/23	HART 2022-C A3 DTD 11/09/2022 5.390% 06/15/2027	44933DAD3	550,000.00	0.00	2,470.42	2,470.42			
12/15/23	12/15/23	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	825,000.00	0.00	3,595.62	3,595.62			
12/15/23	12/15/23	BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1	840,000.00	0.00	3,214.40	3,214.40			

Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST										
12/15/23	12/15/23	FORDO 2023-C A3 DTD 11/21/2023 5.530% 09/15/2028	344940AD3	340,000.00	0.00	1,253.47	1,253.47			
12/15/23	12/15/23	NAROT 2023-B A2A DTD 10/25/2023 5.950% 05/15/2026	65480MAB9	925,000.00	0.00	4,586.46	4,586.46			
12/16/23	12/16/23	GMCAR 2023-4 A3 DTD 10/11/2023 5.780% 08/16/2028	379930AD2	470,000.00	0.00	2,263.83	2,263.83			
12/20/23	12/20/23	VALET 2023-2 A2A DTD 11/21/2023 5.720% 03/22/2027	92867YAB0	515,000.00	0.00	2,373.01	2,373.01			
12/21/23	12/21/23	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5	195,000.00	0.00	1,320.64	1,320.64			
12/22/23	12/22/23	PFAST 2023-2A A2A DTD 11/10/2023 5.880% 11/23/2026	732916AB7	1,100,000.00	0.00	7,546.00	7,546.00			
12/31/23	12/31/23	US TREASURY NOTES DTD 06/30/2023 4.625% 06/30/2025	91282CHL8	5,000,000.00	0.00	115,625.00	115,625.00			
Transaction Type Sub-Total				**29,435,731.39**	**0.00**	**266,947.51**	**266,947.51**			
PAYDOWNS										
12/01/23	12/25/23	FHMS K058 A1 DTD 11/09/2016 2.340% 07/01/2026	3137BSP64	13,851.16	13,851.16	0.00	13,851.16	709.87	0.00	
12/01/23	12/25/23	FHMS K065 A1 DTD 07/24/2017 2.864% 10/01/2026	3137F1G36	22,490.76	22,490.76	0.00	22,490.76	970.79	0.00	
12/01/23	12/25/23	FNA 2015-M11 A2 DTD 07/30/2015 2.848% 04/01/2025	3136APSZ6	1,066.28	1,066.28	0.00	1,066.28	41.69	0.00	
12/01/23	12/25/23	FHMS K733 A2 DTD 11/09/2018 3.750% 08/01/2025	3137FJXQ7	309.78	309.78	0.00	309.78	10.19	0.00	
12/01/23	12/25/23	FHMS K039 A2 DTD 09/01/2014 3.303% 07/01/2024	3137BDCW4	53,264.90	53,264.90	0.00	53,264.90	859.31	0.00	
12/15/23	12/15/23	CARMX 2022-2 A3 DTD 04/28/2022 3.490% 02/16/2027	14317HAC5	13,185.53	13,185.53	0.00	13,185.53	342.51	0.00	
Transaction Type Sub-Total				**104,168.41**	**104,168.41**	**0.00**	**104,168.41**	**2,934.36**	**0.00**	
SELL										

Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
SELL										
12/05/23	12/06/23	US TREASURY NOTES DTD 08/31/2019 1.250% 08/31/2024	912828YE4	475,000.00	461,417.97	1,582.25	463,000.22	5,325.20	585.23	FIFO
12/05/23	12/06/23	US TREASURY NOTES DTD 08/31/2022 3.250% 08/31/2024	91282CFG1	500,000.00	492,851.56	4,330.36	497,181.92	2,929.68	686.86	FIFO
12/08/23	12/11/23	US TREASURY NOTES DTD 08/31/2022 3.250% 08/31/2024	91282CFG1	975,000.00	961,555.66	8,879.46	970,435.12	6,208.00	1,550.51	FIFO
Transaction Type Sub-Total				**1,950,000.00**	**1,915,825.19**	**14,792.07**	**1,930,617.26**	**14,462.88**	**2,822.60**	
Managed Account Sub-Total					**(263,690.85)**	**281,739.58**	**18,048.73**	**17,397.24**	**2,822.60**	
Total Security Transactions					**($263,690.85)**	**$281,739.58**	**$18,048.73**	**$17,397.24**	**$2,822.60**	

Staff Report – Item 1c

Item 1c:	**Approve 2024 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 Kaley Dodson, Energy Services Specialist Sangeetha Kumar, Data Engineer
Date:	2/14/2024

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 2023. Each Party's 2024 voting share was calculated as a percentage of total 2023 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 14, 2024.

Party	**kWh (2023*)**
Campbell	164,283,900
Cupertino	187,016,182
Gilroy	209,847,647
Los Altos	106,343,698
Los Altos Hills	37,933,860
Los Gatos	157,271,622
Milpitas	592,994,821
Monte Sereno	14,145,514
Morgan Hill	183,807,244
Mountain View	514,376,591
Santa Clara County (Unincorporated)	326,768,102
Saratoga	100,608,764
Sunnyvale	1,042,021,061
Total	**3,637,419,006**

*Data provided by Calpine Energy Solutions

EXHIBIT D

VOTING SHARES

This Exhibit D is effective as of February 14, 2024.

Party	**kWh (2023*)**	**Voting Share Section 4.9.2**
Campbell	164,283,900	4.5%
Cupertino	187,016,182	5.1%
Gilroy	209,847,647	5.8%
Los Altos	106,343,698	2.9%
Los Altos Hills	37,933,860	1.0%
Los Gatos	157,271,622	4.3%
Milpitas	592,994,821	16.3%
Monte Sereno	14,145,514	0.4%
Morgan Hill	183,807,244	5.1%
Mountain View	514,376,591	14.1%
Santa Clara County (Unincorporated)	326,768,102	9.0%
Saratoga	100,608,764	2.8%
Sunnyvale	1,042,021,061	28.6%
Total	**3,637,419,006**	**100.0%**

*Data provided by Calpine Energy Solutions
**Data may not sum to 100% due to rounding

Staff Report – Item 1d

Item 1d:	**Authorize the Chief Executive Officer to Execute an Agreement with Arup US, Inc. for Electrification Solutions Analysis with a Not to Exceed Limit of $295,000 through October 30, 2024**
From:	Girish Balachandran, CEO
Prepared by:	Justin Zagunis, Director of Decarbonization Programs and Policy Jessamyn Allen, Program Lead
Date:	2/14/2024

RECOMMENDATION

Staff recommends the Board approve and authorize the CEO to execute an agreement with Arup US, Inc. ("Arup") for the Electrification Solutions Analysis. The contract's not to exceed amount is $295,000, of which SVCE's maximum contribution would be $196,000.

BACKGROUND

In November 2020, the Board approved the Building Decarbonization Joint Action Plan, which identified a Feasibility Assessment for Natural Gas Phase Out by 2045 as a cornerstone action to support the decarbonization of existing buildings. The feasibility assessment's scope encompassed the exploration of technical, legal, and economic barriers and opportunities for phasing out natural gas service in the SVCE service territory by 2045. Its results may inform future SVCE programs and local policies and regulations.

The Electrification Solutions Analysis is a key step in the broader feasibility assessment and is focused on identifying the technical and economic barriers associated with residential and small commercial water heating and space heating end uses. With over 230,000 natural gas water heaters and 165,000 natural gas furnaces in our residential and commercial buildings[1], electrifying these appliances will be essential to phasing out natural gas service by 2045. These appliances are also the target of the Bay Area Air Quality District's ("BAAQMD") zero-nitrogen oxides appliance sale ban[2] due to take effect starting in 2027, with key feasibility reports being developed by fall 2024.

As part of the broader Feasibility Assessment, SVCE has already commenced a separate analysis to explore the funding and financing mechanisms that can address the capital needs of widespread electrification. This Electrification Solutions Analysis will provide a more detailed estimate of what the costs might be for specific homes and businesses in the SVCE territory.

ANALYSIS & DISCUSSION

One key barrier to meeting local climate goals and implementing the BAAQMD appliance sale ban is the lack of detailed information about the number of homes and businesses that can easily electrify and the number that will find it difficult and expensive to do so. Average estimates are available, but given the complexity of electrifying certain existing building stock, the actual spread of likely costs for SVCE's customers will be critical

[1] SVCE Market Segmentation Study

[2] https://www.baaqmd.gov/rules-and-compliance/rule-development/building-appliances

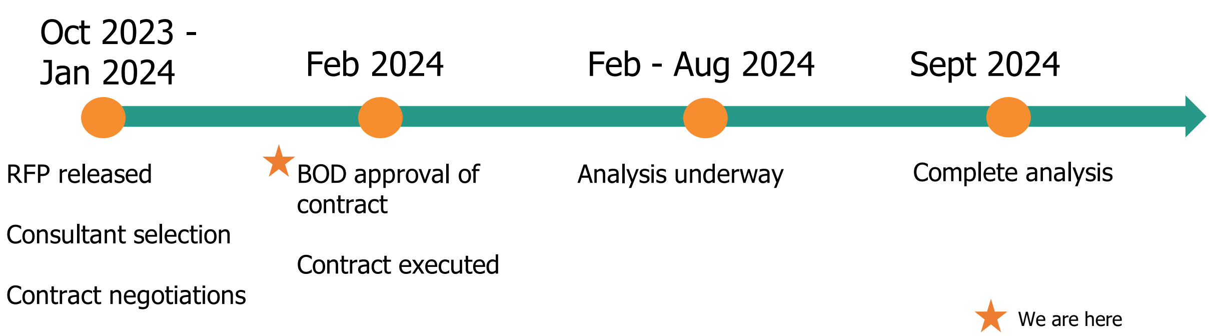
in understanding the support that customers will need. The Electrification Solutions Analysis will assess the SVCE building and appliance stock to:

- Identify key criteria that make water or space heating easy or difficult to electrify, which may include location of the existing appliances, available electric panel capacity, and work hazards (e.g. asbestos)
- Categorize buildings or appliances by their electrification feasibility and determine the number of homes and businesses in each category
- Develop standardized electrification solutions for each category
- Estimate the cost range of electrification for each category

The analysis will expand upon previous building and market characterization studies to develop much more precise and actionable electrification solutions for space and water heating. The findings from this study will inform SVCE in designing programs and investing funds in a targeted way necessary to support electrification at scale, while also supporting BAAQMD appliance sale rules.

SVCE is collaborating with Peninsula Clean Energy ("PCE") on this Electrification Solutions Analysis. SVCE will execute the contract with Arup and establish a cost share between SVCE and PCE. The study will include both SVCE and PCE service territories, with additional optional SVCE-specific tasks analysis, such as review of home inspection reports. While the study is focused on the two CCA territories, the goal is to develop a methodology that can be replicated for other Bay Area CCAs to standardize analyses across the region. This will make it easier for analyses to be performed and help generate a consistent understanding of the resources needed to support building electrification in the Bay Area and beyond.

SVCE staff solicited consultants for the Electrification Solutions Analysis through a competitive bid process, as shown below. The RFP had a strong response, with nine proposals submitted from qualified proposers. The review team included three SVCE staff and one staff member from PCE. After a thorough evaluation, the review team conducted virtual video interviews with selected finalists, and then selected Arup as the final consultant for the analysis support.



Arup proposed a methodical, systematic approach for the Electrification Solutions Analysis, which will help ensure the analysis can be replicated by other CCAs. Arup, in conjunction with its subcontractor Redwood Energy, brings substantial technical expertise including detailed knowledge and experience with building and electric codes, electric technology options, and retrofit costs, which will help ensure the analysis results are realistic and actionable.

Arup has also been chosen to conduct BayREN's Bay Area Existing Building Study, which will evaluate the existing buildings in the Bay Area and their characteristics related to energy use and building decarbonization. The SVCE Electrification Solutions Analysis will dive more deeply into specific building and appliance characteristics that impact electrification feasibility and drive costs, while also trying to map these characteristics at a high spatial resolution to better understand which communities are easier or more difficult to electrify. SVCE staff will coordinate with and leverage Arup's support of the BayREN effort to avoid duplicative efforts and enhance each agency's analyses.

STRATEGIC PLAN

As referenced in SVCE's Strategic Plan Goal 13, Measure 3, this contract will update and refine sector-specific analysis to inform the development and updates to strategies for advancing decarbonization and resilience.

ALTERNATIVE

Do not authorize the CEO to execute the agreement with Arup and, instead, use existing staff resources to complete the analysis in-house. Staff does not recommend this alternative due to the limited staff resources and technical expertise needed for this analysis. Staff could also leverage existing analyses that use regional, generalized cost estimates for assessing local feasibility, but these resources likely have limited use to identify specific cost drivers and their local prevalence.

FISCAL IMPACT

Approval of this contract with Arup for $295,000 not-to-exceed will have no incremental fiscal impact. Funds for the Electrification Solutions Analysis performed under this contract come from the existing Feasibility Assessment for Natural gas Phase Out by 2045 programs allocation of $300,000 that was approved by the Board as part of the Building Decarbonization Joint Action Plan. PCE is contributing $99,000 to this joint effort and SVCE will have a maximum contribution of $196,000.

ATTACHMENTS

1. Agreement between SVCE and Arup US, Inc. for an Electrification Solutions Analysis

AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY
AND
Arup US, Inc.
FOR
Electrification Solutions Analysis

THIS AGREEMENT ("Agreement"), is entered into this Click here to enter DAY. day of ENTER MONTH., ENTER YEAR., by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency, ("Authority"), and Arup US, Inc., a New York Corporation authorized to do business in California whose address is 560 Mission Street, Suite 700, San Francisco, CA 94105 (hereinafter referred to as "Consultant") (collectively referred to as the "Parties" and individually as a "Party").

RECITALS:

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

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

C. Authority and Consultant desire to enter into an agreement for an electrification solutions analysis for space and water heating end uses upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on Click here to enter beginning of term., and shall terminate on October 30, 2024, unless terminated earlier as set forth herein.

2. **SERVICES TO BE PERFORMED**

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

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed two-hundred and ninety-five thousand dollars ($295,000.00) based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME**

Consultant and Authority agree that time is of critical importance regarding the performance of this Agreement and Consultant shall perform services as expeditiously as is required by the Standard of Care and in accordance with the agreed schedule.

5. **STANDARD OF CARE**

Consultant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area under similar circumstances (the "Standard of Care") and in a manner reasonably satisfactory to Authority and agrees that all services shall be performed by qualified and experienced personnel. Consultant shall be responsible to Authority for any errors or omissions that cause the services to fall below the Standard of Care in the performance of work pursuant to this Agreement. Should any errors caused by Consultant be found in such services or work product, Consultant shall correct the errors at no additional charge to Authority by redoing the professional work and/or revising the work product(s) called for in the Scope of Services to eliminate the errors. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by Authority, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, Authority may deduct the cost of such correction from any retention amount held by Authority or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

6. **INDEPENDENT PARTIES**

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

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

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

8. **NON-DISCRIMINATION**

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

9. **HOLD HARMLESS AND INDEMNIFICATION**

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

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

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

Liability.

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

10. **INSURANCE**

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

B. Subrogation Waiver. Consultant hereby grants to Authority, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or Authority with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of Consultant may acquire against Authority by virtue of the payment of any loss under such insurance.

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

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

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

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

11. **CONFLICT OF INTEREST**

Consultant warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers, employees, associates and subcontractors, will not employ any person having such an interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the Authority Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this section into any subcontract that Consultant executes in connection with the performance of this Agreement. Consultant understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff Authority, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. **PROHIBITION AGAINST TRANSFERS**

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

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

13. **SUBCONTRACTOR APPROVAL**

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

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

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

14. **REPORTS**

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of Authority upon distribution to Authority. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to Authority the copyright to Reports created pursuant to this Agreement. Any Report, information and data prepared through this Agreement shall become the property of Authority, and all publication rights are reserved to Authority. Consultant may retain a copy of any Report furnished to the Authority pursuant to this Agreement. Notwithstanding, this Agreement does not restrict or deprive the Consultant of any of its rights or proprietary interests in any materials that existed prior to or are developed independently of the performance of Consultant's services pursuant to this Agreement (the "Pre-Existing Materials"). If any Pre-Existing Materials are delivered in connection with or as part of the performance of Consultant's services, the Consultant hereby grants the Authority a non-exclusive, world-wide, royalty-free, irrevocable license to use such Pre-Existing Materials to enable the full use and benefit of the Report(s).

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

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

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

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

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

15. **RECORDS**

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

16. **PARTY REPRESENTATIVES**

The Chief Executive Officer ("Authority Representative") shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. Cole Roberts (Consultant Representative") shall represent Consultant in all matters pertaining to the services to be performed under this Agreement.

17. **CONFIDENTIAL INFORMATION AND DOCUMENTS**

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

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

C. It is understood that Authority is subject to the California Public Records Act (Gov. Code § 7920.000 *et seq*.). If a request under the California Public Records Act is made to view any documents Consultant provided to Authority, Authority shall notify Consultant of the request and the date that such records will be released to the requester unless Consultant obtains a court order enjoining that disclosure. If Consultant fails to obtain a court order enjoining that disclosure, Authority will release the requested information on the date specified.

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

E. Consultant agrees to comply with the confidentiality and data protection provisions set forth in Exhibit "E," attached hereto and incorporated herein by this reference.

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

18. **NOTICES**

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

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

TO CONSULTANT:
Cole Roberts
Arup US, Inc.
560 Mission St., Suite 700
San Francisco, CA 94105

19. **TERMINATION**

In the event Consultant fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If Consultant fails to cure the default within the time specified (which shall be determined by the Authority but shall be not less than 10 days) and according to the requirements set forth in Authority's written notice of default, and in addition to any other remedy available to the Authority by law, the Authority Representative may terminate the Agreement by giving Consultant written notice thereof, which shall be effective immediately. The Authority Representative shall also have the option, at its sole discretion and without cause, of terminating this Agreement by giving seven (7) calendar days' prior written notice to Consultant as provided herein. Upon receipt of any notice of termination, Consultant shall immediately discontinue performance.

In the event of Authority's termination of this Agreement due to no fault or failure of performance by Consultant, Authority shall pay Consultant for services performed up to the effective date of termination. Upon termination, Consultant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials shall become the property of Authority. Consultant shall have no other claim against Authority by reason of such termination, including any claim for compensation.

20. **COMPLIANCE WITH LAWS**

Consultant shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall, at all times, observe and comply with all such laws and regulations, including, but not limited to the Americans with Disabilities Act, the Stored Communications Act, 18 U.S.C. Section 2701, et seq., California Civil Code Sections 1798.80 through 1798.84, and the California Consumer Privacy Act, Civil Code Section 1798.100 *et seq*. Authority, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Consultant to comply with this paragraph.

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

21. **CONFLICT OF LAW**

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

22. **ADVERTISEMENT**

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

23. **WAIVER**

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

24. **INTEGRATED CONTRACT**

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

25. **AUTHORITY**

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

26. **INSERTED PROVISIONS**

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

27. **CAPTIONS AND TERMS**

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

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

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

29. **EXHIBITS**

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

30. **FORCE MAJEURE**

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

31. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE**

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

32. **ATTORNEY FEES**

In any litigation or other proceeding by which a Party seeks to enforce its rights under this

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

33. **SEVERABILITY**

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

34. **SUCCESSORS AND ASSIGNS**

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

35. **NO THIRD PARTY BENEFICIARIES INTENDED**

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

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

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

37. **DRAFTING PARTY**

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

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

RECOMMENDED FOR APPROVAL

____
Cole Roberts, Principal

RECOMMENDED FOR APPROVAL

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

CONSULTANT NAME
Arup US, Inc.

By: __________________________
Name: Cole Roberts
Title: Principal
Date: ____________________________

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

By: _____________________________
Name: Girish Balachandran
Title: Chief Executive Officer
Date: ____________________________

APPROVED AS TO FORM:

____
Counsel for Authority

ATTEST:

____
Authority Clerk

Exhibit A
Scope of Services

There are roughly 234,000 buildings—single family, multifamily and small commercial— in the Silicon Valley Clean Energy ("SVCE") territory, an additional 281,000 in Peninsula Clean Energy ("PCE") territory, and roughly 2 million more in the Bay Area that can benefit from a standardized strategy for addressing the impending Bay Area Air Quality Management District ("BAAQMD") rules on furnaces and water heaters. The Consultant, in partnership with Redwood Energy ("Redwood Energy"), will develop a standardized approach to creating, evaluating, and segmenting customer typologies in the two Community Choice Aggregator ("CCA") territories that can help all jurisdictions in the Bay Area and beyond effectively target incentives and recommendations to electrify these water and space heating end uses.

The replicable approach will leverage feasibility typology with a decision support tool and Geographic Information System ("GIS") based segmentation informed by a variety of data sources to support SVCE, PCE, other CCAs, and beyond. The proposed approach will enable SVCE and PCE to design programs and invest funds in a targeted way necessary to support electrification at scale, providing the costs, technical feasibility, and length of time to electrify residential and small commercial buildings that have been organized into building or equipment typologies considering factors such as:

- Residence form factor (e.g. single family, duplex, triplex, fourplex, low rise and high rise multifamily)
- Small commercial business type (e.g. coffee shop, full service restaurant, grocery store, office, retail, laundromat, carwash)
- Existing mechanical systems (e.g. ductless vs. ducted vs. radiant space heating, tank vs. on demand water heating)
- Electrical capacity (e.g. 60A apartments, 100A homes)
- Work hazards (e.g. asbestos, lead paint)

This work will provide SVCE and PCE a clean, robust dataset to inform existing building electrification along with electrification pathways to achieve these targets. with a focus on only water heating and heating, ventilation, and air conditioning ("HVAC") electrification and only the equipment regulated under BAAQMD's Rules 9-4 and 9-6[1]. The Consultant understands that the objective of this study is to:

1. Identify the building or equipment characteristics that impact the cost, technical feasibility, and length of time to electrify space and water heating in residential and commercial buildings.
2. Organize these characteristics into a set of ~10-12 building or equipment typologies
3. Identify & assess the electrification solutions, costs, and timelines for each typology
4. Determine the saturation of each typology across SVCE and PCE territories.

[1] https://www.baaqmd.gov/rules-and-compliance/rule-development/building-appliances

Task 0: Conduct a High-Level Literature Review

The Consultant will use their strong foundational understanding of the technical, economic, and social barriers to all-electric retrofits through their past work, along with CCA resources and external resources noted below to provide key insights about data needs and analysis approaches, as well as starting points for cost and complexity of building electrification. The Consultant will start by engaging with SVCE and PCE through an initial workshopping session to ensure they fully understand the available data from the participating counties and agencies and tailor the work plan, schedule, and scope to meet any requirements and requests beyond those made available in the initial Electrification Solutions Analysis Request for Proposals ("RFP").

Existing CCA resources

	SVCE	PCE
Internal datasets	County tax assessor data, gas data, electricity advanced metering infrastructure ("AMI") data, utility interconnection data	County tax assessor data, gas data, hourly electric meter data, Multiple Listing Service ("MLS") data, census data.
Internal reports	2022 Market Characterization Study – uses various data sets (American Community Residential Appliance Saturation Survey ("RASS"), Commercial Saturation Survey ("CSS"), Commercial Building Stock Summary ("CBSS"), CoStar, Data Axle) to estimate the appliances and fuel types across residential & commercial buildings in SVCE territory	2035 Building Decarbonization Analysis and underlying spreadsheets.
Public reports	SVCE Buildings Baseline Study: https://svcleanenergy.org/research-analysis/#built-environment-research	100A Design Guidelines 2035 Building Decarbonization Analysis
Other:	Compiled data from existing home inspection reports on home systems,	

Potential external resources

- RMI reports and studies (various)
- TECH data & analyses: https://techcleanca.com/public-data/
- Redwood Energy studies: https://www.redwoodenergy.net/research
- California Building Codes – code requirements related to appliance fuel type & electrification readiness (circuit & wiring requirements, panel capacity requirements, etc.)
- Building Electrification Institute reports and studies (various)
- City of Palo Alto Buildings Baseline Study: https://www.cityofpaloalto.org/files/assets/public/v/1/development-services/advisory-groups/green-building-task-force/palo-alto-zne-roadmap-final.pdf
- MLS, Zillow, or Other.

The Consultant will complement this background knowledge with recently published reports and insights from their building electrification projects. Their review will include all sources noted above as well as additional sources such as publicly available surveys including the Commercial Buildings Energy Consumption Survey Data ("CBECs"), Residential Energy Consumption Survey Data ("RECs"), National Renewable Energy Laboratory's ("NREL") ResStock and ComStock databases, Building America publications and resources, and current and historic versions of the National Electrical Code ("NEC"). The Consultant's past work with parcel-level assessor, GIS, and AMI data will inform the characteristic evaluation and data source review to ensure that they can use identified characteristics to appropriately segment building or equipment types based on electrification feasibility.

Deliverable: Powerpoint identifying and summarizing key findings, essential caveats, remaining questions, and data gaps from the review with links to sources.

Task 1: Identify Building or Equipment Characteristics That Impact Electrification Feasibility

Equipment that will be affected by BAAQMD's Rule 9-4 and 9-6 includes new natural gas-fired space-heating furnaces and water heaters commonly found in residential and commercial applications, respectively.

For this task, the consultant will map out characteristics and configurations that impact electrification cost and technical feasibility. The Consultant anticipates that these characteristics and configurations include factors such as equipment location, duct size and condition, insulation, building age, building code cycle, peak annual demand, electrical panel size, underground or overhead utility connections, common construction type (e.g., slab or crawlspace foundation, presence of an attic, location of water heater and furnace). The Consultant recognizes that other factors will emerge from the research and may be supplemented by expert advice from the Consultant's team members who have deep experience in electrification retrofits as well as ground truth data extracted from MLS databases and interviews. Understanding that this work will be operating in parallel with the BayREN Existing Buildings Study that the Consultant has been selected to lead, The Consultant will coordinate with the insights gathered through that effort to maximize value and reduce duplicative investigation and review.

To increase the likelihood that the characteristics identified enable replicable mapping of feasibility and building or equipment typologies developed, the Consultant will work seamlessly between their energy and data practitioners to explore the available GIS and parcel data to translate feature sets in these databases to electrification feasibility characteristics. MLS data will help ground truth the existing appliances in homes for sale and link to likelihood of features such as fuel type, appliance type, and panel size which will be evaluated through primary research as well. Additional datasets related to building characteristics and probability of certain appliances by location, age, and building type will be integral to ensuring a clear view of electrification feasibility and the recurring characteristics that will inform the set of building typologies to be analyzed. This will likely include datasets such as the PG&E's HomeIntel service, NREL ResStock and ComStock databases, parametric energy efficiency and electrified case measures from precedent studies, relevant prescriptive requirements from codes and standards based on vintage, appliance and end-use information from statewide and national surveys, and similar datasets.

*Deliverables: S*ummary report and spreadsheet listing the building or equipment characteristics and describing the impact on electrification in terms of cost, technical feasibility, length of time, and other relevant factors. Digital dashboard for viewing the data (proposed to be in PowerBI or GIS, or similar) to allow for parsing and viewing the data along the defined categories.

Task 2: Organize the Characteristics into Electrification Retrofit Groupings

The Consultant will work with SVCE and PCE to identify a set of prioritized building or equipment groupings – based on the level of cost and difficulty of electrifying. This will be based on the equipment and building configurations identified in Task 1, through a collaborative process to ensure that the buildings selected represent the highest priority for electrification and meeting the BAAQMD rules. For each of these buildings identified, the Consultant will utilize the data collected and cleaned in Task 1 to identify the most common aspects of electrification challenges such as access to equipment, panel size, incoming service, and construction typology, and coalesce into representative typologies that appropriately describe each building segment. These characteristics will inform the selection of electrification strategies and pathways in Task 3 and will be documented for review with SVCE and PCE. Additionally, to ensure the Consultant's solution is replicable to other jurisdictions, the Consultant will evaluate the proposed typologies to determine how broadly applicable they are likely to be throughout the Bay Area and California.

Deliverables: Spreadsheet consolidating the identified characteristics under 10-12 different groupings and a short memorandum or summary set of slides detailing the characteristics of selected building and equipment configurations and the challenges associated with electrification. Address potential additional upgrades required to improve building systems at the time of electrification aligned with delinquent maintenance that impact equity considerations. Provide a mapping to show how these selected typologies overlay to the SVCE and PCE territories based on the provided GIS and assessor data.

Task 3: Develop Standardized Measures to Electrification Based on Configurations

The Consultant will identify existing electrification solutions for the distinct building or equipment characteristics and configurations identified in Tasks 1 & 2 and solicit SVCE and PCE feedback through a workshopping session to confirm logic, methodology, and focus. The Consultant will build on the Task 0 research and utilize a market research exercise to find the best available product categories and technologies that can replace fossil fuel-based appliances with electric alternatives. The Consultant will include both market-ready solutions, meaning that they have been tested, certified, and proven to be safe, reliable, and efficient, and emerging innovations that may fill gaps in the existing market. For each category, the Consultant will provide an initial estimate of cost range, timeline, and labor hours required to an American Association of Cost Engineering ("AACE") Level 5 (Rough Order of Magnitude) estimate. Each of these will be refined in Task 4 when a preferred list of solutions is evaluated.

To estimate the conditions that would impact electrification feasibility, the Consultant will develop a large-scale logic tree analysis that incorporates building or equipment features (e.g., occupancy and construction type, existing site conditions) alongside concerns such as permitting, workforce capabilities, local regulations and timeline to electrify informed by the research conducted in Task 0 and throughout this project lifetime. The Consultant will determine appropriate interventions based on available technology on the market today and create a decision-making tool that informs the pathways that can be used to electrify. The decision-making tool will visualize a path to electrification dependent on equipment options for electrification for each building or equipment type, and how that corresponds to different conditions.

Deliverables: Draft list of electrification solution sets and logic tree analysis documenting the Consultant's methodology, typical range of costs for the electrification of each building or equipment type impacted by the proposed BAAQMD rules, existing site conditions that impact the feasibility to electrify, workforce impacts of each installation type, how each building type occupancy would be affected during the electrification retrofit, and the natural rate of turnover and timelines recommended. Crucial takeaways from this task will be summarized in a PowerPoint deck and supported with comprehensive data tables in the form of excel or similar.

Task 4: Identify and Assess the Electrification Solutions

Building on the electrification solutions list developed in Task 3, the Consultant will provide a deep dive analysis into the preferred set of solutions, including limitations on available technology currently in the market, which solutions are emerging, and the cost breakdowns for materials, labor, and estimated overhead to implement. Building on the preliminary logic tree for identifying electrification pathways in Task 3, the Consultant will overlay considerations about technology cost and maturity and potential permit or local code barriers (e.g., setback requirements, acoustic considerations, height restrictions, etc.) that may impact feasibility of electrification. The Consultant will solicit SVCE and PCE's feedback on this logic through a workshopping session.

To provide cost estimates, a bill of materials and hours buildup for installation of each measure will be used to provide a capital cost estimate for each solution to an AACE Level 4 estimate. For this study, The Consultant will use reliable sources of data, such as industry cost books, precedent reports, and manufacturer outreach to estimate the average installation costs of each electric appliance. The Consultant will also refine the timeline to electrify each typology, based on the complexity, availability, and compatibility of the solution.

Additionally, the Consultant will identify the process barriers that could impede electrification, such as permitting, service upgrades, utility interconnection, financing, customer awareness, and regulatory policies. The Consultant will also provide recommendations and strategies to overcome these barriers and facilitate the transition to electrification. When no solutions exist for a building or equipment typology, the Consultant will explain why, and suggest alternatives or future directions.

Deliverable: Electrification solutions report that details each solution set for the building typology, cost breakdowns, timeline, technical feasibility, and process barriers.

Task 5: Determine the Saturation of Each Typology within CCA Territory

Task 5 is an extension of the GIS-based tool that the Consultant will develop throughout all the work. Building on the overlay of typologies in GIS, The Consultant will apply the likely electrification retrofits and strategies documented in Tasks 3 and 4 to the parcel basemaps. Using the key characteristics identified in Tasks 1 and 2 (size, age, location, equipment, energy use, etc.), combined with ground-truthed data from MLS, and inspector data (if available) the Consultant will provide probabilistic estimates of electrification opportunities.

Spatial analysis will be performed to identify the geographic clustering of each building or equipment typology, using tools such as ArcGIS. Based on the data available, clustering analysis techniques may be used to group the buildings based on their similarity and proximity. Visualization tools, such as maps, charts, and graphs, taken from the proposed GIS interface, will be used to display the results of the spatial analysis and show the frequency and typical size of neighborhoods in the territories.

Deliverables: Saturation report that visually details each typology in the CCA territory through charts, maps, and/or graphics, accompanied by the GIS database and datasets that underpin the results. PowerPoint presentation summarizing the significant takeaways from the analysis. To better allow for scalability and replicability, the Consultant will detail the data cleaning and parsing to identify building or equipment characteristics, and the methodology for replicating data ingestion and segmentation by characteristics.

Optional Additional Tasks

Task 1: Home inspection report data review – SVCE may request the Consultant to gather, review, and aggregate data from home inspection reports. The Consultant will work with SVCE to determine the key data points to be gathered in the evaluation. Gathered data may inform the building or system characteristics that impact electrification feasibility and saturations of building or equipment typology. Should this additional service be requested by SVCE, SVCE and the Consultant will review and agree in writing a more detailed scope prior to commencement of work.

Deliverable: Spreadsheets aggregating home inspection report data

Task 2: Stakeholder engagement incentives - SVCE may request the Consultant conduct stakeholder interviews or surveys and incentivize stakeholders. The Consultant will develop the engagement strategy, conduct interviews or surveys, aggregate stakeholder input, and offer stakeholders incentives for their participation. Gathered data may inform the building or system characteristics that impact electrification feasibility and saturations of building or equipment typology. Should this additional service be requested by SVCE, SVCE and the Consultant will review and agree in writing a more detailed scope prior to commencement of work.

Deliverable: Spreadsheet detailing stakeholder input

Exhibit B
Schedule of Performance

The following table shows the Consultant's proposed work plan and schedule for the project. The subtasks outline how the Consultant intends to execute each Task. The Consultant's Project Manager and relevant key staff (up to 3 Arup staff and 1 Redwood Energy staff) will meet with the Authority's team leadership bi-weekly, or as needed, to discuss the project progress, issues, and feedback. Additional SVCE stakeholder engagement workshops are expected at the end of Tasks 3 and 4, with check-ins after Tasks 1 and 2.

This schedule may be modified with the written approval of the Authority. The intended start date is February22nd , 2024 and the intended end date for Tasks 1-5 of August 18th, 2024.

	Month 1				Month 2				Month 3				Month 4				Month 5				Month 6			
Task 0: Literature Review																								
Data and Reports Review	■	■	■																					
Summarize Findings			■	■																				
Task 1: Identify Building Characteristics																								
Organize and Clean Data				■	■	■	■																	
External Data Research				■	■	■	■																	
Organize and Clean Building Data				■	■	■	■																	
Define Vintages, Characteristics							■	■																
Detail Issues Related to Characteristics								■	■															
Identify Categories of Buildings									■	■														
Generate Data Scheme										■	■													
Web-Based GIS/PowerBI Display											■	■	■											
Task 2: Categorization																								
Map characterisitcs to typologies											■	■												
Web-Based GIS/PowerBI Display												■	■											
Task 3: Standardized Electrification Approaches																								
Develop list of electrification measures per typology											■	■												
Create timeline for electrification installation											■	■												
Identify conditions that would impact feasibility												■	■											
Develop logic tree for each typology													■	■	■									
Draft list of solution set for each typology														■	■	■								
PowerPoint deck summary and data spreadsheet																■	■							
Web-Based GIS/PowerBI Display																■	■							
Task 4: Assess Electrification Solutions																								
Identify viable electrification solutions per typology											■	■	■											
Quantify the cost of each solution													■	■										
Identify process barriers													■	■										
Create feasibility rubric and grade each solution														■	■	■								
Draft electrification solutions report																■	■	■	■					
Final electrification solutions report																						■	■	■
Task 5: Determine Saturation																								
Review data from CCA characterization study				■	■	■	■																	
Review data from home inspection reports				■	■	■	■																	
Creative solutions including interviews, review of permit data, buliding dept. records review				■	■	■	■	■	■	■	■	■	■	■	■	■								
Web-Based GIS/PowerBI Display																	■	■	■	■	■			
Meetings																								
Kickoff meeting	★																							
Bi-weekly meetings		★		★		★		★		★		★		★		★		★		★		★		★
SVCE stakeholder engagement workshops	★														★			★						
Closeout Meeting																								★
Deliverables																								
PowerPoint summarizing findings with sources				★																				
Building characteristics and feasibility impact spreadsheet													★									★		
Draft of electrification solution sets and logic tree																	★							
Saturation report with GIS database datasets																								
Draft electrification solutions report																			★					
SVCE Draft electrification solutions report review																				★	★			
Final electrification solutions report																								★

1/2024 Version 1.0

Exhibit C
Compensation

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

The compensation to be paid to Consultant under this Agreement for all services described in Exhibit "A" and reimbursable expenses shall not exceed a total of two-hundred and ninety-five thousand dollars ($295,000), as set forth below. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Task #		**Estimated Budget**
0	High-Level Literature Review	**$15,000**
1	Identify Building/Equipment Characteristics	**$60,000**
2	Organize characteristics into Typologies	**$15,000**
3	Develop Standardized Electrification Approach	**$60,000**
4	Identify and Assess Electrification Solutions	**$70,000**
5	Determine Saturation of Each Typology	**$30,000**
Total		**$250,000**

SVCE may elect for Arup's assistance with additional, optional tasks, up to the maximum estimated budgets.

Optional Tasks

Task	**Estimated Budget**
1. Home inspection report data review	$20,000
2. Stakeholder engagement incentives	$25,000
Total	$45,000

Arup US, Inc. (Consultant) Rates

Title	**Hourly Charge Rate**	**Key Personnel and Distribution of Effort**
Principal	$420	Cole Roberts (2%)
Associate Principal	$315	Joerg Tonndorf, Heather Rosenberg (2%)
Associate	$270	Rob Best, Elizabeth Joyce, Santiago Icaza (all, 2%)
Senior Engineer / Consultant II	$260	Edgar Gharibian, Mitul Thakkar, Ben Brannon (all, 2%)
Senior Engineer Consultant I	$195	--
Engineer / Consultant II	$185	Hayley Powers (8%)
Engineer / Consultant I	$160	--(50%)

Graduate Consultant	$125	--
Administrative Support	$125	--(<1%)

Redwood Energy Rates

Title	**Hourly Charge Rate**	**Key Personnel**
Principal	$300	Sean Armstrong (3%)
Research Director	$210	Emily Higbee (3%)
Research Analyst	$185	--(3%)
Research Assistant II	$170	--(8%)
Research Assistant I	$160	--(4%)
Research Associate I	$150	--(3%)

Invoices

Monthly Invoicing: In order to request payment, Consultant shall submit monthly invoices to the Authority describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed). Authority shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. Authority does not pay interest on past due amounts.

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

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

Exhibit D
Insurance Requirements and Proof of Insurance

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE**:

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

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

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

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

(5) **Cybersecurity Liability**
Cybersecurity liability (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs of $3,000,000 US per occurrence.

Exhibit E
Confidentiality and Data Security Requirements

Subject to the terms and conditions of the Agreement, current proprietary and confidential information of Authority regarding customers of Authority ("Authority Customers") and/or other confidential information (collectively "Confidential Information") may be disclosed to Consultant from time to time in connection herewith solely for the purposes set forth in the Agreement. Such disclosure is subject to the following legal continuing representations and warranties by Consultant:

1. The Confidential Information disclosed to Consultant in connection herewith may include, without limitation, the following information about Authority Customers: (a) names; (b) addresses; (c) telephone numbers and email addresses; (d) service agreement numbers and account numbers; (e) meter and other identification numbers; (f) Authority-designated account numbers; (g) electricity and gas usage (including monthly usage, monthly maximum demand, electrical or gas consumption, HP load, and other data detailing electricity or gas needs and patterns of usage); (h) billing information (including rate schedule, baseline zone, CARE participation, end use code (heat source) service voltage, medical baseline, meter cycle, bill cycle, balanced payment plan and other plans); (i) payment / deposit status; (j) number of units; and (k) other similar information specific to Authority Customers individually or in the aggregate. Confidential Information shall also include specifically any copies, drafts, revisions, analyses, summaries, extracts, memoranda, reports and other materials prepared by Consultant or its representatives that are derived from or based on Confidential Information disclosed by Authority, regardless of the form of media in which it is prepared, recorded or retained.

2. Except for electric and gas usage information provided to Consultant pursuant to this Agreement, Confidential Information does not include information that Consultant proves (a) was properly in the possession of Consultant at the time of disclosure; (b) is or becomes publicly known through no fault of Consultant, its employees or representatives; or (c) was independently developed by Consultant, its employees or representatives without access to any Confidential Information.

3. From the Effective Date, no portion of the Confidential Information may be disclosed, disseminated or appropriated by Consultant, or used for any purpose other than the purposes set forth in the Agreement.

4. Consultant shall, at all times until completion of performance under the terms of the contract or as required by law, whichever period is longer, keep the Confidential Information in the strictest confidence and shall take all reasonable measures to prevent unauthorized or improper disclosure or use of Confidential Information. Consultant shall implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect the personal information from unauthorized access, destruction, use, modification, or disclosure and prohibits the use of the data for purposes not set forth in the Agreement. Specifically, Consultant shall restrict access to Confidential Information, and to materials prepared in connection therewith, to those employees or

representatives of Consultant who have a "need to know" such Confidential Information in the course of their duties with respect to the Consultant program and who agree to be bound by the nondisclosure and confidentiality obligations of this Agreement. Prior to disclosing any Confidential Information to its employees or representatives, Consultant shall require such employees or representatives to whom Confidential Information is to be disclosed to review this Agreement and to agree to be bound by the terms of this Agreement. Consultant shall not disclose Confidential Information or otherwise make it available, in any form or manner, to any other person or entity that is not Consultant's employee or representative (a "Third Party"), except where that Third Party has separately entered into a nondisclosure agreement with Authority. Without limiting Consultant's obligation of confidentiality as further described herein, Consultant shall discuss with Authority the need and format for establishing, maintaining, and providing a written description to Authority of, a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that comply with or are substantial similar to the security controls identified in the current version of NIST SP800-53, and that is designed to: (a) ensure the security and confidentiality of the Authority's Data; (b) protect against any anticipated threats or hazards to the security or integrity of the Data; (c) protect against unauthorized disclosure, access to, or use of the Data; (d) ensure the proper disposal of Data; and, (e) ensure that all employees, agents, and subcontractors of Consultant, if any, comply with all of the foregoing. In no case shall the safeguards of Consultant's data privacy and information security program used to protect Data be less stringent than the safeguards used by Consultant for its own data. If the services include handling credit card information for payments, then the Consultant shall comply at all times with all applicable Payment Card Industry Data Security Standards (PCI-DSS). Consultant agrees and warrants that it is responsible for the security of "cardholder data" that Consultant possesses, stores, processes or transmits on behalf of the Authority, and for any impact on the security of Authority's cardholder data environment adversely affected by any failure of Company to maintain compliance with provisions of the PCI-DSS applicable to the services. Arup is certified against Cyber Essentials, which is a UK based certification.

5. Notwithstanding the above, Consultant may disclose Confidential Information to the extent required by an order, subpoena, or lawful process requiring the disclosure of such Confidential Information issued by a court or other governmental authority of competent jurisdiction, provided that Consultant notifies Authority immediately upon receipt thereof to allow Authority to seek protective treatment for such Confidential Information.

6. In the event of any act, error or omission, negligence, misconduct, or breach that permits any unauthorized access to, or that compromises or is suspected to compromise the security, confidentiality, or integrity of the Authority's Data or the physical, technical, administrative, or organizational safeguards put in place by Consultant that relate to the protection of the security, confidentiality, or integrity of the Data, Consultant shall, as applicable: (a) notify Authority as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with Authority in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by Authority; (c) in the case of Confidential Information, at Authority's sole

election, (i) notify the affected individuals who comprise the Confidential Information as soon as practicable but no later than is required to comply with applicable law including, but not limited to, the provisions of California Civil Code Section 1798.82, or, in the absence of any legally required notification period, within five (5) calendar days of becoming aware of the occurrence; or, (ii) reimburse Authority for any costs in notifying the affected individuals; (d) in the case of Confidential Information, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the Confidential Information for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twelve (12) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Consultant's obligations of indemnification as further described in this Agreement, indemnify, defend, and hold harmless Authority for any and all Claims (as defined herein), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from Authority in connection with the occurrence; (g) be responsible for recreating lost Data in the manner and on the schedule set by Authority without charge to Authority; (h) provide to Authority a detailed plan within ten (10) calendar days of the occurrence describing the measures Consultant will undertake to prevent a future occurrence and (i) upon conclusion of the occurrence, or at Authority's request, provide to Authority a comprehensive summary of the occurrence, including reason for occurrence, details of occurrence, how occurrence was addressed and any other information required by Authority, which shall be executed by Consultant and may be relied upon by Authority as a true and accurate account of the occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Consultant's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Consultant has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Consultant. This Section shall survive the termination of this Agreement.

7. It shall be considered a material breach of this Agreement if Consultant engages in a pattern or practice of accessing, storing, using, or disclosing the Confidential Information in violation of the contractual obligations described herein. Consultant understands that if Authority finds that Consultant is engaged in a pattern or practice of accessing, storing, using, or disclosing Confidential Information in violation of this Agreement Authority shall promptly cease all disclosures of Confidential Information to Consultant. Consultant further understands that if Authority receives a customer complaint about Consultant's misuse of data or other violation of the Disclosure Provisions, Authority shall promptly cease disclosing that customer's information to Consultant and shall notify the California Public Utilities Commission of the complaint.

8. Consultant shall be liable for the actions of, or any disclosure or use by, its employees or representatives contrary to this Agreement; however, such liability shall not limit or

prevent any actions by Authority directly against such employees or representatives for improper disclosure and/or use. In no event shall Consultant or its employees or representatives take any actions related to Confidential Information that are inconsistent with holding Confidential Information in strict confidence. Consultant shall immediately notify Authority in writing if it becomes aware of the possibility of any misuse or misappropriation of the Confidential Information by Consultant or any of its employees or representatives. However, nothing in this Agreement shall obligate the Authority to monitor or enforce the Consultant's compliance with the terms of this Agreement.

9. Consultant shall comply with the consumer protections concerning subsequent disclosure and use set forth in Attachment B to California Public Utilities Commission (CPUC) Decision No. 12-08-045.

10. In addition to any other requirements set forth in the Agreement, within ten (10) business days of receipt of Authority's written request, and at Authority's option, Consultant will either return to Authority all tangible Confidential Information, including but not limited to all electronic files, documentation, notes, plans, drawings, and copies thereof, or will provide Authority with written certification that all such tangible Confidential Information of Authority has been destroyed.

11. Consultant acknowledges that disclosure or misappropriation of any Confidential Information could cause irreparable harm to Authority and/or Authority Customers, the amount of which may be difficult to assess. Accordingly, Consultant hereby confirms that the Authority shall be entitled to apply to a court of competent jurisdiction or the California Public Utilities Commission for an injunction, specific performance or such other relief (without posting bond) as may be appropriate in the event of improper disclosure or misuse of its Confidential Information by Consultant or its employees or representatives. Such right shall, however, be construed to be in addition to any other remedies available to the Authority, in law or equity.

12. In addition to all other remedies, Consultant shall indemnify and hold harmless Authority, its officers, employees, or agents from and against and claims, actions, suits, liabilities, damages, losses, expenses and costs (including reasonable attorneys' fees, costs and disbursements) attributable to actions or non-actions of Consultant and/or its employees and/or its representatives in connection with the use or disclosure of Confidential Information.

13. When Consultant fully performs the purposes set forth in the Agreement, or if at any time Consultant ceases performance or Authority requires Consultant cease performance of the purposes set forth in the Agreement, Consultant shall promptly return or destroy (with written notice to Authority itemizing the materials destroyed) all Confidential Information then in its possession at the direction of Authority. Notwithstanding the foregoing, the nondisclosure obligations of this Agreement shall survive any termination of this Agreement.

Staff Report – Item 1e

Item 1e:	**Receive FY24 Q1 Decarbonization Strategy and Programs Quarterly Report**
From:	Girish Balachandran, CEO
Prepared by:	Justin Zagunis, Director of Decarbonization Programs and Policy Douglas Bernard, Decarbonization Management Analyst
Date:	2/14/2024

RECOMMENDATION
Staff recommends the Board accept the Q1 2024 update of the Decarbonization Strategy and Programs quarterly report.

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

ANALYSIS & DISCUSSION
Attachment 1 is an update of the Decarbonization Strategy and Programs quarterly report. The quarterly update includes a table with a summary of updates from last quarter and the target for next quarter.

STRATEGIC PLAN
This item supports SVCE's 2023-2024 Strategic Plan Goals 13 and 14, to support "achieving energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030" and to "coordinate development of decarbonization and resilience strategy, lead design of local policy, and design and deploy programs."

FISCAL IMPACT
Accepting the Q1 2024 Update of the Decarbonization Strategy and Programs quarterly report has no fiscal impact.

ATTACHMENTS
1. Decarbonization Strategy & Programs Quarterly Report – Q1 2024 Update

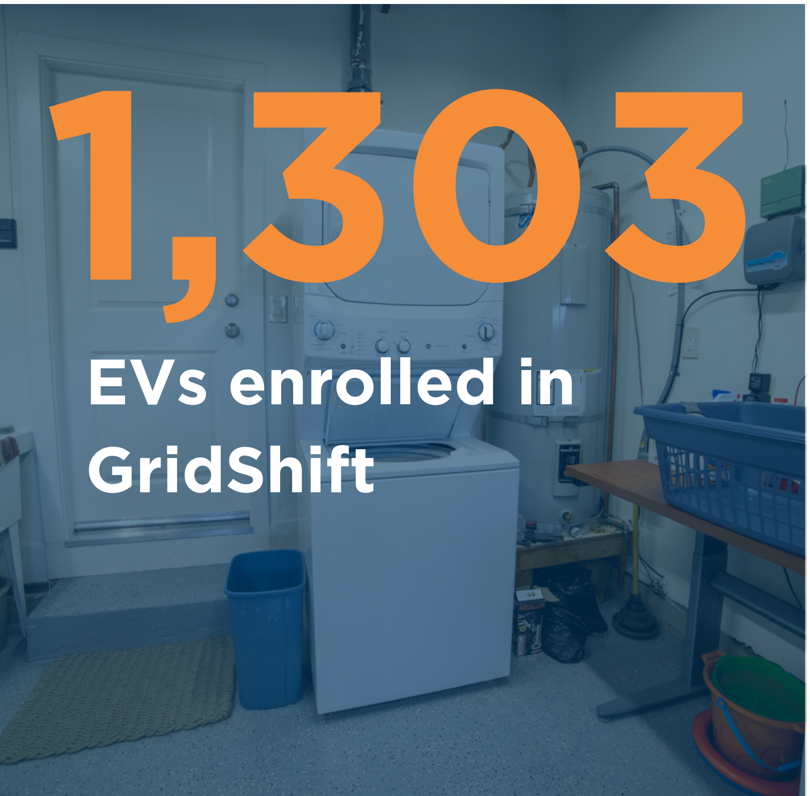
DECARBONIZATION PROGRAMS

SILICON VALLEY CLEAN ENERGY

Quarterly Report

FY24 Q1 Milestones

1,200 E-ELEC customers enrolled



1,303 EVs enrolled in GridShift

470 completed electrification projects for FutureFit Homes

PROGRAMS PORTFOLIO

FY24 Q1

Quarterly Report

Active Programs

See Glossary for program descriptions. Title links to program homepage (if available).

Name	Budget	Potential Impact	Cumulative Impact To-Date	Last Quarter (Update)	Next Quarter (Target)
Electrification Rate Discount	$9.5M	5,000 customers enrolled	1,200 enrolled	Reevaluated program via design review, updating tracking system	2 awareness campaigns, targeted outreach, enrollment of 1,500 customers
CHIIP, including Affordable Housing EVI Incentives	$8.9M	• 25 MUDs with EVI • 4,000 L1/L2 chargers at affordable housing	• 23 reservations (198 ports) • 3 completed (18 L2 and 20 L1)	Processed applications and completed installations	Expand enrollment
CALeVIP 1.0	$6M	• 85 DCFC installed • 1,100 L2 installed	• 10 DCFC installed • 227 L2 installed	Continued monitoring installations	Continue making payments to DCFC and L2 projects as they are completed
Community Energy Resilience	$5.15M	13 agencies complete projects	13 agencies finalized agreements	Continued monitoring progress of projects	Develop engagement plan, develop standardized EM&V
FutureFit Homes - Residential Incentives	$4.05M	750 homes fully/partially electrified	470 homes fully/partially electrified	Continued to see strong uptake in Q1 FY24, around $400k in claims	Add induction and increase flexibility around other rebates, such as prewiring & electrical upgrades
Decarbonization Demonstration Grants	$3.2M	8 local public facing electric projects	1 project complete	Grantees continue to implement their projects	Prepare for a Summer release of a new solicitation for the $10M in new Board-approved funding
Permit Modernization	$3.2M	13 member agencies improve electrification permitting	Data gathered for all 13 agencies. Program just began rolling out	Launched, and began outreach to member agencies	Roll out in conjunction with policy experimentation and reach code modernization
FutureFit Fundamentals Contractor Training	$1.7M	• 300 contractors trained • 500 graduate incentives	138 contractors completed training	Continued offering online video training	Increase program marketing
FutureFit Homes and Buildings: C&I and SMB Incentives	$1.25M	20-30 SMBs electrified	2 SMBs fully/partially electrified	Campaigns sent, first 2 rebates completed and awarded	Increase outreach and engagement, particularly with school districts, and award 2 more rebate claims
Customer Resource Center (eHub)	$1.1M	• 1.5M email opens • 350K unique web visits	313K email opens, 313K web visits, 164 induction cooktop rebate claims	Sent email marketing, drove online traffic	100K email opens, 15K web visits, 50 induction cooktop rebate claims

PROGRAMS PORTFOLIO

Active Programs

Name	Budget	Potential Impact	Cumulative Impact To-Date	Last Quarter (Update)	Next Quarter (Target)
Go Electric Advisor	$892K	3,600 customers use hotline, 1,200 use tech assistance, 350 use electrification plans	25 customers use service	Soft launched service mid-Q1	Ramp up the service to generate more customer demand
Priority Zone DC Fast Charger (PZDCFC) 2.0	$875K	10 DCFC installations near MUD hotspots	4 of 10 ports are live now (1 of 4 sites)	Waited for project installs	Monitor site construction progress and milestones
FutureFit Assist	$725K	• 60 assessments • 36 projects done • 250 ports	52 applications	Supported additional projects	Expand enrollment
GridShift EV Charging	$600K	Bill/emissions savings and load shifting capacity	• 1,303 EVs enrolled • 30 charger rebates	Continued enrolling EVs	Offer an ongoing enrollment incentive, launch a referral program, and continue e-mail marketing
Reach Codes 2.0	$600K	Require all new buildings to be emissions-free	13 agencies adopt electrification ordinances	Monitor and support agencies as the Berkeley legal case evolved (BAAQMD)	Present alternative reach codes to member agencies
Decarbonization Engagement Grants	$442K	5 communities engage residents on climate action topics	In progress	5 communities executed agreements	Work to complete projects, share during MAWG meetings
Fleet Electrification	$300K	Complete for 5 member agency and 5 SMB fleets	7 fleets in progress	Supporting fleet transformations	2-3 agencies anticipate completing
SV Transportation Electrification Clearinghouse	$150K	Create cohort to enable equitable electrification.	In progress	Conduct relaunch to assess how to increase impact	Relaunch program
Lights On Silicon Valley	Power Supply Budget	750 SFH and 5 MF completed	657 enrolled SFH	Sunrun continued to enroll and install customers	Delivery begins
SV Building Electrification Stronger Together	$150K	Educate stakeholders about building electrification	30 new stakeholders engaged to date	Identified renters groups, workforce, and low-moderate income individuals as key stakeholders	Launch engagement incentive program to invite new feedback from members of workforce, housing, and LMI groups on SVCE programs

PROGRAMS PORTFOLIO

Planning

Name	Budget	Potential Impact	Last Quarter (Update)	Next Quarter (Target)
Multifamily Direct Install (TE and BE)	$12.5M	300 to 1,000 MF AH units electrified	Contract with Association for Energy Affordability (AEA) approved in December 2023	Convene affordable housing developer and tenant rights groups to gather input on program design
Tariffed On Bill (TOB) Financing	$3M	500 to 1,000 customers finance electrification	Supported CPUC Working Group & Equity Committee with IOUs to develop Joint Proposal for a TOB financing pilot	Submit joint proposal to CPUC for consideration & complete bill savings analysis for SVCE territory
Innovation Onramp	$2.4M	1-2 pilot projects per year that advance electrification programs and strategies	Identified theme of application cycle	Open applications for pilot proposals
Existing Building Policy Experiment	$1.9M	Spur action on building electrification and reduce building gas combustion	Outreach to member agencies	Roll out in conjunction with policy experimentation and reach code modernization
Feasibility Assessment, Natural Gas Phase Out	$300K	Complete study that informs local, regional, and statewide policies	Issued RFP and selected vendor	Send contract to BOD and begin analysis

Closed/Inactive

Name	Budget	Summary
FutureFit Homes Heat Pump Water Heater	$1.5M	Program closed in December 2022, and active applications were transitioned to FutureFit Homes Incentives program
Electric Showcase Awards 2.0	$1.5M	150 applications, 16 winners, $95,000 awarded
Reach Codes 2019	$400K	Reach Codes 2019 were adopted by 12 of 13 member agencies, and several agencies updated Reach Codes in the 2022 code cycle
Medical Battery Program	$200K	All 50 batteries are claimed by customers who require electricity for medical devices and are at high risk of power outages

PROGRAMS HIGHLIGHTS

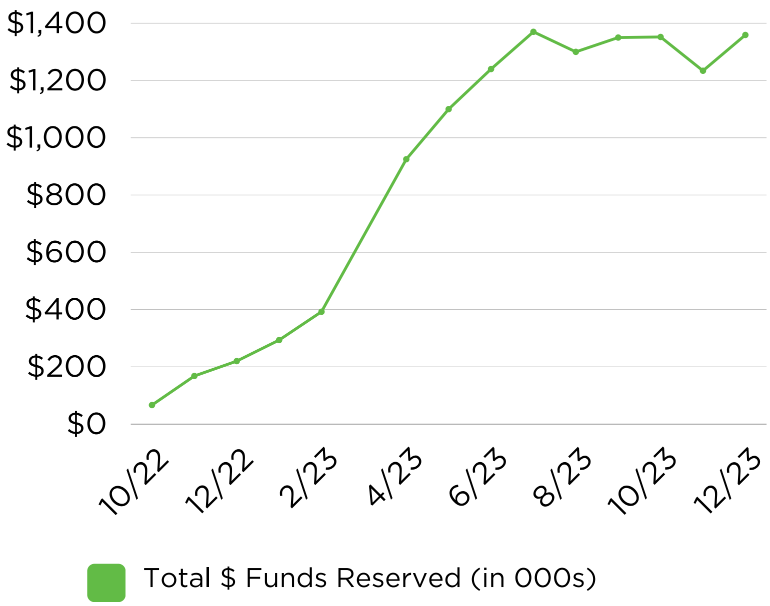
FY24 Q1

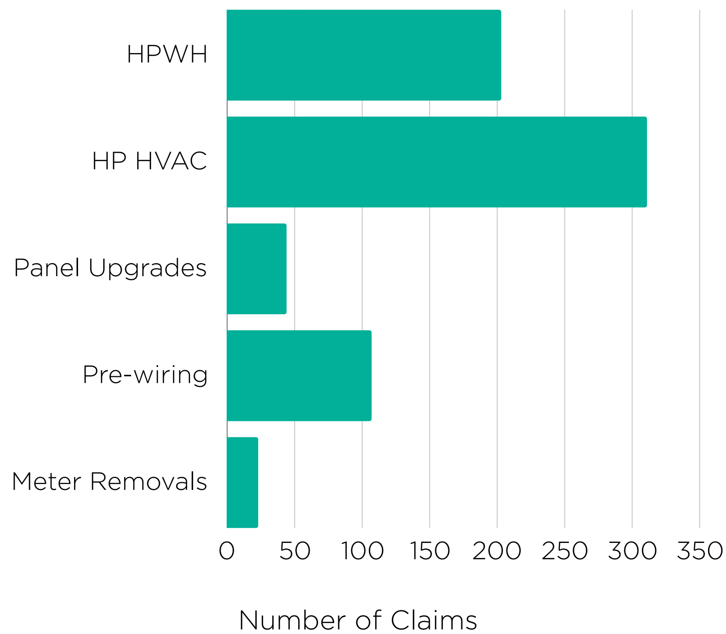
FutureFit Homes

Provide incentives to residents for electric heat pump water heaters (HPWH), heat pump HVAC systems, service panel upgrades, and pre-wiring upgrades to replace gas appliances.

Rebates claimed: $1.32M

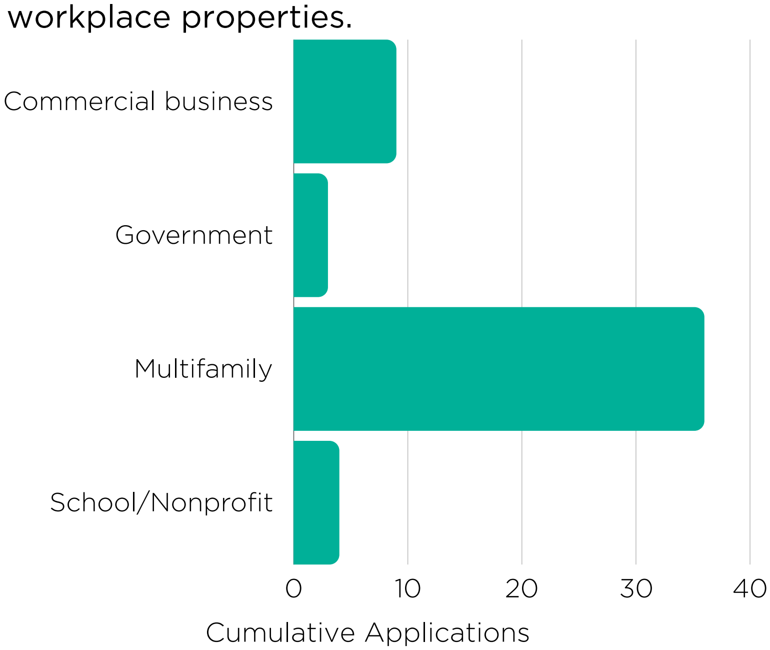
Rebates reserved: $1.36M





Future Fit Assist

Assistance in site assessment, preliminary design, and applying to rebates for charging at multifamily housing and small and medium workplace properties.



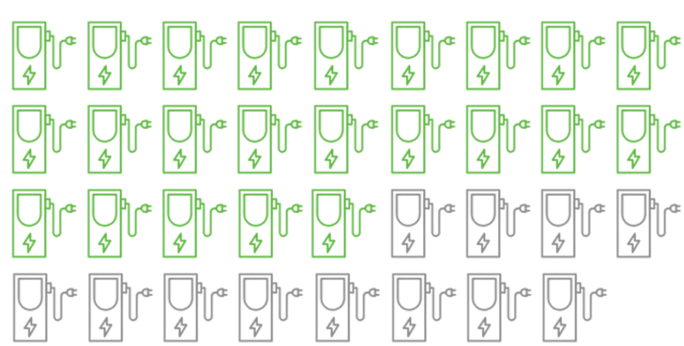
Charging Installation Incentive Program (CHIIP)

Incentive program for L1 and L2 EV charging infrastructure at multifamily properties

Funds Reserved: $883K

Approved Reservations: 23

Goal: 35 Sites, 150 ports



PROGRAMS HIGHLIGHTS

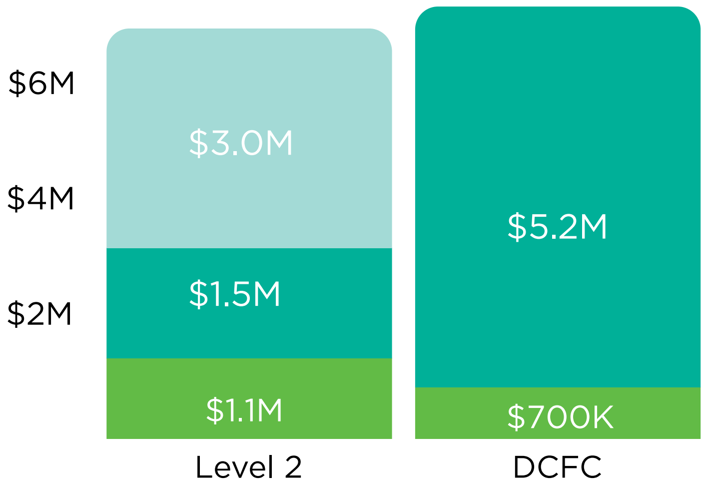
FY24 Q1

CALeVIP

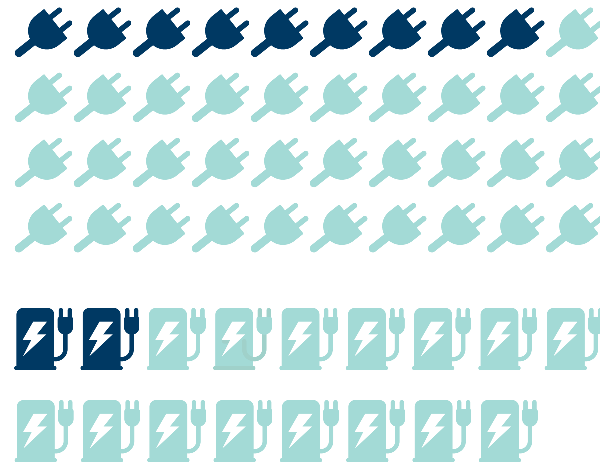
Provide incentives for electric vehicle (EV) chargers as part of a regional program.

Funding: $11.58M

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



Reserved
Remaining Funds
Funds Issued



= 25 Level 2 Installations

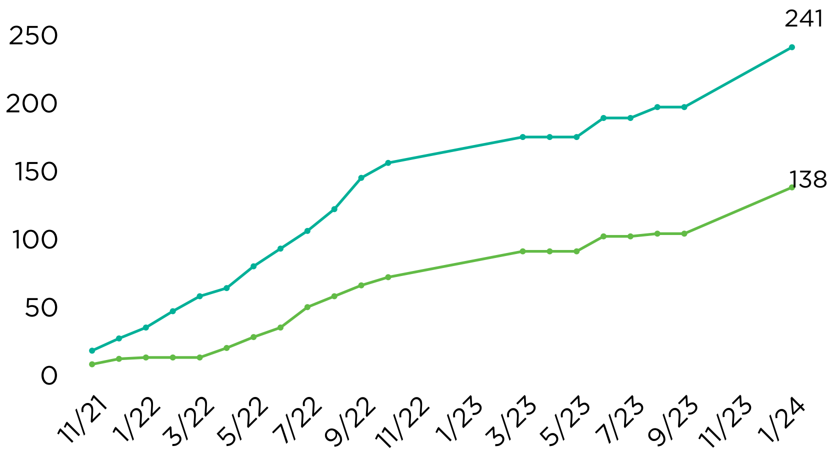
= 5 DCFC Installations

FutureFit Fundamentals

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

Funding: $1.5M

Goal: 150 Participants Complete the Course (Phase 1)



Completions
Registrations

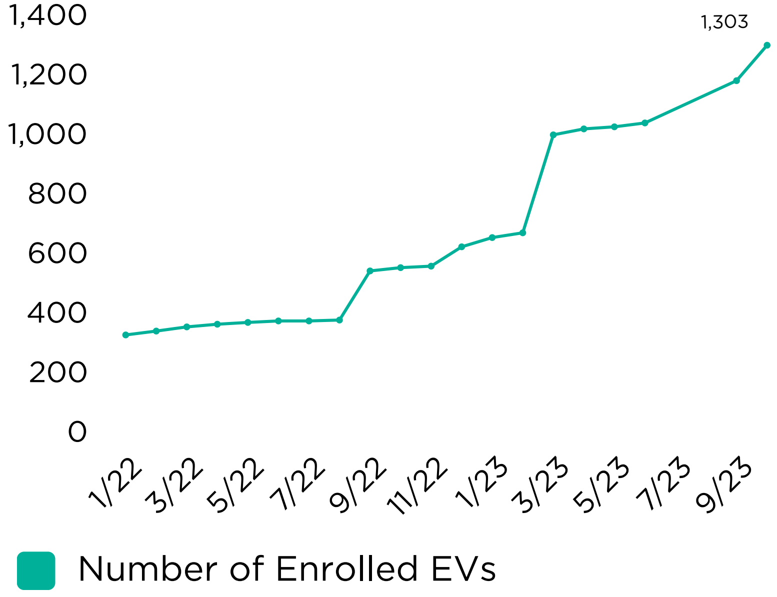
= 5 Participants Complete Course

PROGRAMS HIGHLIGHTS

FY24 Q1

GridShift EV Charging

Managed EV charging app that optimizes charging to reduce associated costs and emissions.



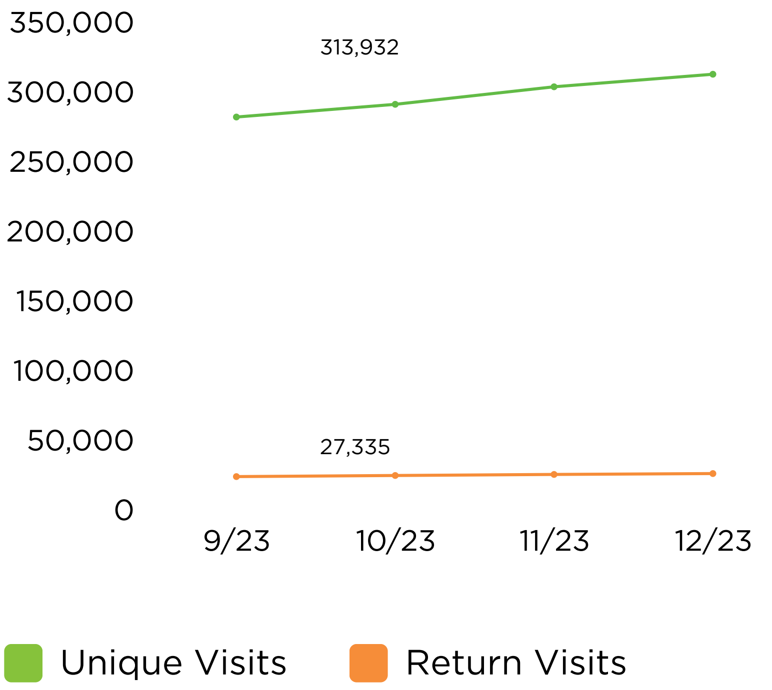
Rebate Goal: $30K

Goal: 120 EV Chargers

Charger Rebates Reserved: 30

eHub Report

Online customer resource center to enable engagement, education and action related to clean electricity, EVs and home electrification.



Website Visit Goal:
Reach 350K Unique Visitors

Email Goal:
Conduct 6 email campaigns

= 1 email campaign completed

GLOSSARY

Built Environment

Community Energy Resilience: Resources (grants) and tools for member agencies to increase individual and collective capacity to adapt to future power outages.

Electric Showcase Awards 2.0: Award program to recognize residential, commercial, and non-profits who are early adopters of existing building electrification.

Decarbonization Demonstration Grants: Grants to encourage member agencies and other key groups an opportunity to electrify their facilities. Focus on projects with public visibility for education/awareness purposes.

Decarbonization Engagement Grants: Grants for member agencies and other key groups to work on smaller electrification engagement initiatives to engage their communities.

Electrification Rate Discount: Custom rate to promote building electrification.

Existing Building Policy Experimentation: Assess and support potential policy levers that member agencies can explore to mitigate emissions from existing buildings.

Feasibility Assessment of Natural Gas Phase Out by 2045: Feasibility study to identify technical, legal, and economic barriers and opportunities for phasing out natural gas service by 2045 in SVCE's service territory.

FutureFit Fundamentals Contractor Training: Training and financial incentive program for contractors to expand their knowledge and installation of electrification technologies.

FutureFit Homes - Concierge: Comprehensive one-on-one phone or web assistance to SVCE customers to assist them in applying for electrification incentives, technical assistance, or developing a whole-home electrification plan.

FutureFit Homes - Residential Incentives: Incentives for various building electrification technologies for single- and small multi-family residential customers. Includes major appliances as well as eventual gas meter removal.

FutureFit Homes and Buildings - C&I Incentives: Incentives for demonstration projects at a handful of small and medium business properties.

Multifamily BE Direct Install: Comprehensive building electrification retrofits with a direct installer for multifamily affordable housing sites.

Permit Modernization: Benchmark and streamline member agency permitting and inspection processes to identify barriers and opportunities to electrification.

Reach Codes 2.0: Provide model building energy codes supportive of all-electric design and EV infrastructure to member agencies along with consultant support.

GLOSSARY

Built Environment

SVBEST: Regular regional stakeholder convenings to coordinate program alignment across building decarbonization workstreams.

Tariffed On Bill (TOB) Financing: Equitable financing pilot program for electrification for low-moderate income residents focusing cost recovery through on-bill charges that are lower than bill savings.

Mobility

CALeVIP 1.0: Incentives for L2 and DCFC publicly-accessible EV chargers funded by California Energy Commission and SVCE as part of a regional collaboration.

CHIIP: Incentive program for L1 and L2 EV charging at hard-to-reach multifamily properties.

Fleet Electrification Program: Competitive application for SVCE's fleet electrification planning support and funding for site upgrades targeting a broad set of fleet types.

FutureFit Assist: Technical assistance for preliminary site design and pertinent rebates for charging at multifamily housing and small and medium workplace properties.

Multifamily TE Direct Install: Comprehensive transportation electrification retrofits with a direct installer for multifamily affordable housing sites.

Priority Zone DC Fast Charger (PZDCFC) 2.0: Competitive grant application for DCFC installations in "priority zones" that support designated multifamily housing clusters.

SVTEC: Regular regional stakeholder meetings focused on information sharing, solving critical issues, and attracting external funding to the SVCE community in support of EV infrastructure deployment.

Power Supply

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

Medical Battery Program: Pilot program to deploy ~50 portable batteries to qualified customers who rely on power for medical equipment.

Education & Outreach

Customer Resource Center (eHub): Online customer resource center and marketplace to enable engagement, education, and action related to clean electricity, EVs, and home electrification.

Grid Integration

GridShift EV Charging: Managed EV charging phone app that optimizes charging to reduce associated costs and emissions. Includes incentives for reducing grid peak demand.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1f

Item 1f:	**Authorize the Chief Executive Officer to Execute an Agreement with Stem for Use of their Athena Battery Optimization Software with a Not to Exceed Limit of $1,050,000 Over a Three-Year Term**
From:	Girish Balachandran, CEO
Prepared by:	Monica V. Padilla, COO and Director of Power Resources Kris Van Vactor, Wholesale Energy Market Manager
Date:	2/14/2024

RECOMMENDATION

Staff recommends that the Board delegate authority to the Chief Executive Officer (CEO) to execute in substantive form the Stem Battery Optimization Agreement, Attachment 1, with a not to exceed limit of $1,050,000 over a three-year term.

Execution of the agreement is necessary to optimally operate Silicon Valley Clean Energy's (SVCE) growing portfolio of utility-scale storage facilities in the California Independent System Operator (CAISO) market.

BACKGROUND

SVCE's clean energy procurement strategy since its start has been to procure and integrate battery energy storage systems (BESS) either as standalone or paired with solar to add value to SVCE's energy portfolio and extend clean energy delivery of solar resources, enhance grid reliability and/or meet procurement mandates. To date, SVCE has signed 20 power purchase agreements directly, in partnership with Central Coast Community Energy (CCCE) and/or with California Community Power (CCPower).

In early 2022, Slate became SVCE's first commercially operational BESS resource. Since then, Rabbitbrush has come on-line and a 3rd, Victory Pass, expected to be online by April 2024. The need to build operational bid strategies to effectively and optimally schedule the resources in the CAISO marketplace exists. Currently SVCE's Scheduling Coordinator (SC) manages this process via internal software, however SVCE staff determined the need to evaluate alternate providers which would allow for better customization, controls and oversight.

Stem's Athena Battery Optimization software was selected as the best proposal based on overall contract value, price forecasting module, optimization features and controls.

ANALYSIS & DISCUSSION

In March of 2023, SVCE along with CCCE issued a Request for Information (RFI) to provide optimization services for the fleet of battery resources both agencies have under contract. Specifically, the RFI was looking for information on the ability of the marketplace to provide price forecasting and BESS optimization services.

In all, the RFI was sent to 10 market participants. The agencies received information from six companies, of which three were selected to provide final proposals. In June 2023 a Request for Proposal (RFP) was issued, all three participants were interviewed and in July Stem was selected as the most competitive proposal offering the most responsive price forecasting and optimization solutions.

Agenda Item: 1f **Agenda Date: 2/14/2024**

Vendor

Stem is the global leader in AI-driven clean energy solutions and services. Today, Stem has 2+ gigawatt hours (GWh) of storage assets under management across 950+ sites operating or contracted within 75+ permitting jurisdictions across 200+ cities and 40+ utility service territories.

Stem's go-to-market structure is divided across three groups that are aligned for customer-centric solution delivery that optimizes value for the customer. The following enable our success at delivering superior value for our customers:

- 650+ global employees, with 200+ dedicated to product and technology work
- 3rd generation software built on 10+ years' experience
- Daily software releases for continuous improvement
- 33,000+ automated dispatches across our fleet year-to-date
- 500,000+ industrial IoT devices under management
- 87 patents across storage and solar asset performance
- Leveraging data from 1+ billion cumulative runtime hours

Summary and Recommendation

When all BESS systems are commercially on-line, SVCE will have control over 277MW representing tens of millions of dollars in operating costs. The value of these resources is highly dependent on bid strategy, market conditions and contract constraints. On an annual basis revenues per resource can vary depending on the sophistication of the bid strategy and the ability of the resource. For example, one of SVCEs resources has seen around $2.5 million in market revenues in one year of operation, but during that same period a "perfect" bid strategy would have produced around $4.25 million in market revenues. The Stem BESS software will enable staff to move SVCE's bid strategies towards that of a "perfect" strategy, while honoring real time BESS constraints as they relate to the CAISO's rules or SVCE's resource agreements.

Stem has a proven track record of operating batteries in California since 2015 and has a price forecast model that has successfully anticipated real-time price deviations. Their software can also optimize SVCE's resources while simultaneously respecting the physical limits of the assets. Additionally, all products (Energy and Ancillary Service) will be co-optimized ensuring that the assets are properly compensated for the awards they receive. Finally, this agreement represents a step towards improving SVCE's capability to optimize and manage expected outcomes of these resources.

Under the proposed agreement SVCE will be able to issue task orders for resources as they come online. The first task order is expected to coincide with the execution of the contract and will allow SVCE to integrate Sate 2, Rabbitbrush 2 and Victory Pass resources that are under SVCE's scheduling control once the software is ready to go live.

STRATEGIC PLAN

Execution of the Stem agreement supports SVCE's Strategic Plan as follows:

Goal 8: Manage and optimize power supply resources to meet affordability, GHG reduction and reliability objectives

Measure 3: Ensure SVCE adopts the appropriate tools, systems, and resources to support new resource valuations, portfolio optimization, risk management, scheduling coordination, load forecasting, optimization, compliance, and settlements.

ALTERNATIVE

Do not authorize the CEO to execute the SVCE Stem Battery Optimization Agreement, which will require that SVCE's Scheduling Coordinator continue to build bids to optimize SVCE resources. This alternative does not allow SVCE optimal oversight and flexibility in scheduling its BESS resources.

FISCAL IMPACT

Ultimate execution of the agreement and initial task order will result in costs to SVCE starting in Fiscal Year (FY) 2024, which has been included in the FY 2024 operating budget. Staff's spending authority over the term of the contract will be limited to the amount recommended including $1,050,000.

ATTACHMENTS

1. Draft Agreement between SVCE and Stem

SILICON VALLEY CLEAN ENERGY STANDARD SERVICES AGREEMENT

This Standard Services Agreement (the "**Agreement**") is made by and between Silicon Valley Clean Energy ("**CUSTOMER**") a _______________ with its principal place of business located at ____________________________________ and Stem US Operations Inc. (hereinafter "**CONTRACTOR**"), a Delaware corporation with its principal place of business located at 100 California St., Ste 1400, San Francisco, CA 94111, CUSTOMER and CONTRACTOR may be individually referred to herein as "**Party**" or collectively as "**Parties**."

In consideration of the mutual covenants and conditions set forth in this Agreement, the Parties agree as follows:

1. GENERAL

1.1. CUSTOMER hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit K(Task Order 1)** and any subsequent Task Order entered into pursuant to this Agreement in conformity with the terms of this Agreement. The services are generally described as: battery energy optimization services.

1.2. Capitalized terms used but not defined in the body of this Agreement will have the meaning ascribed to such term in **Exhibit J** (**Definitions of Terms**).

2. SERVICES

2.1. Scope of Services. Subject to Section 19.6, CONTRACTOR agrees to provide the Services described in each Task Order directly or through its Subcontractors. CONTRACTOR's delegation to or other engagement with any Subcontractor will not relieve CONTRACTOR of its duties, responsibilities, obligations, or liabilities under this Agreement, CONTRACTOR shall be solely responsible for the performance of and payment to its Subcontractors. CUSTOMER shall have no obligation or liability to any of CONTRACTOR's Subcontractors resulting from this Agreement.

2.2. Permits. CONTRACTOR has no obligation or responsibility to obtain or maintain any applicable regulatory authorizations, approvals and permits required for the operation of the Customer Products. In the event that CUSTOMER reasonably believes that failure to obtain or maintain the necessary permits may delay the commercial operations of the Customer Product, CUSTOMER may provide notice of termination to the CONTRACTOR to terminate the relevant Task Order. In the event of termination of a Task Order for reasons under this Section 2.2, CUSTOMER shall be responsible for payment of all Service Fees for Services provided to the CUSTOMER prior to termination, but shall not be subject to any Termination Payment.

2.3. CUSTOMER Data. CONTRACTOR may require CUSTOMER Data to perform the Services, calculate payments under the applicable Task Order, and for all other purposes required this Agreement. Within ten Business Days from receipt of CONTRACTOR's written request, CUSTOMER shall provide the CONTRACTOR with such required data. CUSTOMER's failure to provide or cause CONTRACTOR's receipt of the required CUSTOMER Data may delay the Services or cause the cancelation of the relevant Task Order.

2.4. Task Orders. In the event CUSTOMER determines that additional Services as set forth in Exhibit B Sections 3 and 4 beyond the initial Task Order are required, CUSTOMER may issue to CONTRACTOR a Task Order following the form set forth in **Exhibit A** (**Form of Task Order**) to this Agreement.

2.4.1. CUSTOMER will prepare and issue Task Orders to CONTRACTOR, subject to CONTRACTOR'S approval to provide the Services.

2.4.2. Task Orders for any additional Services will be performed in accordance with the terms and conditions of this Agreement including the exhibits to this Agreement (the "**Exhibits**").

2.4.3. Task Orders shall have no force or effect unless executed by duly authorized representatives of both Parties. Once executed, each Task Order shall be binding on the Parties in accordance with its terms.

2.4.4. The Parties may agree to adjust the terms and conditions of any Task Order through a written amendment or restatement.

3. PAYMENT PROVISIONS

3.1. CUSTOMER shall pay the CONTRACTOR in accordance with the payment provisions set forth in Section 8, below and **Exhibit F** (**Payment Terms & Conditions**), subject to the limitations set forth in this Agreement.

4. TERM OF AGREEMENT

4.1. The term of this Agreement is from the date of execution and shall extend three years after the Initial Go-Live Date (the "**Initial Term**"), unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both the CONTRACTOR and CUSTOMER, with CUSTOMER's execution to be last in time. CONTRACTOR may not commence work under this Agreement before CUSTOMER signs this Agreement.

4.2. This Agreement will automatically renew for 12-month periods (each a "**Renewal Term**" and collectively with the Initial Term "**Term**") unless a Party provides the other Party with written notice of non-renewal at least 90 days before the completion of the then-current Term (the "**Renewal Period**"). In the event of such non-renewal, The Agreement will remain in effect until the expiration of all Task Orders entered into before the effective date of such termination until both Parties have fulfilled all of their obligations under such Task Orders, or such Task Orders have been canceled or terminated under its terms or the terms of this Agreement.

5. SCOPE OF SERVICES AND ADDITIONAL PROVISIONS

5.1. The following attached Exhibits are incorporated herein by reference and constitute a part of this Agreement:

5.1.1. **Exhibit A: Form of Task Order**

5.1.2. **Exhibit B**: **List of Services**

5.1.3. **Exhibit C: Scope of Customer Support Services**

5.1.4. **Exhibit D: Technical Requirements**

5.1.5. **Exhibit E: Payment Terms & Conditions**

5.1.6. **Exhibit F: Pricing Table**

5.1.7. **Exhibit G: Procedures for Unauthorized Release of Covered Information**

5.1.8. **Exhibit H: Ownership; Title; License Grants**

5.1.9. **Exhibit I: Services Warranty**

5.1.10. **Exhibit J: Definitions of Terms**

5.1.11. **Exhibit K: Task Order #1**

6. REPRESENTATIONS AND DISCLAIMERS

6.1. Each Party represents that (i) it is organized, validly existing, and in good standing under the laws of its jurisdiction of its formation and in each jurisdiction where it is required to be so qualified in connection with the Services contemplated under this Agreement, (ii) it has the right to enter into this Agreement and each Task Order, (iii) the execution and delivery of this Agreement will not violate the terms of any contract, obligation, Applicable Law, regulation, or ordinance to which it is subject, and (iv) it shall comply with Applicable Law in executing this Agreement and the provision or use of any Services.

6.2. Each Party acknowledges that the other Party shall have no direct or indirect liability or obligation to any third party relating to this Agreement or any associated Task Order.

6.3. CONTRACTOR represents that it is not a utility and is not purchasing from nor selling electricity to CUSTOMER. CONTRACTOR shall have no responsibility for (i) any costs or liabilities associated with the procurement, purchase, and use of any electricity in connection with the Customer Products, or (ii) any direct or indirect liability or obligation to any permitted assigns relating to this Agreement or any Task Order except as stated in this Agreement.

7. PERFORMANCE STANDARDS

7.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees and Subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of CUSTOMER or immediate family of an employee of CUSTOMER.

7.2. CONTRACTOR and CONTRACTOR's agents, employees and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

7.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use CUSTOMER premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

7.4. CONTRACTOR warrants the Services provided under this Agreement to the extent described in **Exhibit I** (**Services Warranty**).

8. PAYMENT CONDITIONS

8.1. Prices for Services under all Task Orders subject to this Agreement shall not exceed the amounts described in **Exhibit E (Pricing Table)** for the Initial Term of the Agreement.

8.2. If this Agreement is renewed pursuant to Section 4.2, for the first Renewal Period after the Initial Term ("**Initial Renewal Term**"), the Services Fees, Subscription Fees, and Advisory Fees ("**Contract Fees**") for the Initial Renewal Term shall not increase in an amount that exceeds 3% of the Contract Fees in the last year of the Initial Term (the "**Price Increase Cap**"). . The Contract Fees for any subsequent Renewal Term are not subject to any Price Increase Cap, unless otherwise agreed to by the Parties. Rate changes are not binding unless mutually agreed upon in writing by CUSTOMER and the CONTRACTOR.

8.3. Invoices shall be submitted in accordance with the payment provisions set forth in this Section 8 and **Exhibit F (Payment Terms & Conditions)** and on a form acceptable to CUSTOMER and provide sufficient detail, as determined by CUSTOMER, of Services rendered for the invoiced period.

8.4. CONTRACTOR shall submit invoices to CUSTOMER monthly for Customer's Share of the Contract Fees in accordance with the payment provisions set forth in this Section 8 and **Exhibit**

B (Payment Terms & Conditions) unless otherwise specified in the applicable Task Order. CONTRACTOR shall submit invoices no later than thirty (30) days after the last day of the month in which such Services were rendered.

8.4.1. Subscription Fees. Unless other billing and payment terms are specified in the applicable Task Order, the Subscription Fees for the first Customer Product will commence on the Go-Live Date of that Customer Product and extend for 12 months, (the "**Annual Subscription Fee Term**"), to automatically renew for each subsequent 12 -month period until the expiration or termination of the Agreement.

8.4.2. Should Customer subsequently enroll any additional Customer Product within Athena® PowerBidder Pro™ during the term of the Agreement, CONTRACTOR will invoice CUSTOMER for Customer's Share of the annual Subscription Fees of each subsequent Customer Product on a prorated basis. Prorating is calculated based on how many days the Customer Product will be operational within the current Annual Subscription Fee Term. CONTRACTOR will invoice CUSTOMER for each new Customer Product as of the Go-Live Date for the daily prorated amount due to CONTRACTOR in accordance with selections made in the applicable Task Order.

8.5. <u>Invoices shall reflect Customer's Share of the total fees owed under each Task Order. Notwithstanding CUSTOMER'S payment the Customer's Share of any Invoice, CONTRACTOR reserves the right to withhold any Services, in whole or in part, for deficiencies in payment of the total fees owed under any TaskOrder.</u>

8.6. CUSTOMER shall certify the invoice for payment in either the amount requested, or in such other amount as CUSTOMER determines is due in conformity with the payment provisions set forth in **Exhibit F (Payment Terms & Conditions)**. Invoices shall be certified and paid within 45 days of submission to CUSTOMER.

9. TERMINATION

9.1. In addition to its termination rights under Section 4.2, during the term of this Agreement, CUSTOMER in its sole discretion may terminate either the Agreement or any Task Order for any reason by giving written notice of termination to the CONTRACTOR at least ninety (90) days prior to the effective date of termination. Such notice shall set forth the effective date of termination of the Agreement or the Task Order. In the event of such termination, unǝer this Section 9.1 CUSTOMER shall pay to CONTRACTOR the Termination Payment (as defined below). Unless otherwise stated in the affected Task Order, the "**Termination Payment**"" shall be the lesser of the Customer's Share of (a) the fees remaining to be paid for Services under any terminated Task Order (or the sum of the fees remaining to be paid under all Task Orders in the event of a termination of this Agreement) and (b) 12 months' worth of the Services fees under any terminated Task Order at the rate applicable at the time of such termination (or the sum of the fees remaining to be paid under all Task Orders in the event of a termination of this Agreement). For the avoidance of doubt, CUSTOMER shall not owe a termination fee for a termination under Sections 2.2, 4.2, 9.2 or 9.3.

9.2. CUSTOMER at its sole discretion may terminate this Agreement or any Task Order for cause effective immediately upon written notice to CONTRACTOR. "Cause" includes CONTRACTOR's gross negligence, breach, default or failure to cure a default or breach of this Agreement that is capable of cure in accordance with Section 10 of this Agreement. If CUSTOMER terminates this Agreement for Cause, CUSTOMER shall be relieved of any further liabilities to CONTRACTOR including the obligation to pay any termination fee or damages under this Agreement to CONTRACTOR, and CUSTOMER may proceed with the work without the Services in any manner. CONTRACTOR will only terminate this Agreement in whole or part following default or breach or, if a default or breach is capable of cure, a failure to cure default or breach by CUSTOMER of this Agreement as defined in Section 100.

9.3. The Parties acknowledge that the total cost of the Services are shared between CUSTOMER and Central Coast Community Energy ("**3CE**") If CUSTOMER has paid invoices rendered to it under this Agreement in a timely manner, but CONTRACTOR does not receive the total amount of Services Fees and/or Subscription Fees owed by 3CE for the Services within ten (10) Business Days of 3CE's receipt of a demand for payment from CONTRACTOR for a past due monthly or annual invoice for the Services, CONTRACTOR may suspend the Services affected by the failure to pay in whole or in part, or terminate this Agreement upon thirty (30) days notice to CUSTOMER. Upon termination under this Section 9.3, neither Party shall have any liability to or rights against the other Party.

10. DEFAULT OR BREACH

10.1. Each of the following events will constitute a default or breach if not cured within the Cure Period as follows: (i) If a Party breaches any material term of this Agreement and fails to cure such breach within 30 days after receipt of written notice of breach from the non-breaching Party, (ii) If a Party becomes insolvent, or upon the appointment of a receiver or receiver-manager for any part of the property of that Party, or a Party makes an assignment, proposal or arrangement for the benefit of creditors or proceedings are commenced by or for a Party under any bankruptcy, insolvency or debtor's relief law not terminated within 60 days, or (iii) If a Party fails to make a payment when due under this Agreement and fails to make payment within 10 Business Days after receipt of a demand for payment ("**Payment Default**"). The Parties may mutually agree in writing to extend any of the notices of breach or termination. For this section 10.1, "**Cure Period**" means the periods detailed in (i), (ii), and (iii) above.

10.2. If a Party fails to cure any default or breach, including a Payment Default, within the applicable Cure Period, then the non-breaching Party, at its option, may subject to Section 12, in addition to any other remedies it may have under this Agreement or at law or in equity, immediately terminate this Agreement or the affected Task Order upon written notice to the other Party. If the affected Task Order is terminated, such termination will not affect any other Task Order not affected by the breach.

10.3. The obligations under Section 12, Section 14, and the obligations to make payments for Services performed prior to the date of termination or any Termination Payment as noted in Sections 2.2 and 9 respectively, shall survive the termination of this Agreement.

11. LIMITATION OF LIABILITY

11.1. Neither Party, nor any Party's affiliates, subcontractors, agents, or employees shall be liable to the other Party for any incidental, indirect, special, punitive, or consequential losses or damages, whether arising in contract, warranty, tort (including negligence), strict liability or otherwise, including damages relating to the loss of use, profits, business, reputation, financing, revenue, power, information or data, or the cost of capital, or such damages based on a Party's third-party contracts.

11.2. Except for CUSTOMER's payment obligations under this Agreement for Services performed prior to the date of termination, the maximum aggregate liability of each Party, its Affiliates, subcontractors, agents, and employees arising out of the performance or nonperformance of obligations in connection with this Agreement or the performance or nonperformance of any services provided through any Task Order, under any theory of recovery, whether based in contract, in tort (including negligence and strict liability), or otherwise, will not exceed an amount greater than the equivalent of 12 months' worth of the Customer's Share of the Contract Fees under this Agreement. The Parties agree that the above limitations and exclusions will not apply to losses or damages that are due to the other Party, or the other Party's Affiliates', subcontractors', agents', or employees', gross negligence, willful misconduct, breach of confidentiality, and the Parties' respective express indemnity obligations under this Agreement. Neither Party shall be liable for penalties of any kind.

12. INDEMNIFICATION

12.1. CONTRACTOR shall indemnify, defend, and hold harmless CUSTOMER, its Directors, Board members, officers, agents and employees (each, a "**CUSTOMER Indemnitee**") from and against all third-party claims and expenses ("**Losses**") incurred by CUSTOMER Indemnitees in connection with or arising from (i) any claim by a third party for physical damage to or physical destruction of property, or death of or bodily injury to any person, however caused; or (ii) a breach by CONTRACTOR of any of its obligations under this Agreement including but not limited to Section 2.1.

12.2. CUSTOMER Indemnitee ("**Indemnified Party**") shall promptly, but no more than ten Business Days after becoming aware of any claim of Losses shall provide notice of such claim to the CONTRACTOR (the "**Indemnifying Party**"). The Indemnifying Party shall assume the defense of the claim with counsel satisfactory to the Indemnified Party; provided that, if in the reasonable opinion of counsel for the Indemnified Party, a conflict of interest between the Parties may exist with respect to such claim, the Indemnified Party shall have the right to select and be represented by separate counsel. If the Indemnifying Party does not assume the defense of the Indemnified Party, or if the Indemnified Party concludes a conflict of interest precludes the Indemnifying Party from assuming the defense, then the Indemnifying Party shall reimburse the Indemnified Party monthly for the Indemnified Party's defense through separate counsel of the Indemnified Party's choice. Even if the Indemnifying Party assumes the defense of the Indemnified Party with acceptable counsel, the Indemnified Party, at its sole option, may participate in the defense at its own expense and with counsel of its own choice without relieving the Indemnifying Party of any of its obligations under this Agreement.

13. INSURANCE REQUIREMENTS

13.1. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. CONTRACTOR shall furnish current certificates substantiating the required insurance maintenance.

13.2. Without limiting CONTRACTOR'S duty to defend and indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

13.2.1.1. **Commercial General Liability Insurance,** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, products and Completed Operations, and cross-liability with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

13.2.1.2. **Workers' Compensation Insurance,** as may be from time to time required under applicable federal and state law.

13.2.1.3. **Professional Liability Insurance,** if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

13.3. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

13.4. Commercial general liability policy shall **provide an endorsement naming 3CE, its Directors, Board members, officers, agents, and employees as Additional Insureds** with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that **such insurance is primary** insurance to any insurance or self-insurance maintained by 3CE and that the insurance of **the Additional Insureds shall not be called upon to contribute** to a loss covered by the CONTRACTOR'S insurance.

14. RECORD AND CONFIDENTIALITY

14.1. **Duty to Maintain Confidentiality**. Upon receiving or learning of Confidential Information, the Party receiving Confidential Information ("**Receiving Party**") from the other Party ("**Disclosing Party**") will: (a) treat such Confidential Information as confidential and use reasonable care not to divulge such Confidential Information to any third party except as set forth in this Section 14.1; (b) restrict access to such Confidential Information to only those of its employees and contractors, in each case who reasonably need to know it in order to provide the Services and are bound by confidentiality provisions no less stringent than those in this Section 14.1; and (c) use such Confidential Information solely for purposes of performing its obligations this Agreement. Confidential Information will retain its character as Confidential Information but may be disclosed by the Receiving Party if and to the extent such disclosure is required (a) to be made by any requirements of Law, (b) pursuant to an order of a court or (c) in order to enforce this Agreement; *provided*, each Party shall, to the extent practicable, use reasonable efforts to prevent or limit the disclosure. If the Receiving Party becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable Law, order, regulation, ruling, or regulatory request to disclose any Confidential Information of the Disclosing Party, Receiving Party shall provide Disclosing Party with prompt notice so that Disclosing Party, at its sole expense, may seek an appropriate protective order or other appropriate remedy. If the Disclosing Party takes no such action after receiving the foregoing notice from the Receiving Party, the Receiving Party is not required to defend against such request and shall be permitted to disclose such Confidential Information of the Disclosing Party, with no liability for any damages that arise from such disclosure. Each Party hereto acknowledges and agrees that information and documentation provided in connection with this Agreement may be subject to disclosure pursuant to the California Public Records Act (Government Code Section 6250 et seq.).

14.2. Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth in this Section 14. Accordingly, Receiving Party acknowledges that any such breach or threatened breach will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available except as otherwise limited under this Agreement, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Section 14 or the continuation of any such breach, without the necessity of proving actual damages.

Confidential Information specifically includes Covered Information, as defined in **Exhibit J (Definitions of Terms)**, including Protected Personal Information("**PPI**") that identifies, relates to, describes, or is capable of being associated with, or could reasonably be linked, directly or indirectly, with a consumer, household, or customer account. In the event of an inadvertent disclosure of PPI, all such Covered Information and PPI must fully be protected from disclosure as set forth in California Public Utility Commission Decision D.12-08.045. In the event of an unauthorized release of Covered Information and PPI, CONTRACTOR shall comply with **Exhibit C, (Procedures for Unauthorized Release of Covered Information)**.

14.3. Upon expiration or termination of this Agreement, the Receiving Party shall return to the disclosing Party any records used or received from the disclosing Party to perform services under this Agreement.

14.4. Notwithstanding Section 14.2, each Party shall prepare, maintain, and preserve all reports and records that may be required of it by federal, state, and local rules and regulations related to services performed under this Agreement. Each Party shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then each Party shall retain said records until such action is resolved.

14.5. CUSTOMER shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the Parties to this Agreement may be subject, at the request of CUSTOMER or as part of any audit of CUSTOMER, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

Title and ownership of the instruments used by Seller to provide Services are set forth in **Exhibit H (Ownership; Title; License Grants).**

15. NON-DISCRIMINATION

15.1. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

16. INDEPENDENT CONTRACTOR

16.1. In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of CUSTOMER. No offer or obligation of permanent employment with CUSTOMER is implied by this Agreement and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from CUSTOMER any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold CUSTOMER harmless from any and all liability which CUSTOMER may incur because of CONTRACTOR's failure to pay such taxes.

17. NOTICES

17.1. Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to CUSTOMER and CONTRACTOR'S contract administrators at the addresses listed below:

Silicon Valley Clean Energy	Stem US Operations Inc.
	100 California St., Suite 1400
	San Francisco, CA 94111

18. MISCELLANEOUS PROVISIONS

18.1. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement related to CUSTOMER, Customer Products, CONTRACTOR's subcontractors or suppliers involved in the performance of Services, or any other interest which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the Services required to be rendered under this Agreement.

18.2. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by CUSTOMER and the CONTRACTOR.

18.3. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by CUSTOMER and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

18.4. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

18.5. Disputes. In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a written Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, the Parties shall submit the dispute to mediation prior to seeking any and all remedies available to it at Law in or equity. The Parties will cooperate in selecting a qualified neutral mediator selected from a panel of neutrals and in scheduling the time and place of the mediation as soon as reasonably possible, but in no event later than thirty (30) days after the request for mediation is made. The Parties agree to participate in the mediation in good faith and to share the costs of the mediation, including the mediator's fee, equally, but such shared costs shall not include each Party's own attorneys' fees and costs, which shall be borne solely by such Party. Unless agreed to in writing by each Party, the mediation shall be concluded within the earlier of (a) sixty (60) days after the mediator is selected, and (b) ninety (90) days of the date the dispute is submitted to mediation. If the mediation is unsuccessful, then either Party may seek any and all remedies available to it at law or in equity, subject to the limitations set forth in this Agreement.

18.6. Assignment and Subcontracting. Neither Party shall assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the other Party which shall not be unreasonably withheld. None of the services covered by this Agreement shall be subcontracted without the prior written approval of CUSTOMER. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement, including for all actions or inaction of any Subcontractor.

18.7. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of CUSTOMER and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the Parties and their respective successors, permitted assigns, and heirs.

18.8. Cooperation, Further Assurances, and Joint Preparation of Agreement. Upon receiving a written request from the other Party, each Party agrees to take such further actions as reasonably necessary and desirable to carry out the terms and intent of this Agreement. Neither Party will unreasonably withhold, condition, nor delay compliance with any reasonable request under this subsection. Preparation of this Agreement has been a joint effort of the Parties, and the resulting document will not be construed more severely against one of the Parties than the other.

18.9. Compliance with Applicable Law. The Parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

18.10. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

18.11. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

18.12. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

18.13. Non-exclusive Agreement. This Agreement is non-exclusive and both CUSTOMER and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

18.14. Construction of Agreement. CUSTOMER and CONTRACTOR agree that each Party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

18.15. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The signing of this Agreement and transmission by electronic document transfer or email will be acceptable and binding upon the Parties.

18.16. Authority. Any individual executing this Agreement on behalf of CUSTOMER or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such Party and bind the Party to the terms and conditions of this Agreement.

18.17. Equitable Relief. Each Party agrees and acknowledges (i) that the infringement of either Party's Intellectual Property rights may cause irreparable injury and that the non-infringing Party agrees it will be entitled to apply for equitable relief, including injunction or injunctions as may be required to prevent any breach, infringement, or further breach or infringement of any Intellectual Property rights or disclosure or misuse of Confidential Information, and may specifically enforce such provisions or protect these rights by an action instituted in any court having jurisdiction, (ii) that damages may be an inadequate remedy for such a breach or infringement, and (iii) that the aggrieved Party may apply for such equitable relief without posting a bond or surety. Nothing in this Agreement will prevent or prohibit either Party from disputing the occurrence of such breach or infringement, including the occurrence of the default giving rise to the application for such injunctive relief.

18.18. Export Restrictions. The Parties acknowledge that the Services, software, and technical data provided under this Agreement may be subject to import, export, and re-export controls under the U.S. Export Administration Regulations and regulations under the Office of Foreign Assets Control of the U.S. Department of Commerce and regulations of other countries or governments. Neither Party shall export or re-export any Services, software, technical data, or Intellectual Property or undertake any transaction in violation of any such export and import laws. Each Party shall be responsible for its compliance with all such laws.

18.19. Force Majeure. A Party may suspend the performance of an obligation to the extent performance of such obligation is rendered impossible by a Force Majeure event. The affected Party will provide written notice to the other Party within 5 days of an event of Force Majeure or as soon as practicable. The suspension of performance by a Party for reasons of a Force Majeure event will be of no greater scope and no longer duration than that which is necessary. The excused Party shall use commercially reasonable efforts to remedy its inability to perform. If a Force Majeure event continues for 6 months, either Party may terminate this Agreement without liability for either Party.

18.20. Integration. This Agreement, including the Exhibits and Task Orders form a single integrated agreement represent the entire Agreement between CUSTOMER and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between CUSTOMER and the CONTRACTOR as of the effective date of this Agreement, which is the date that CUSTOMER signs the Agreement.

18.21. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

18.22. Invalidity. If any court of competent jurisdiction finds or deems any provision of this Agreement to be invalid or unenforceable, it shall be considered severable and will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect. Any unenforceable provision of this Agreement will be reformed only to the extent necessary to make it enforceable. To the extent that any provision of this Agreement (including the Exhibits) excludes or limits any statutory liability which, according to mandatory provisions of Applicable Law, are not contractually excluded or limited by mutual agreement of the Parties, then such provision will be given only such effect if any, as is permitted by Applicable Law.

18.23. Liens. CONTRACTOR will not permit or suffer any liens or encumbrances on products or the Site Location arising directly from CONTRACTOR's or any of its Subcontractors' performance of the Services.

18.24. Reference. With prior written consent from CUSTOMER, CONTRACTOR may use CUSTOMER as a customer reference, use CUSTOMER's name and logo in marketing materials, or ask CUSTOMER to participate in communication efforts such as quotes, press releases, case studies, and video testimonials.

18.25. Validity. This Agreement and each associated Task Order will only be valid when fully executed.

The Parties' authorized representatives executed this Agreement as of the date below.

SIGNATURE OF THE PARTIES:

Stem US Operations Inc.	Silicon Valley Clean Energy
BY:___________________________________	BY:___________________________________
Title:_______________________________	
Date: _______________________________	Date: _______________________________

Approved as to Form and Legality

BY:___________________________________

Date: _______________________________

Approved as to Financial Terms

BY:___________________________________

Date: _______________________________

Exhibit A: Form of Task Order

TASK ORDER [#]

This Task Order [#] is entered into by and between Stem US Operations, Inc. (“**CONTRACTOR**”) and [______________] (“**CUSTOMER**”) dated effective as of the Task Order Effective Date. This Task Order is issued under and subject to the Standard Services Agreement (“**Agreement**”) with an Effective Date of [___________] by and between the Parties. Capitalized terms used but not otherwise defined in this Task Order, will have the meaning given to them in this Order Form or if not defined herein, in the Agreement.

1. Project Description

Attribute	Value
Opportunity Name	«Opportunity_Name»
Opportunity ID	
Product Type	«Deal_Type»
AC or DC-Coupled	«Deal_Subtype»
Product Nameplate Capacity (kW)	«Total_Hardware_(kW)»
Product Nameplate Capacity (kWh)	«Total_Energy_Rating_(kWh)_Calc»
Wholesale Market	
Battery OEM/Vendor	«OEM/Vendor»
Product Location Name	«System_Name»
Product Location Address	«Site_Street» «Site_City», «Site_State» «Site_Zip_Code»«TableEnd:syst»

2. Services – Select all applicable Services applicable, as described in **Exhibit B (List of Services)** to the Agreement

- ❑ Customer Onboarding Services
- ❑ Product Onboarding Services
- ❑ Athena® PowerBidder Pro™ Subscription Services
- ❑ Professional Services
- ❑ Advisory Services

3. Term - The term of this Task Order is from the Effective Date, as established by the date of the last Party to execute this Task Order, and extends three years after the Go-Live Date for the Project described in Section 1, unless sooner terminated by the expiration of the term of the Agreement.

4. Pricing

[redacted]

[redacted]

[redacted]

CONTRACTOR	[CUSTOMER]
By:	By:
Printed Name:	Printed Name:
Its:	Its:
Date:	Date:

SILICON VALLEY CLEAN ENERGY

Exhibit B: List of Services

The following is a listing of the available Services subject to this Agreement. For purposes of this **Exhibit B,** the term "Stem" shall refer to "CONTRACTOR" as defined in the Agreement and the term "Customer" shall refer to "CUSTOMER" as defined in the Agreement.

1. **Athena® PowerBidder Pro™ Subscription Services** Is a web application providing the following functionalities:
   - Automated generation of wholesale market bids optimized by Stem's Athena bidding engine, Customer-provided Customer Product information and telemetry, and market price forecasts
   - Automated submission of wholesale market bids to the market operator through a scheduling entity
   - User configuration of inputs used by Stem's Athena bidding engine
   - User override of bids generated by Stem's Athena bidding engine before the bid submission
   - Monitoring of wholesale market bids and physical delivery of market services
   - Reporting of performance analytics and shadow settlement data

2. **Integration Services**. Stem will provide standard specification API interfaces for exchanging necessary data with Customer software systems. If the Customer cannot comply with the required specifications, the Parties will mutually agree in writing on any accommodation of custom specifications, lead time, and cost. The integration specifications cover:
   - **API integration:** Bids and offers; Awards; Solar Forecast (as relevant); and Hybrid Dynamic Limit (as relevant)
   - **DNP3.0 integration:** Live telemetry

   2.1. **Customer Onboarding Services.** Stem will provide onboarding support to the Customer to establish a functional data integration and for user training on Athena® PowerBidder Pro™. The Customer Onboarding Services include:
   - API and DNP3.0 interface specification documentation; and
   - Up to ten hours of direct integration and testing support from Stem technical IT staff.

   2.2. **Product Onboarding Services**. Stem will onboard the Customer Product in Athena® PowerBidder Pro™ and conduct applicable testing of functionality. The Customer Product Onboarding Services include:
   - Training manual; and
   - Up to six hours of user training by Stem.

3. **Professional Services.** Customer may purchase additional services at Stem's then-current rates ("**Professional Services**"). When applicable, Professional Services and the associated fees are listed in **Exhibit E (Pricing Table**) to this Agreement or other document as mutually agreed by the Parties in writing.

4. **Advisory Services.** Customer may purchase additional services at Stem's then-current rates ("**Advisory Services**"). When applicable, Advisory Services and the associated fees are listed in **Exhibit E (Pricing Table**) to this Agreement or other document as mutually agreed by the Parties in writing.

   4.1. **Energy Trading Strategy Development:** Stem offers the customer with upfront advisory support to develop a set of pre-defined CAISO trading strategies for customer's resource.
   - Document all system constraints that may impact trading strategy.
   - Confirm customer operational objectives and align on how to best reflect them within differentiated trading strategies.
   - Meet with customer up to two (2) times for a total of up to three (3) hours to iterate on and confirm final trading strategies. Stem will deliver up to three (3) distinct trading strategies.

4.2. **Energy Trading Advisory Services (must also purchase Energy Trading Strategy Development):** Stem meets with customer to review performance of their trading strategies and provide advisory support on strategy refinement.

- Analyze customer's trading strategies to determine key trends, takeaways, and KPIs, including assessment of backcast simulations to compare performance of customer's alternative trading strategies.
- Summarize key implications for trading strategies of evolving market rules and regulatory requirements.
- Includes one (1) two-hour meeting with the customer every month. Stem will deliver results of its analysis in a PowerPoint deck.

Exhibit C: Scope of Customer Support Services

For purposes of this **Exhibit C,** the term "Stem" shall refer to "CONTRACTOR" as defined in the Agreement and the term "Customer" shall refer to "CUSTOMER" as defined in the Agreement.

1. **Issue Severity Levels.** The table below lists the issue severity levels.

Issue Severity	Definition
Level 1	An error in the Services that (i) causes the Services to cease operating in any material respect; or (ii) is likely to directly or indirectly delete, impair, damage, or corrupt any Customer Product, Customer Data, or Usage Data; and (iii) does not have a known workaround.
Level 2	An issue where the Services remain operational but results in (i) a significant function of the Services is impaired or (ii) a material adverse impact on Customer's business and does not have a known workaround.
Level 3	An issue that causes a minor impairment of the functioning of the Services, which adversely affects, or is likely to adversely affect, Customer's business, and does not have a known workaround.
Level 4	An issue that causes a minor impairment of the functioning of the Services, but such impairment does not have, and could not reasonably be expected to have, an adverse effect on Customer's business.

2. **Issue Response Times**. Subject to section 4 below, Stem shall make commercially reasonable efforts to (i) acknowledge issues in the Services in accordance with the Response Time set forth in the below issues severity table, and (ii) assign resources to correct issues in accordance with the Corrective Action Time set forth in the below issues severity table. Failure of (i) or (ii) shall not constitute a Stem breach.

Issue Severity	Response Time	Corrective Action Time
Level 1	2 Support Hours	4 Business Hours
Level 2	4 Support Hours	1 Business Day
Level 3	1 Business Day	3 Business Days
Level 4	3 Business Days	5 Business Days

3. **Availability Guarantee.** Subject to section 4 below, Stem shall provide Athena® PowerBidder Pro™ to Customer such that Annual Availability meets or exceeds 99.5% ("**Availability Guarantee**").

   A. **Availability Guarantee Cure.** In the event Stem fails to achieve the Availability Guarantee for any Service Year, Stem will, within 90 days of the last day of the Service Year in which such failure occurred, either issue a credit to or pay Customer an amount equal to the sum of the then-current Capacity Price plus the Fixed Project Price prorated by the difference between the Availability Guarantee set forth above and the Annual Availability. All cure amounts paid under this exhibit are paid as liquidated damages and are not a penalty. Stem's failure to achieve the Availability Guarantee offered in this exhibit will not be considered a breach or default under the Services Agreement.

4. **Liquidated Damages.** Subject to the general conditions stated in this exhibit, in the event Stem fails to achieve the Availability Guarantee, Stem shall immediately pay or credit to Customer, as liquidated damages, and upon written demand by Customer and within 30 days of receipt of such demand by Stem the cure amounts set forth in section 3 above with regard to the Availability Guarantee.

   A. **Acknowledgement Regarding Liquidated Damages**. The Parties acknowledge that (i) it is difficult or impossible to determine with precision the damages that would or might be incurred by Customer as a result of Stem's failure to achieve the Availability Guarantee in this exhibit, (ii) otherwise obtaining an adequate remedy is inconvenient, and (iii) the liquidated damages constitute a reasonable approximation of the harm or loss. The Parties hereby waive any right to contest such payments as an unreasonable penalty.

5. **General Conditions.** Certain conditions outside of Stem's control may adversely affect Stem's ability to provide Services or meet the issue response times of this Task Order. If any of the following events occur at any time after the Task Order Effective Date, Stem may, upon notice to and in consultation with Customer, make changes to the Services or any cures.

   A. A material change in the configuration or utilization of the Customer Products as required or caused by Customer where such change affects Stem's ability to perform the Services under this Task Order.

   B. A material change in Market compliance requirements where such change affects Stem's ability to perform the Services under this Task Order.

   C. Customer's failure to comply with the technical requirements or API specifications stated in **Exhibit D (Technical Requirements)**.

   D. Any action or inaction by Customer or its representative or Affiliate, including delays in providing information or participating in troubleshooting, as reasonably required by Stem to provide a resolution to the applicable issue,

   E. Any external factor outside of Stem's control including Force Majeure events.

   F. Unavailability of Customer Products or wholesale market Products.

   G. Any changes in Customer systems such as communications, network configuration, or firewalls.

Exhibit D: Technical Requirements

Customer shall adhere to the following technical requirements and specifications.

1. **Bids and Offers API Interface.** [to be provided]
2. **Awards API Interface.** [to be provided]
3. **Hybrid Dynamic Limits API Interface.** [to be provided]
4. **Solar Forecasts API Interface.** [to be provided]
5. **Live Telemetry DNP3.0 Interface.** [to be provided]
6. **Supported Web Browsers and Screen Resolution.** [to be provided]

[redacted]

Exhibit F: Payment Terms and Conditions

1. **PRICES; PAYMENTS**

1.1. **Prices and Fees.** Task Orders reflect the prices and fees associated with the Services.

1.2. Prices for Services shall not exceed the amounts described in [redacted] for the initial term of the Agreement, as adjusted annually as provided by the Escalator Fee therein.

Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by CUSTOMER and the CONTRACTOR.

1.3. **Taxes.** Prices and fees do not include Taxes, any Taxes related to the receipt of Services by Customer are CUSTOMER's responsibility. To the extent Applicable Law requires CONTRACTOR to pay or collect Taxes from CUSTOMER, CONTRACTOR will invoice CUSTOMER, and CUSTOMER shall pay such amounts directly to CONTRACTOR under the invoice. If CUSTOMER is exempt from Taxes and before any Taxes are collected, due, or paid by CONTRACTOR, CUSTOMER shall submit to CONTRACTOR its exemption certification in the proper form issued by the applicable taxing authority. CUSTOMER is not responsible for any Taxes related to the performance of the Services by CONTRACTOR under this Agreement or the conduct of CONTRACTOR's business.

1.4. **Invoices.** CONTRACTOR will submit invoices to CUSTOMER for Customer's Share of any amounts due under this Agreement or relevant Task Order in accordance with this Agreement.

1.5. **Payments.** CUSTOMER shall pay all undisputed invoices (i) in accordance with the terms and conditions of the relevant invoice, (ii) without offset, abatement, or reduction, and (iii) in U.S. dollars unless stated otherwise in the relevant invoice.

1.6. **Payment Dispute.** CUSTOMER may dispute an invoice by providing CONTRACTOR with written notice. Such notice must (i) identify the disputed invoice, (ii) outline in reasonable detail the basis for the dispute, (iii) state the amount in dispute, and (iv) and submit such dispute to CONTRACTOR no fewer than 15 days before the invoice due date. The Parties will deem undisputed invoices correct in all respects, and CUSTOMER shall pay any undisputed portions of each invoice as set forth in this Agreement.

1.7. **Withholding of Payments.** CUSTOMER may withhold any payment amounts in dispute or any amounts sufficient to reasonably protect CUSTOMER from loss, damage, or expense arising out of a documented third-party assertion of any claim or lien against CUSTOMER arising in connection with this Agreement or any Task Order.

1.8. **Overdue Payments.** CONTRACTOR may charge interest of 1.5% per month on all undisputed payments not received by CONTRACTOR in accordance with this Exhibit F subsection 1.5. If an undisputed amount is past due more than 30 days, without limiting CONTRACTOR's termination rights under this Agreement, CONTRACTOR will have the right, but not the obligation, to suspend performance under the affected Task Order until CONTRACTOR has received all undisputed overdue amounts owed under the Task Order, regardless of whether CUSTOMER has satisfied payment of Customer's Share of the amounts owed under the Task Order.

1.9. **Costs and Fees.** In addition to any other remedies available to CONTRACTOR at law or equity, CUSTOMER shall pay on demand all of CONTRACTOR's reasonable attorney fees or expenses incurred by CONTRACTOR to collect any undisputed overdue payments.

Exhibit G: Procedures for Unauthorized Release of Covered Information

SCOPE

CONTRACTOR hereby agrees to adhere to these Procedures for detecting and reporting the unauthorized release of Covered Information, including Protected Personal Information ("**PPI**").

These Procedures apply to the following unauthorized release activities:

1. Unauthorized access
2. Unauthorized destruction
3. Unauthorized use
4. Unauthorized modification
5. Disclosure to third parties for Secondary Purposes (see below)

DEFINITIONS

Covered Entity – (1) any Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers), or any third party that provides services to a Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) under contract, (2) any third party who accesses, collects, stores, uses or discloses covered information pursuant to an order of the Commission, unless specifically exempted, who obtains this information from an electrical corporation, a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers), or (3) any third party, when authorized by the customer, that accesses, collects, stores, uses, or discloses covered information relating to 11 or more customers who obtains this information from an electrical corporation, a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers).

Covered Information -- any usage information obtained through the use of the capabilities of Advanced Metering Infrastructure when associated with any information that can reasonably be used to identify an individual, family, household, residence, or non-residential customer, except that covered information does not include usage information from which identifying information has been removed such that an individual, family, household or residence, or non-residential customer cannot reasonably be identified or re-identified. Covered information, however, does not include information provided to the California Public Utilities Commission (the "Commission") pursuant to its oversight responsibilities.

Primary Purposes – The "primary purposes" for the collection, storage, use, or disclosure of covered information, as outlined in Rule 1(c) of Attachment B, are to:

1. Provide or bill for electrical power or gas,
2. Provide for system, grid, or operational needs,
3. Provide services as required by state or federal law or as specifically authorized by an order of the Commission, or
4. Plan, implement, or evaluate demand response, energy management, or energy efficiency programs under contract with a Community Choice Aggregator or and Electrical Service Provider (when providing service to residential or small commercial customers), under contract with the Commission, or as part of a Commission authorized program conducted by a governmental entity under the supervision of the Commission.

Secondary Purposes – "Secondary purpose" means any purpose that is not a primary purpose.

Non-Covered Entity – "Non-Covered Entity" means any entity not defined as a Covered Entity.

Responsible Parties -- CUSTOMER, CONTRACTOR, and any staff, employees, or sub consultants contracted by CUSTOMER or CONTRACTOR.

PROCEDURE

Detecting and Reporting of Unauthorized Releases

1. All Responsible Parties are required to protect Covered Information from unauthorized release activities as set forth above.
2. Any request by any non-Covered Entities, for access to Covered Information must be reviewed and approved by an CUSTOMER manager level employee to ensure no unauthorized or inadvertent release of Covered Information.
3. All authorized releases of Covered Information to Non-Covered Entities shall be logged and reported to CUSTOMER on a quarterly basis.
4. Any discovery of any unauthorized release of Covered Information must be reported to CUSTOMER within one week of detection.

Unauthorized Release Handling Procedure

1. The discovering Party after detecting, or discovery of, the unauthorized release of Covered Information must contact CUSTOMER's Dir. of Finance and Administration (or another executive manager) immediately.
2. CONTRACTOR will quantify and validate the type and extent of unauthorized release and report that information to CUSTOMER's Dir. of Finance and Administration in writing with sufficient detail for CUSTOMER to determine the extent and impact of the unauthorized release.
3. CONTRACTOR shall prepare a written annual report of all discoveries of unauthorized releases of Covered Information.

Review and Training

1. At least annually, CONTRACTOR will review these Procedures with its staff, employees, or sub consultants.
2. Any proposed changes to these Procedures shall be provided in writing to CUSTOMER's Dir. of Finance and Administration for their consideration.

Exhibit H: Ownership; Title; License Grants

1. **Services Title and Ownership.** CUSTOMER agrees that CONTRACTOR will retain title to and be the legal and beneficial owner of the Services (which includes any CONTRACTOR-provided equipment) and all alterations, additions, or improvements made to the Services. CUSTOMER acknowledges and agrees that the Services will at all times retain the legal status of CONTRACTOR's personal property. The Services and any associated equipment involved with the Services are not CUSTOMER's or any other Person's real property or any fixture to real property. CUSTOMER acknowledges that it will in no event have any ownership or leasehold interest of any kind or nature in any portion of the Services, including, but not limited to, all technology and software components, and CUSTOMER disclaims all interest or ownership at any time. This section shall not apply to information supplied by CUSTOMER to CONTRACTOR under this Agreement or any work product produced by CONTRACTOR that uses or relies on CUSTOMER information which shall remain the exclusive property of CUSTOMER.

1.1. **Intellectual Property Ownership.** All Intellectual Property rights in the Services, including, but not limited to, copyrights, trademarks, patents, and trade secrets, including without limitation rights as to their design, functionality, and embedded or provided software or applications, are CONTRACTOR's sole and exclusive property or, where applicable, the property of CONTRACTOR's suppliers and Affiliates, and are protected by trade secrets, patent and copyright laws, and other laws protecting Intellectual Property. CONTRACTOR reserves all rights not expressly granted in an Integrated Services Agreement, including, without limitation, all rights to modifications and derivative works based on such property. An Integrated Services Agreement involves providing Services and limited right to use related and provided applications or software. It is not a sale of any Intellectual Property rights of such Services.

1.2. **License to Services.** CONTRACTOR grants to CUSTOMER and End Users a limited, personal, non-sublicensable, non-transferable, non-exclusive license to use CONTRACTOR's Intellectual Property rights in the Services during the term of each Integrated Services Agreement to the extent it is necessary for, and for the sole purpose of, using the Services in compliance with their designed purpose. Except as provided in this Agreement or an Integrated Services Agreement, CUSTOMER and End Users shall not (i) copy, make available, provide access to, or distribute, license, or otherwise transfer, directly or indirectly, any Intellectual Property rights in the Services to any third party; (ii) decompile, disassemble, reverse-assemble, analyze, or otherwise examine such property, equipment, or software for reverse engineering; (iii) unless otherwise agreed to in writing, use any Services or the Intellectual Property rights to develop other products, devices, inventions, hardware, or software; (iv) use, test or analyze the Services for comparison or competitive testing or "benchmarking" (except for CUSTOMER's confidential internal purposes) or publish, disclose or disseminate the results; or (v) remove, fail to maintain or obscure any proprietary notices on the Services.

1.3. **Derivative Works Ownership.** In connection with the Services and in accordance with one or more Task Orders, CONTRACTOR may create software or other content for use with Products, which software or content may be derivative of CONTRACTOR Intellectual Property ("**Derivative Works**"). CONTRACTOR will be the sole and exclusive owner of any Derivative Works, and upon its creation, any such Derivative Works will be CONTRACTOR Intellectual Property. Such Derivative Works will not be considered "work for hire."

1.4. CUSTOMER Data License Grant. Except for the rights expressly granted to CONTRACTOR in this Agreement or a Task Order, CUSTOMER exclusively owns all interest in and to all CUSTOMER Data. During the Term of this Agreement and subject to Section 14.1 of the Agreement, CUSTOMER grants CONTRACTOR a royalty-free license to access, use, and allow CONTRACTOR's Subcontractors to use such CUSTOMER Data as is necessary for CONTRACTOR to provide the Services and perform CONTRACTOR's obligations in accordance with the terms of this Agreement . CONTRACTOR and its Subcontractors shall not use CUSTOMER data for any purpose other than to perform Services under this Agreement or any Task Order.

Exhibit I: Services Warranty

1. Services Warranty
    1.1. Services Warranty. During the term of each Task Order, CONTRACTOR warrants that (i) the Services will be free from material defects in workmanship, material, and design; and (ii) CONTRACTOR shall perform or shall cause the performance of the Services in accordance with this Agreement and each Task Order.

    1.2. Remedy Under Services Warranty. Following notice from CUSTOMER, or upon CONTRACTOR becoming aware of a defect covered by the Services Warranty and subject to subsection 1.3, CONTRACTOR shall, at its sole cost and expense and as commercially reasonable, take such action necessary and reasonably determined by CONTRACTOR, to cure such defect and to bring it to conformance with the Services Warranty.

    1.3. Limitations of Services Warranty. CONTRACTOR will be excused under subsection 1.2 to the extent the defect or CONTRACTOR's inability to perform the Services in accordance with the standards stated in subsection 1.1 is due to any of the following: (i) defects in, damage to, or destruction of any portion of the Customer Products, (ii) the inoperability of any equipment or services at a Site Location not caused by CONTRACTOR, (iii) CUSTOMER's or End User's breach of any provision of the Agreement including any act or omission, negligence, gross negligence, or willful misconduct, (iv) cancellation or termination of Manufacturers' Warranties or Preventive Maintenance Plans, where such cancellation or termination adversely effects CONTRACTOR's ability to perform the Services and such cancellation or termination is not due to an act or omission by CONTRACTOR, or (v) a Force Majeure event.

    1.4. Services Warranties Restrictions. Services Warranties are not a warranty for Products; CONTRACTOR has no responsibility for any Manufacturers' Warranties or any Preventive Maintenance Plans for Products not purchased from or through CONTRACTOR, including acts or omissions that may cause the cancellation or termination of such warranties or maintenance plans.

    1.5. Disclaimer of Warranties. Subject to any limitations under Applicable Law, the limited warranties stated in this Agreement are expressly instead of and exclude all other express or implied warranties, including, but not limited to, warranties of merchantability and fitness for a particular purpose, use, or application, and all other obligations or liabilities on the part of CONTRACTOR. Except as specified in these limited warranties or elsewhere in this Agreement or any associated Task Order, CONTRACTOR is providing Services "as is."

Exhibit J: Definitions

Capitalized terms utilized in this Agreement, any associated Task Order amendment, addendum, or any other document attached to the listed documents by reference have the meaning where first used or defined in this **Exhibit J**. These terms will apply to the singular or plural forms, as the context may require.

For purposes of this **Exhibit J,** the term "Stem" shall refer to "CONTRACTOR" as defined in the Agreement and the term "Customer" shall refer to "CUSTOMER" as defined in the Agreement.

1. "**Affiliate**" means, when used regarding a specified Person, any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the specified Person, where "control" and derivative terms mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of more than 50% of voting securities, by contract, or otherwise.

2. "**Applicable Law**" means any law, statute, rule, regulation, ordinance, order, code, governmental approval, interpretation, judgment, decree, injunction, directive, or decision of any governmental authority having jurisdiction over the matter, Person, or property.

3. "**Athena® PowerBidder Pro™**" means Stem's Software-as-a-Service application providing the capabilities set forth in **Exhibit B (List of Service**s) of this Agreement.

4. "**Business Day**" means any day from 9:00 a.m. to 5:00 p.m. Pacific Prevailing Time, excluding Saturdays, Sundays, or days when commercial banks in San Francisco are required or authorized by Applicable Law to be closed.

5. "**Business Hours**" means the period during a Business Day between the applicable Time Zone hours of 8 a.m. to 5 p.m. relevant to the Market associated with bids.

6. "**Confidential Information**" means information relating to a Party's business, including, without limitation, computer programs, software, technical drawings, algorithms, know-how, trade secrets, formulas, processes, ideas, inventions (whether patentable or not), designs, schematics and other technical, business, financial, Customer and Product information, data and development plans, of any nature and in any form, which to the extent previously, presently or subsequently disclosed to the other Party (provided such information was or is marked or designated in writing as "confidential," "proprietary," or any other similar term or designation or was or is disclosed in a manner that a reasonable person would have understood that such information is confidential and proprietary). Confidential Information also includes Stem's prices, quotes, discounts, proposals to Customer, Customer's solar energy estimates, conceptual layouts, installation techniques, and proposals provided to Stem. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; and (iv) information that the recipient independently developed without a violation of this Agreement.

7. "**Contract Fees**" has the meaning set forth in Section 8.2.

8. "**Customer Data**" means all information, data, materials, works, expressions, or other content, including any that are (i) uploaded, submitted, posted, transferred, transmitted, or otherwise provided or made available by or on behalf of Customer or any End User or related to any Customer Product for processing by or through the Services, or (ii) collected, downloaded, or otherwise received by Stem related to the Services for Customer, Customer Product or any End User through this Agreement or any Task Order or at the written request or instruction of Customer or such End User. All output, copies, reproductions, improvements, modifications, adaptations, and translations of Customer Data are also Customer Data. To avoid doubt, Customer Data includes all data relating to End Users and any personally identifiable information.

9. "**Customer's Share**" means the apportioned share of payment that Customer is responsible for paying as provided for in each applicable Task Order signed by the Parties.

10. "**Customer Products"** means the battery energy storage systems, (including inverters, inverter enclosures, battery enclosures, battery racking, thermal conditioning units, equipment to be housed within the enclosures, batteries at the module level, battery modules previously integrated into the rack level, or battery modules integrated into larger battery blocks or stack), and solar photovoltaic equipment, as defined by the applicable wholesale market operator, that is bid into the CAISO wholesale market by the Services and to which Services will be applied under this Agreement.

11. "**Default Customer Data**" means any Customer Data that is not Modified Customer Data.

12. "**Default Mode**" means any operation of Stem's Services that is not Modified Mode.
13. "**Disclosing Party**"has the meaning set forth in Section 14.1.

14. "**Effective Date**" means the date this Agreement has been signed by the last Party, as indicated by the date associated with that Party's signature.

15. "**End User**" means the Person under contract with Customer that may be utilizing the Services at a Site Location. Stem assumes no direct or indirect liability or obligation to any End User relating to this Agreement or any Integrated Services Agreement.

16. **"Escalation Fee**" means the percentage of the increase that applies to the fees as indicated in **Exhibit E (Pricing Table)**.

17. "**ESS**" means battery energy storage systems, inverters, inverter enclosures, battery enclosures, battery racking, thermal conditioning units, equipment to be housed within the enclosures, batteries at the module level, battery modules previously integrated into the rack level, or battery modules integrated into larger battery blocks or stack.

18. "**Force Majeure**" means an unforeseeable event beyond a Party's control and which, with the exercise of reasonable diligence, the affected Party is unable to prevent or overcome, including acts of God, fire, flood, riots, pandemics, strikes, governmental acts or actions, disasters, earthquakes, acts of terrorism, freight embargoes, and material shortages or the inability to obtain labor or materials through its regular sources as caused by Force Majeure events. Such acts, events, or conditions listed above will only be deemed Force Majeure to the extent they (i) directly impact the Services performed under this Agreement and are beyond the reasonable control of the Party claiming a delay, (ii) are not the result of the willful misconduct or negligent act or omission of the Party asserting the delay (or any person over whom that Party has control), (iii) are not an act, event, condition, or the risk of consequence of which such Party has expressly assumed under this Agreement, and (iv) are not able to be cured, remedied, avoided, offset, or otherwise overcome by the prompt exercise of reasonable diligence by the Party (or any Person over which that Party has control). The obligation to make any payment due under this Agreement will only be excused by a Force Majeure event that solely impacts a Party's ability to make payment.

19. "**Go-Live Date**" means the date when CUSTOMER's Product under a Task Order is available for live operations within Athena® PowerBidder Pro™ .

20. "**Initial Go-Live Date**" means the Go-Live Date of CUSTOMER's first Product under Task Order 1.

21. "**Intellectual Property**" means copyrights, patents, trademarks, service marks, service names, trade names, domain names, together with all associated goodwill, registrations and applications for the purpose, technology rights and licenses, computer software (including any source or object codes or related documentation), trade secrets, franchises, know-how, inventions, and other Intellectual Property rights.

22. "**Manufacturer**" means the original equipment manufacturer of the Products or other items.

23. "**Manufacturers' Warranties**" means Product warranty coverage provided by a Manufacturer. When applicable, a Task Order lists Manufacturers' Warranties by the Manufacturer-specific descriptors, such as

extended warranty, long-term services agreement (also referred to as LTSA and which may include preventive maintenance), or some other reference.

24. "**Modified Customer Data**" means any market or weather forecasts, bidding strategies, or individual bids provided by Customer as a replacement for the corresponding default forecasts, bidding strategies, or individual bids used by the Services.

25. "**Modified Mode**" means the operation of the Services as a result of Customer's entry of Modified Customer Data.

26. "**Person**" means any individual, corporation, partnership, joint venture, trust, unincorporated organization, association, or governmental authority.

27. "**Preventive Maintenance Plan**" means the plan, as provided by a Manufacturer, that details the preventive maintenance to be provided by the Manufacturer for the Products.

28. "**Prudent Industry Practices**" means the practices, methods, specifications, and acts engaged in or approved by a significant portion of the energy optimization service industry operating in the United States that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that reasonably should have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with Applicable Law, reliability, safety, environmental protection, economy, and expedition.

29. **"PV Equipment"** means Customer's solar photovoltaic equipment installed at the Site.

30. **"Scheduled Unavailable Hours**" means the total hours during which Athena PowerBidder is not available due to maintenance activity as scheduled by Stem and notified to Customer with seven days' notice, not to exceed two hours per 30-day period.

31. "**Service Fees**" means the fees Stem charges to Customer for any Services provided (including: Integration Services; and Professional Services), except for Subscription Fees.

32. "**Services**" means the services provided by Stem to Customer with respect to operation of the Products as set forth in a Task Order. "**Service Year**" means each 12-month period of the Services Order Term beginning on the Services Order Effective Date. Each subsequent Service Year begins on the anniversary of the prior Service Year.

33. "**Services Warranty**" means the warranties, as provided by Stem with regard to the Services.

34. "**Site Location**" means the actual area and the associated utility meter number, when applicable, within the project locations as identified in a Task Order, where the Products are or will be installed. A Site Location may also be the address of the premises when the installation area is not yet determined.

35. "**Subcontractor**" means any Person other than Stem that provides Services.

36. "**Subscription Fees**" means the fees charged for Customer's subscription to Athena® PowerBidder Pro™ .

37. **"Support Hours"** means the period, 365 days per year excluding NERC holidays, between the applicable Time Zone hours of 8 a.m. to 5 p.m. relevant to the Market associated with bids.

38. "**Task Order**" means the individual and specific document excuted by both Parties and which details the Services, the associated prices and fees, and may provide additional terms and conditions. Upon entry by the Parties into any Task Order, the Integrated Services Agreement formed will be a standalone, separable instrument, incorporating the terms of this Agreement as they exist on the effective date of such Task Order.

39. "**Taxes**" means all federal, state, local, and foreign taxes, including, without limitation, sales, use, value-added, general excise tax, or ad valorem tax that apply to or are measured by a taxing or governmental agency or are imposed upon a Party with respect to the Services, or the value, presence in a taxing jurisdiction, or use of the Products. Taxes will not include income or similar taxes owed by Stem on revenue from the Products sale or any other product or service under this Agreement.

40. **"Time Zone"** means the following (i) CAISO local time zone is Pacific, ERCOT local time zone is Central, and ISO-NE local time zone is Eastern.

41. "**Utility**" means the entity identified in section 6 at the beginning of this Services Order.

TASK ORDER 1- SVCE

This Task Order 1-SVCE is entered into by and between Stem US Operations, Inc. ("**CONTRACTOR**") and Silicon Valley Clean Energy ("**CUSTOMER**") dated effective as of the Task Order Effective Date. This Task Order is issued under and subject to the Services Agreement ("**Agreement**") with an Effective Date of [___________] by and between the Parties. Capitalized terms used but not otherwise defined in this Task Order, will have the meaning given to them in this Order Form or if not defined herein, in the Agreement.

1. **Project(s) Description.**

Attribute	**Value**
Opportunity Name	«SVCE – PowerBidder Pro Slate - CA»
Opportunity ID	
Product Type	«Deal_Type»
AC or DC-Coupled	«Deal_Subtype»
Product Nameplate Capacity (kW)	«Total_Hardware_(kW)»
Product Nameplate Capacity (kWh)	«Total_Energy_Rating_(kWh)_Calc»
Wholesale Market	«CAISO»
Battery OEM/Vendor	«OEM/Vendor»
Product Location Name	«System_Name»
Product Location Address	«Site_Street» «Site_City», «Site_State» «Site_Zip_Code»

Attribute	**Value**
Opportunity Name	«SVCE – PowerBidder Pro RabbitBrush - CA»
Opportunity ID	S-1223-42300
Product Type	«SAS (SW Only)»
AC or DC-Coupled	«Deal_Subtype»
Product Nameplate Capacity (kW)	«Total_Hardware_(kW)»
Product Nameplate Capacity (kWh)	«50,000»
Wholesale Market	«CAISO»
Battery OEM/Vendor	«OEM/Vendor»
Product Location Name	«System_Name»
Product Location Address	«Site_Street» «Site_City», «Site_State» «Site_Zip_Code»

Attribute	**Value**
Opportunity Name	«SVCE – PowerBidder Pro Victory Pass - CA»
Opportunity ID	S-0423-26038
Product Type	«SAS (SW Only)»
AC or DC-Coupled	«Deal_Subtype»

Product Nameplate Capacity (kW)	«Total_Hardware_(kW)»
Product Nameplate Capacity (kWh)	«200,000»
Wholesale Market	«CAISO»
Battery OEM/Vendor	«OEM/Vendor»
Product Location Name	«System_Name»
Product Location Address	«Site_Street» «Site_City», «Site_State» «Site_Zip_Code»

2. **Services**. Select all applicable Services applicable, as described in **Exhibit B (List of Services)** to the Agreement

- ❑ Customer Onboarding Services
- ❑ Product Onboarding Services
- ❑ Athena® PowerBidder Pro™ Subscription Services
- ❑ Professional Services
- ❑ Advisory Services

3. **Term.** The term of this Task Order is from the Effective Date, as established by the date of the last Party to execute this Task Order and extends three years after the Go-Live Date for the Project described in Section 1, unless sooner terminated in accordance with the terms of the Agreement.

[redacted]

[redacted]

In the event of any conflict between the Agreement and this Task Order, the terms of the Agreement will govern except as changed explicitly by this Task order. No modification to this Task Order will be binding unless in writing and signed by an authorized representative of each Party. Any express waiver or failure to promptly exercise any right under this Task Order will not create a continuing waiver or any expectation of non-enforcement, nor will such waiver constitute a waiver of any other provision. Any waiver will be effective only if it is in writing and signed by the Parties.

For the avoidance of doubt, except where expressly indicated, the fees for the applicable Services do not include sales or other associated tax, which will be added to each applicable invoice as applicable associated with this Task Order and, unless otherwise stated in the relevant invoice, are payable within thirty (30) days from Customer's receipt of each invoice. Fees will be invoiced and paid in US dollars.

IN WITNESS WHEREOF, each Party has caused this Task Order to be duly executed in its name and on its behalf on the date below, the latest date shall be the Effective Date.

CONTRACTOR	[CUSTOMER]
By:	By:
Printed Name:	Printed Name:
Its:	Its:
Date:	Date:

Staff Report – Item 1g

Item 1g:	**Approve and Authorize the Chief Executive Officer to Execute a Contract Amendment with School of Thought for Marketing And Advertising Services to Extend for Two Years for an Amount Not to Exceed $600,000**
From:	Girish Balachandran, CEO
Prepared by:	Adam Selvin, Director of Energy Services and Community Relations Pamela Leonard, Deputy Director of Marketing & Communications
Date:	2/14/2024

RECOMMENDATION

Staff recommends the Board of Directors authorize the Chief Executive Officer to extend the current contract agreement with School of Thought for two years and add $300k for a new not to exceed amount of $600,000 for marketing and advertising services through February 2026. These services will help continue to promote customer electrification awareness and education, and drive interest and enrollment in customer programs.

BACKGROUND

In January 2022, the SVCE Board of Directors approved a two-year agreement with School of Thought, a respected Oakland-based creative marketing agency. This agreement aimed to bolster Silicon Valley Clean Energy's efforts in fostering customer electrification awareness for the SVCE eHub, alongside other electrification initiatives. To date, School of Thought has helped create and run several marketing campaigns and has spent roughly $250,000 of the $300,000 in the current contract.

The selection of School of Thought followed a rigorous evaluation process, including a competitive request for proposals (RFP) conducted by SVCE staff in 2022. The current contract with School of Thought allows for the opportunity to extend as mutually decided between both parties and approved by the SVCE Board of Directors.

As the contract with School of Thought nears its conclusion at the end of February 2024, SVCE staff acknowledges the substantial contributions the marketing and advertising support provided by School of Thought has made in raising awareness and driving interest in customer programs. School of Thought, in a prior agreement, was pivotal in providing strategic messaging, website design, and user experience services for the development of the SVCE eHub in 2019 and also provided media buying services for SVCE's support of the Building Decarbonization Coalition's Switch Is On electrification awareness campaign. This has resulted in deep industry expertise that helps focus messaging that creatively educates customers about topics such as heat pumps, electric vehicles and whole home electrification.

Under the current agreement, School of Thought orchestrated highly effective campaigns such as "Homecrastination" for eHub and "Pays to be in the know" for the FutureFit Homes rebate program. Notably, the latter significantly increased web traffic to the FutureFit Homes webpage and eHub, demonstrating a tangible impact on customer engagement. Specifically, campaign results show a correlation between web traffic and applicant submissions during the time the "Pays to be in know" ads were running in September 2023 promoting the FutureFit Homes rebates.

Moreover, School of Thought provided invaluable support in crafting SVCE's first-ever DMV ads to promote the GridShift EV Charging app. The creativeness of these ads, was evident in heightened Google searches for GridShift during their peak rotation in the SVCE territory, showing the agency's adeptness in amplifying brand visibility and consumer engagement.

To date, the School of Thought advertising campaigns have delivered higher results than industry benchmarks for the number of impressions and clicks for digital ads. The videos have a high completion rate, meaning that customers are viewing them, and not skipping past them.

Continuing our partnership with School of Thought offers SVCE the strategic advantage of collaborating with an agency deeply familiar with our brand, tone, and mission. Their tenure of service over the past few years has sparked a profound understanding of SVCE's objectives, facilitating seamless alignment in advancing our electrification initiatives.

ANALYSIS & DISCUSSION

Renewing the contract with School of Thought holds immense strategic value for SVCE, amplifying our capacity to advance key objectives in decarbonization through enhanced customer education and engagement initiatives. Paid advertising is still a valuable tool to supplement the many tactics SVCE deploys annually to help address the significant lift in consumer education, awareness, and inspiration around electrification.

The renewal of the current agreement empowers SVCE to harness School of Thought's creativeness and strategic vision across advertising, media planning, and marketing services. By leveraging their expertise, SVCE can effectively navigate the evolving landscape of consumer engagement, and optimize outreach efforts to resonate with diverse audiences. Working with School of Thought provides staff additional support for marketing programs, which continue to grow as significant new customer offers launch in 2024, such as the Go Electric Advisor (concierge service). This support also extends to existing programs, such as FutureFit Homes, which received additional funding from the board in January 2024 to reach even more customers.

SVCE stands to benefit from School of Thought's proven track record of delivering impactful campaigns and strategic insights. Their familiarity with our brand, tone, and mission statement streamlines collaboration and ensures seamless alignment with SVCE's objectives. As we continue with the Board of Directors' direction for SVCE to 'double down' on decarbonization, awareness is still identified as a key program approach necessary to achieve our goals. SVCE will continue to utilize School of Thought's creative abilities for the following advertising and marketing services.

Advertising Services

SVCE will continue to execute at least two annual campaigns aimed at promoting electrification education through eHub as well rebates via the SVCE FutureFit Homes program. There are also new electrification programs launching in 2024. Example programs that School of Thought can continue to support in 2024 include the FutureFit Homes and Buildings program and the Go Electric Advisor.

Collaboratively, SVCE and School of Thought will develop campaign goals and messaging for ad development and production. School of Thought will provide creative services such as artwork and video production across various advertising channels, including print, digital, social, out-of-home, broadcast, and streaming services.

Media Planning and Buying

School of Thought will provide media strategy and planning to manage the creative asset deployment of electrification campaigns locally. School of Thought may also offer this service to SVCE for any of the agency's paid advertising needs across programs and departments. Working with School of Thought as a media buyer offers SVCE an opportunity to negotiate ad rates, buy placements in bulk, and coordinate placements to reduce wasted ad dollars and impressions. This task includes monitoring and managing ad placements to ensure ads perform well and optimize customer engagement.

School of Thought may work with the SVCE translation vendor or their subcontractors for in-language ad campaigns in Spanish, Chinese, and Vietnamese. School of Thought may also coordinate multicultural marketing efforts for program deployment.

Marketing Services
As a creative agency, School of Thought specializes in developing impactful content and assisting clients with high-impact experiences to capture consumers' attention. As consumers are distracted by nonstop news and content across many platforms and knowing that energy is not top of mind, marketing activations can help break through the noise and drive interest in electrification.

School of Thought will assist the SVCE communications and marketing team by supporting the deployment and launch of the all-electric mobile demonstration home, which will offer a new experience for customers to engage with SVCE at the many in-person community events staff attends. Activations with the demo home will support specific program initiatives, such as rebates marketing and build broader electrification awareness.

STRATEGIC PLAN

There are several goals in the SVCE Board-adopted Strategic Plan that marketing and advertising services for electrification program awareness will touch upon, including:

- Goal 10: Empower customers with the awareness, knowledge and resources needed to make effective clean energy choices
- Goal 12: Enact competitive service offerings and programs that deliver measurable environmental and economic benefits

ALTERNATIVE

Do not approve the contract with School of Thought. Staff will let current contract expire and explore other creative agency options.

FISCAL IMPACT

The contract amendment is to add $300k over two years, for a new not to exceed of $600,000 through February 2026. The existing budget for these services is allocated from the approved marketing and programs budget for Fiscal Year 23-24 and will be included in the proposed budget for Fiscal Year 24-25.

ATTACHMENT

1. Amendment to Agreement with School of Thought

**AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY
AND
SCHOOL OF THOUGHT
FOR
MARKETING AND ADVERTISING SERVICES**

THIS AGREEMENT, is entered into this 1st day of March 2024, by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency, ("Authority"), and School of Thought, a California corporation whose address is 544 60th Street, Oakland, CA, 94609 (hereinafter referred to as "Consultant") (collectively referred to as the "Parties" and individually as a "Party").

RECITALS:

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

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

C. Authority and Consultant desire to enter into an agreement for marketing and advertising services upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on March 1, 2024, and shall terminate on February 28, 2026, unless terminated earlier as set forth herein.

2. **SERVICES TO BE PERFORMED**

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

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed Three hundred thousand dollars and no/100 ($300,000.00) dollars based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

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

5. **STANDARD OF CARE**

Consultant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area under similar circumstances and in a manner reasonably satisfactory to Authority and agrees that all services shall be performed by qualified and experienced personnel. Consultant shall be responsible to Authority for any errors or omissions in the performance of work pursuant to this Agreement. Should any errors caused by Consultant be found in such services or products, Consultant shall correct the errors at no additional charge to Authority by redoing the professional work and/or revising the work product(s) called for in the Scope of Services to eliminate the errors. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by Authority, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, Authority may deduct the cost of such correction from any retention amount held by Authority or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

6. **INDEPENDENT PARTIES**

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

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

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

8. **NON-DISCRIMINATION**

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

9. **HOLD HARMLESS AND INDEMNIFICATION**

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

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

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

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

10. **INSURANCE**

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

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

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

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

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

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

11. **CONFLICT OF INTEREST**

Consultant warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers, employees, associates and subcontractors, will not employ any person having such an interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the Authority Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this section into any subcontract that Consultant executes in connection with the performance of this Agreement. Consultant understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff Authority, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. **PROHIBITION AGAINST TRANSFERS**

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

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

13. **SUBCONTRACTOR APPROVAL**

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

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

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

14. **REPORTS**

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

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

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

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

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

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

15. **RECORDS**

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

16. **PARTY REPRESENTATIVES**

The Chief Executive Officer ("Authority Representative") shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. Tom Geary (Consultant Representative") shall represent Consultant in all matters pertaining to the services to be performed under this Agreement.

17. **INFORMATION AND DOCUMENTS**

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

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

C. It is understood that Authority is subject to the California Public Records Act (Gov. Code § 7920.000 *et seq*.). If a request under the California Public Records Act is made to view any documents Consultant provided to Authority, Authority shall notify Consultant of the request and the date that such records will be released to the requester unless Consultant obtains a court order enjoining that disclosure. If Consultant fails to obtain a court order enjoining that disclosure, Authority will release the requested information on the date specified.

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

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

18. **NOTICES**

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

TO AUTHORITY:

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

TO CONSULTANT:

Tom Geary
School of Thought
544 60th Street
Oakland, CA, 94609

19. **TERMINATION**

In the event Consultant fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If Consultant fails to cure the default within the time specified (which shall be determined by the Authority but shall be not less than 10 days) and according to the requirements set forth in Authority's written notice of default, and in addition to any other remedy available to the Authority by law, the Authority Representative may terminate the Agreement by giving Consultant written notice thereof, which shall be effective immediately. The Authority Representative shall also have the option, at its sole discretion and without cause, of terminating this Agreement by giving seven (7) calendar days' prior written notice to Consultant as provided herein. Upon receipt of any notice of termination, Consultant shall immediately discontinue performance.

In the event of Authority's termination of this Agreement due to no fault or failure of performance by Consultant, Authority shall pay Consultant for services satisfactorily performed up to the effective date of termination. Upon termination, Consultant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials shall become the property of Authority. Consultant shall have no other claim against Authority by reason of such termination, including any claim for compensation.

20. **COMPLIANCE WITH LAWS**

Consultant shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall, at all times, observe and comply with all such laws and regulations, including, but not limited to the Americans with Disabilities Act, the Stored Communications Act, 18 U.S.C. Section 2701, et seq., California Civil Code Sections 1798.80 through 1798.84, and the California Consumer Privacy Act, Civil Code Section 1798.100 *et seq*. Authority, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Consultant to comply with this paragraph.

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

21. **CONFLICT OF LAW**

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

22. **ADVERTISEMENT**

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

23. **WAIVER**

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

24. **INTEGRATED CONTRACT**

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

25. **AUTHORITY**

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

26. **INSERTED PROVISIONS**

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

27. **CAPTIONS AND TERMS**

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

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

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

29. **EXHIBITS**

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

30. **FORCE MAJEURE**

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

31. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE**

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

32. **ATTORNEY FEES**

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

33. **SEVERABILITY**

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

34. **SUCCESSORS AND ASSIGNS**

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

35. **NO THIRD PARTY BENEFICIARIES INTENDED**

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

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

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

37. **DRAFTING PARTY**

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

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

RECOMMENDED FOR APPROVAL

____
Adam Selvin, Director of Energy Services & Community Relations

RECOMMENDED FOR APPROVAL

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

CONSULTANT NAME
SCHOOL OF THOUGHT

By: __________________________
Name: Tom Geary
Title: __________________________
Date: __________________________

SILICON VALLEY CLEAN ENERGY AUTHORITY
A Joint Powers Authority

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

APPROVED AS TO FORM:

____
Counsel for Authority

ATTEST:

____
Authority Clerk

Exhibit A
Scope of Services

Task 1 - Advertising Services for Electrification Campaigns (Tasks 1, A – D)

- **Ad Development and Production**
  - Consultant will provide creative services such as messaging development, artwork, video production and any other needs to help develop compelling ads that furthers electrification awareness and SVCE customer program enrollment.
  - Consultant will collaborate with SVCE staff on messaging and creative strategy sessions to co-create campaigns and identify campaign goals.
  - Consultant will provide translated and accessible materials as appropriate for various advertising platforms. This includes enlisting multicultural marketing expertise or subcontractors, as needed.
  - Annually, consultant will develop at least two annual marketing campaigns:
    - A) Promote electrification awareness and education 2024
    - B) Promote a specific SVCE electrification program, (FutureFit Homes rebates) 2024
    - C) Promote electrification awareness via the SVCE eHub in 2025
    - D) Promote a specific SVCE electrification program in 2025 (e.g., Go Electric Advisor, FutureFit Fundamentals Contractor Training, new rebates TBD).
  - Ongoing advertising needs will support other customer programs, or general agency business. These campaigns are to-be-determined.

- **Media Planning and Buying**
  - Consultant will assist SVCE in developing advertising strategies that help deliver on pre-defined campaign goals. This includes advising on placements for digital, print, out-of-home, video, streaming services, broadcast, and others.
  - Consultant will negotiate rates on behalf of SVCE and secure placements.
  - Consultant will assist SVCE with ad placements for local efforts as directed by SVCE staff.

Marketing Services (Tasks 2, A – B)

- Separate from the advertising services listed in Task 1, marketing services includes a broader range of activities that the Consultant will perform to support the SVCE communications and marketing goals.
  - These services include experiential market activations that assist with customer outreach and events and may be related to specific program initiatives or may serve broader electrification and agency awareness.
  - Examples of these types of projects range from developing community outreach materials, conference or event booth materials and displays.

Exhibit B
Schedule of Performance

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

Task 1 – Advertising Services	**Begin**	**Complete**
A) Electrification awareness/education campaign 2024	March 2024	December 2024
B) Rebate program campaign 2024	March 2024	December 2024
C) Electrification awareness eHub campaign 2025	January 2025	December 2025
D) Electrification program campaign 202	June 2023	February 2024
Task 2 – Marketing Services	**Begin**	**Complete**
A) General marketing support 2024	March 2024	December 2024
B) General marketing support 2025	January 2025	February 2026

Exhibit C
Compensation

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

The compensation to be paid to Consultant under this Agreement for all services described in Exhibit "A" and reimbursable expenses shall not exceed a total of **Three-hundred thousand dollars and no/100 ($300,000.00)**, as set forth below. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Task	**Estimated Budget**
Task 1 A – Electrification awareness campaign 2024 - Quarterly big-picture working sessions to establish goals - Study and analyze research - Creative Strategy: Identify campaign or activation themes (at least 3 distinct themes) Messaging: Create distinctive messaging to be used in different channels - Production of at least 3-4 executions for each of the below: o Digital display ads o Social media ads for Facebook and Instagram o Out-of-home ads for buses or bus shelters o At least two videos of varying lengths for different platforms, 1 min., 30 sec., and 15 sec. versions o 1 radio ad - Out-of-pocket expenses (at cost + 5%): stock imagery, film crews, retouching, HTML banner coding	$50,000
Task 1 B – Rebate program campaign 2024 - Quarterly big-picture working sessions to establish goals - Study and analyze research - Creative Strategy: Identify campaign or activation themes (at least 3 distinct themes) - Messaging: Create distinctive messaging to be used in different channels - Production of at least 3-4 executions for each of the below: o Digital display ads o Social media ads for Facebook and Instagram o Out-of-home ads for buses or bus shelters	$50,000

o At least two videos of varying lengths for different platforms, 1 min., 30 sec., and 15 sec. versions o 1 radio ad - Out of pocket expenses (at cost + 5%): stock imagery, film crews, retouching, HTML banner coding	
Task 1 C – Electrification awareness campaign 2025 (associated with launch of eHub 2.0) - Quarterly big-picture working sessions to establish goals - Study and analyze research - Creative Strategy: Identify campaign or activation themes (at least 3 distinct themes) Messaging: Create distinctive messaging to be used in different channels - Production of at least 3-4 executions for each of the below: o Digital display ads o Social media ads for Facebook and Instagram o Out-of-home ads for buses or bus shelters o At least two videos of varying lengths for different platforms, 1 min., 30 sec., and 15 sec. versions o 1 radio ad - Out of pocket expenses (at cost + 5%): stock imagery, film crews, retouching, HTML banner coding	$50,000
Task 1 D – Program-specific campaign 2025 - Quarterly big-picture working sessions to establish goals - Study and analyze research - Creative Strategy: Identify campaign or activation themes (at least 3 distinct themes) Messaging: Create distinctive messaging to be used in different channels - Production of at least 3-4 executions for each of the below: o Digital display ads o Social media ads for Facebook and Instagram o Out-of-home ads for buses or bus shelters o At least two videos of varying lengths for different platforms, 1 min., 30 sec., and 15 sec. versions o 1 radio ad - Out of pocket expenses (at cost + 5%): stock imagery, film crews, retouching, HTML banner coding	$50,000

Task 2 A (2022) - Additional projects will be billed on a time and materials basis. - Additional concepting ideas and production oversight and management	$50,000
Task 2 B (2023) - Additional projects will be billed on a time and materials basis. - Additional concepting ideas and production oversight and management	$50,000
Total	$300,000

Rates

Personnel	**Title**	**Hourly**
Tom Geary	Executive Creative Director	$180
John Buscaglia	Senior Editor	$180
Ashley Villarreal	Senior Writer & Researcher	$180
Will Geary	Writer	$180
Cory Pierce	Strategist	$180
Maxine Nisse	Media Director	$180

Invoices
Monthly Invoicing: In order to request payment, Consultant shall submit monthly invoices to the Authority describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed). Authority shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. Authority does not pay interest on past due amounts.

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

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

Exhibit D
Insurance Requirements and Proof of Insurance

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE**:

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

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

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

Staff Report – Item 1h

Item 1h:	**Receive Updates to Business Electric Vehicle (BEV) Rate Components**
From:	Girish Balachandran, CEO
Prepared by:	Peyton Parks, Energy Services Lead Kaley Dodson, Energy Services Specialist
Date:	2/14/2024

RECOMMENDATION

Receive updates to the Business Electric Vehicle (BEV) rate components and Power Charge Indifference Adjustment (PCIA) from January 10, 2024 Board of Directors meeting.

BACKGROUND

At the December 13, 2023 meeting of the SVCE Board of Directors, the Board adopted a 4% generation rate discount relative to PG&E for calendar year 2024. Following this direction, SVCE staff provided a full accompaniment of final SVCE generation rates for the Board at the January 10, 2024 meeting.

At the time of the January 10th meeting, PG&E was working to finalize both the PCIA and final resulting generation rate for their own Business Electric Vehicle (BEV) rate class. As a result, SVCE's final BEV generation rate would need to change as PG&E's generation rate changed in order to maintain the BOD-approved 4% discount. SVCE staff committed to monitor and adjust the resulting final SVCE rates for BEV and return to the Board with the final rates. PG&E made its adjusted rates effective as of February 1, 2024.

BEV rates are only applicable at commercial buildings where electric vehicle charging infrastructure is separately metered from the rest of the building's load. SVCE currently services less than 60 BEV customer accounts in its territory.

ANALYSIS & DISCUSSION

PG&E had initially included two conflicting PCIA values in its published tariff for BEV when it updated rates on January 1, 2024. PG&E corrected this issue and made the new resulting SVCE generation rates effective on February 1, 2024.

FISCAL IMPACT

The fiscal impact of adopting the adjusted PG&E PCIA and generation rates for the purpose of performing SVCE's 4% savings calculation to create a final generation rate is negligible.

ATTACHMENTS

1. Voided BEV1 and BEV2 SVCE rate sheets
2. Updated BEV1 and BEV2 SVCE rate sheets

Silicon Valley Clean Energy **Medium Commercial**

Non-Residential Generation Rates and Generation Service Cost Comparison

SVCE Rate Schedule	Time of Use Period	SVCE Generation Rates[1]	SVCE Generation Service[2]	PG&E Generation Service[3]	Notes
BEV1	**Summer/Winter**				
	PEAK	$ 0.29305	**$ 0.30313**	$ 0.31576	4:00 p.m. to 9:00 p.m.; Every day, including weekends and holidays
	OFF-PEAK	$ 0.11779	**$ 0.12787**	$ 0.13320	2:00 p.m. to 4:00 p.m. and 9:00 p.m. to 9:00 a.m.; Every day, including weekends and holidays
	SUPER OFF-PEAK	$ 0.09342	**$ 0.10350**	$ 0.10781	9:00 a.m. to 2:00 p.m.; Every day, including weekends and holidays
BEV2S	**Summer/Winter**				
	PEAK	$ 0.31122	**$ 0.32235**	$ 0.33578	4:00 p.m. to 9:00 p.m.; Every day, including weekends and holidays
	OFF-PEAK	$ 0.11599	**$ 0.12712**	$ 0.13242	2:00 p.m. to 4:00 p.m. and 9:00 p.m. to 9:00 a.m.; Every day, including weekends and holidays
	SUPER OFF-PEAK	$ 0.09161	**$ 0.10274**	$ 0.10702	9:00 a.m. to 2:00 p.m.; Every day, including weekends and holidays
BEV2P	**Summer/Winter**				
	PEAK	$ 0.30125	**$ 0.31238**	$ 0.32540	4:00 p.m. to 9:00 p.m.; Every day, including weekends and holidays
	OFF-PEAK	$ 0.11311	**$ 0.12424**	$ 0.12942	2:00 p.m. to 4:00 p.m. and 9:00 p.m. to 9:00 a.m.; Every day, including weekends and holidays
	SUPER OFF-PEAK	$ 0.08988	**$ 0.10101**	$ 0.10522	9:00 a.m. to 2:00 p.m.; Every day, including weekends and holidays

VOID

Silicon Valley Clean Energy

Medium Commercial

Non-Residential Generation Rates and Generation Service Cost Comparison

SVCE Rate Schedule	Time of Use Period	SVCE Generation Rates[1]	SVCE Generation Service[2]	PG&E Generation Service[3]	Notes
BEV1	**Summer/Winter**				
	PEAK	$ 0.29388	**$ 0.30396**	$ 0.31662	4:00 p.m. to 9:00 p.m.; Every day, including weekends and holidays
	OFF-PEAK	$ 0.11862	**$ 0.12870**	$ 0.13406	2:00 p.m. to 4:00 p.m. and 9:00 p.m. to 9:00 a.m.; Every day, including weekends and holidays
	SUPER OFF-PEAK	$ 0.09424	**$ 0.10432**	$ 0.10867	9:00 a.m. to 2:00 p.m.; Every day, including weekends and holidays
BEV2S	**Summer/Winter**				
	PEAK	$ 0.31126	**$ 0.32239**	$ 0.33582	4:00 p.m. to 9:00 p.m.; Every day, including weekends and holidays
	OFF-PEAK	$ 0.11603	**$ 0.12716**	$ 0.13246	2:00 p.m. to 4:00 p.m. and 9:00 p.m. to 9:00 a.m.; Every day, including weekends and holidays
	SUPER OFF-PEAK	$ 0.09165	**$ 0.10278**	$ 0.10706	9:00 a.m. to 2:00 p.m.; Every day, including weekends and holidays
BEV2P	**Summer/Winter**				
	PEAK	$ 0.30129	**$ 0.31242**	$ 0.32544	4:00 p.m. to 9:00 p.m.; Every day, including weekends and holidays
	OFF-PEAK	$ 0.11315	**$ 0.12428**	$ 0.12946	2:00 p.m. to 4:00 p.m. and 9:00 p.m. to 9:00 a.m.; Every day, including weekends and holidays
	SUPER OFF-PEAK	$ 0.08992	**$ 0.10105**	$ 0.10526	9:00 a.m. to 2:00 p.m.; Every day, including weekends and holidays

Staff Report – Item 1i

Item 1i:	**Executive Committee Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Larry Klein, Executive Committee Chair
Date:	2/14/2024

At the first meeting of the 2024 Executive Committee on January 23rd, Executive Committee members appointed a Chair and Vice Chair of the committee, selected a regular meeting schedule for 2024, received an introduction to SVCE's Load Management Standards compliance plan obligation, and heard a presentation from staff on the Silicon Valley Building Electrification: Stronger Together (BEST) program.

The committee appointed me as Chair, and Director Bryan Mekechuk as Vice Chair of the Executive Committee for 2024. A regular meeting schedule was established of the fourth Fridays of the month at 10:00 a.m., with a July summer recess. Some meetings were flagged by members as low attendance, which Sr. Executive Assistant and Board Clerk Andrea Pizano will poll to confirm quorum.

Citlalli Sandoval, Senior Regulatory Advisor, and Maren Wenzel, Senior Manager of Policy and Regulatory Analysis presented an introduction to the Load Management Standards Compliance Plan Obligation. Their presentation outlined the objectives of the Load Management Standards, reviewed past demand management methods, and provided information on the California Energy Commission's compliance plan requirement. Staff will be returning to the Executive Committee this month to discuss the content of this first Load Management Standards Compliance Plan prior to bringing to the Board of Directors for approval in March.

Eric Rodriguez, Decarbonization Programs and Policy Program Lead, and Zoe Elizabeth, Deputy Director of Decarbonization Programs and Policy, provided a presentation on the Silicon Valley Building Electrification: Stronger Together program (SVBEST), which is SVCE's umbrella initiative to develop and organize the strategic partnerships necessary to prepare our region for comprehensive building electrification.

Materials from this meeting can be found on SVCE's website: SVCE Executive Committee Meeting, January 23, 2024

The next meeting of the Executive Committee will be February 23, 2024 at 10:00 a.m.; materials will be posted no later than 72 hours in advance of the meeting.

Staff Report – Item 1j

Item 1j:	**California Community Power Report**
To:	Silicon Valley Clean Energy Board of Directors
From:	Girish Balachandran, CEO
Date:	2/14/2024

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 17, 2024.

Attached is a summary report from General Manager Alex Morris; materials from the January board meeting can be found here on the CC Power website: CC Power Meeting, 1/17/24

The next meeting of the board will be February 28, 2024 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 General Manager Alex Morris, January 17, 2024

California Community Power

901 H St, Ste 120 PMB 157, Sacramento, CA 95814 | cacommunitypower.org

TO: CC Power Board of Directors and Alternates **DATE:** 1/23/2023
FROM: Alex Morris – General Manager
SUBJECT: **Report on CC Power Regular Board of Directors Meeting – December 17, 2023**

The CC Power Board of Directors held its regularly scheduled meeting on January 17, 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: [Meetings and Agendas – ca community power]

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.

- **Public Comment.** None.

- **Consent Agenda** - The Board approved the following items:
  - Minutes of the Regular Board Meeting held on December 13, 2023

- **Regular Agenda Voting Items**:
  - The Board adopted Resolution 24-01-01, electing Geof Syphers, CEO of Sonoma Clean Power, as Chair of CC Power, and Lori Mitchell, Director of San Jose Clean Energy, as Vice-Chair of CC Power for 2024

  - The Board adopted Resolution 24-01-02 appointing Mitch Sears, Executive Officer of Valley Clean Energy, as Treasurer, and Rob Shaw, CEO of Central Coast Community Energy, as Board Secretary of CC Power for 2024

  - The Board adopted Resolution 24-01-03, adjusting the dates of the pre-scheduled February, April, and June 2024 CC Power Board Meetings in order to avoid conflicts with Holidays and Cal-CCA events

  - The Board adopted Resolution 24-01-04, *Approval of California Community Power Exploration and Solicitation for Build-Own-Transfer Projects*. This resolution authorizes CC Power to formulate and execute a project, if sufficient members participate to cover costs not to exceed $440,000 in total. Funds will be held in balancing accounts and unused funds can be returned or reapplied. This project authorization follows from discussions about the Inflation Reduction Act and possible CCA benefits available from a Build-Own-Transfer project, for which any willing CC Power members could pursue project ownership and bond issuance through CC Power. This Resolution only authorizes exploration of project bids through a competitive solicitation, yielding a short-list of candidate projects. After a short-list is determined, the Board may consider further actions regarding shortlisted projects.

- **General Manager Report –** the Board heard several updates, including on 2024-2025 strategic planning and next steps. The strategic planning process will involve interviews with members during Q1 2024 to understand priorities and to develop proposed 2024-2025 work-plans and budgets. As part of this, CC Power will consider updates to the multi-year CC Power Strategic Plan.

- **Closed Session –** the Board discussed General Manager performance and 2024 goals.

Staff Report – Item 1k

Item 1k:	**Additional Committee Reports**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Andrea Pizano, Sr. Executive Assistant and Board Clerk
Date:	2/14/2024

There are no reports for the Finance and Administration Committee and Audit Committee as they have not met since 2023.

The next meeting of the Finance and Administration Committee and Audit Committee will be held in late February, based on member availability.

Staff Report – Item 2

Item 2:	**CEO Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Girish Balachandran, CEO
Date:	2/14/2024

REPORT

Staff Updates

Emily Muniz joined SVCE January 22, 2024 as a Communications Specialist supporting the Marketing and Communications team. Emily's background includes media pitching and content creation from her time at an SF-based communications and marketing firm, and experience leading restoration programs, collaboration with key stakeholders, and public outreach campaigns from her most recent role at a recreation and park district. She earned her degree in environmental science and sustainability from Cornell University with a minor in policy and governance.

Kris Van Vactor, formerly SVCE's Wholesale Energy Markets Manager, will be SVCE's new Director of Power Resources overseeing planning, procurement, portfolio management, load and resource scheduling and operations, settlements, contract management and compliance. Kris has over 20 years of experience in the industry of which he spent 13 years at SoCal Edison where he helped bring on utility scale and distributed resources, worked on regulatory and policy integration and CAISO settlements. At SVCE he has been leading the front office team responsible for portfolio management, procurement and operations of resources in the wholesale market.

Zak Liske, formerly SVCE's Senior Manager of Operations, has been promoted to Deputy Director of Power Resources. In this role, he will retain many of his existing responsibilities including contract management, settlements and compliance within the Power Resources Department but will also report to Monica, Amrit and Don to lead and/or support many special projects including implementation of Business Process Optimization systems, IT Governance, power prepays and C/I custom products.

Personnel Officer Update

We currently have one open position for HR Payroll Analyst, and two offers accepted and in pre-employment process for the roles of Senior Program Specialist and Data Engineer.

Job descriptions and applications can be found on SVCE's website: Current Job Openings

CalCCA Annual Meeting

This year's CalCCA annual conference is scheduled for April 16-18, 2024 in San Jose. For Board members who are unable to attend the full conference, there will be a scheduled elected officials lunch. Board members who are interested in attending should reach out to Board Clerk Andrea Pizano for registration.

Winter Reading: *Clear Thinking* book

In an effort to keep the tradition of suggesting good reads, board members will receive a copy of *Clear Thinking* by Shane Parrish. This book provides tools that can be used in both your professional and personal lives to recognize opportunities and identify helpful decision-making processes. As a board member, I believe this book will also help with good governance and communication. All members of SVCE staff have also received a copy.

CEO Agreements Executed

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

1) 3Degrees, Amendment: Support in Generating Low Carbon Fuel Standard Credits, date extended to 5/31/24
2) Arup, Agreement: Data Analytics Support, 12/14/23 – 12/13/28; agreement approved by the SVCE Board of Directors at the 12/13/23 Board of Directors meeting
3) PFM Asset Management, Agreement: Investment Advisory Services, not to exceed $30,000, 1/9/24 – 1/25/24
4) Richard Heath and Associates, Agreement: Service Optimization Guides for Building Officials and Contractors, not to exceed $74,879, 1/15/24 – 8/31/24
5) City of Cupertino, Amendment: Video Production Services, amended terms and conditions
6) Tierra Resource Consultants, LLC, Agreement: Innovative Finance Analysis and Whitepaper, not to exceed $94,500, 1/11/24 – 8/21/24
7) Patricia LaFleur, Amendment: Office Mural Painting, not to exceed $13,300
8) ADM, Amendment to Task Order: Member Agency Working Group (MAWG) Engagement Evaluation
9) ADM, Amendment to Task Order: Customer Awareness Survey and eHub Evaluation, removed $16,090 from NTE, new NTE $89,840
10) ADM, Amendment to Task Order: Electrification Reach Codes Study
11) Creative F5, Consent to Assignment Agreement: Graphic and web design security and maintenance
12) Nicole Arlette Hirsch, PhD, Amendment: Diversity, Equity & Inclusion Training, not to exceed $46,179
13) SMUD, Task Order: Programs Portfolio Tool Support, not to exceed $33,600, 12/18/23 – 12/31/24
14) San Jose Conservation Corps, Agreement: Mobile Demonstration Home, not to exceed $50,000, 1/29/24 – 12/31/24
15) SMUD, Amendment: Task Order (1-12) consolidation and close out
16) NewGen Strategies & Solutions, Amendment: Advice and Expert Testimony; amendment of terms
17) County of Santa Clara, Agreement: Community Resilience Program – Capital Projects Agreement, not to exceed $229,997, expires 12/31/24

SILICON VALLEY CLEAN ENERGY

CEO Power Supply Agreements Executed

Counterparty Name	Execution/Effective Date	Transaction Type	Product	Start Date	End Date	Notional Value
Morgan Stanley	1/17/2024	Purchase	Carbon-Free Energy	4/1/2024	12/31/2024	$1,633,402.76

This agreement is included in the Board packet as Appendix A.

Presentations & Relevant Meetings Attended by CEO

- Participated in CalCCA Monthly board and executive meetings
- 1/17/24, CC Power Board Meeting (meeting report included on Consent Calendar)

Presentations from Staff

- 1/13/24: Silicon Valley Youth Climate Action's Green New Year Celebration. Presentation by Monica Padilla, COO and Director of Power Resources

ATTACHMENTS

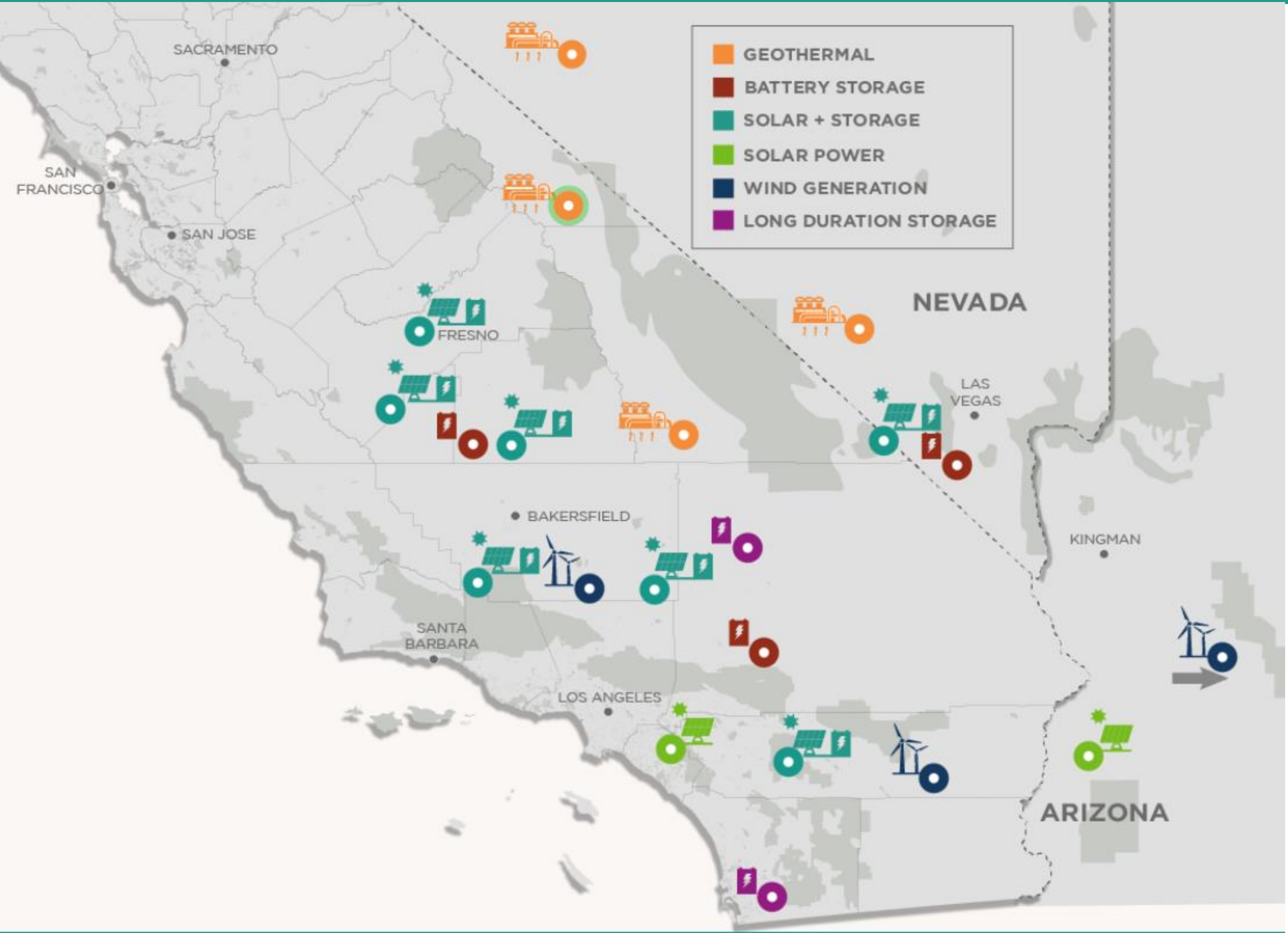
1. Clean Power Update, February 2024
2. Energy Services & Community Relations Update, February 2024
3. Regulatory and Legislative Update, February 2024
4. Agenda Look Ahead, February 2024 – June 2024

CEO Report
Clean Power Update

SVCE Board Meeting
February 14, 2024

SILICON VALLEY CLEAN ENERGY

Clean Long-term Power Agreements



- $3.7B+ in commitments
- 21 PPAs signed
  - 18 new build projects
- 896 MW of Renewable Power
- 1,845 MWh of Battery Storage

7 Projects now delivering to SVCE meeting ~33% 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
- Yellow Pine Solar + Storage – July 2023

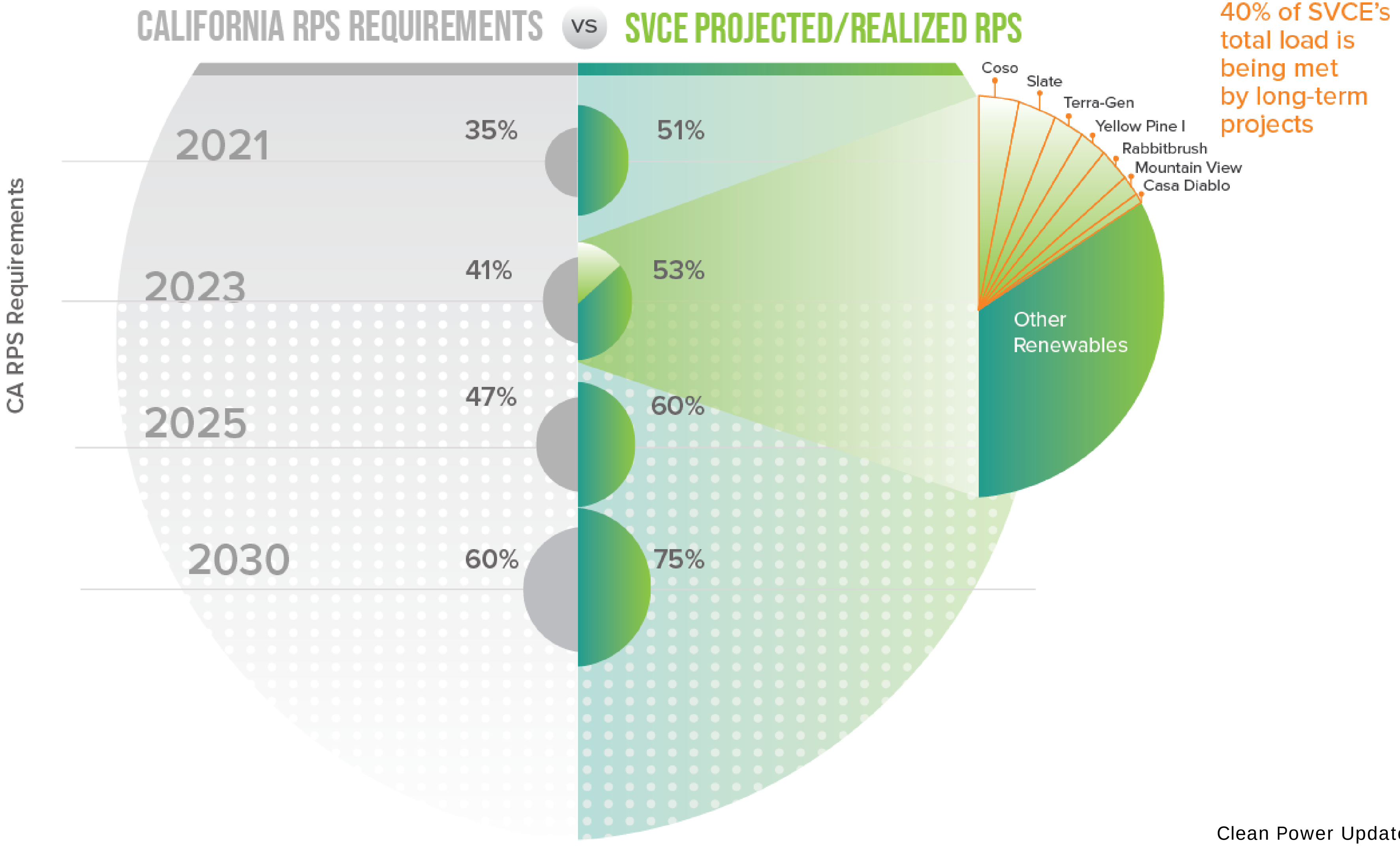
SVCE Long-Term Clean Energy Contracts

	Seller	Project Name	Technology	Generation MW	Storage MW	Storage MWh	Approximate % of Annual load in 2030	Term (years)	Lifetime Not to Exceed Authority (MM$)	SVCE Board Approval	Status
1	MN8	Slate	Solar + Storage	93	46.5	186	6.2%	17	$198	Oct-18	Online
2	Ormat	Casa Diablo	Geothermal	7			1.4%	10	$43	Feb-20	Online
3	Atlantica	Coso	Geothermal	43.8			6.1%	15	$331	Mar-20	Online
4	Leeward	Rabbitbrush	Solar + Storage	40	8	20	2.9%	15	$64	Apr-20	Online
5	NextEra	Yellow Pine	Solar + Storage	50	26	104	3.8%	20	$128	May-20	Online
6	Avantus	Aratina	Solar + Storage	80	50	200	6.3%	20	$368	Jun-20	Pre-construction
7	174 Power Global	Atlas	Solar	50			3.6%	10	$32	Jan-21	Pre-construction
8	SB Energy	Angela	Solar + Storage	20	10	40	1.4%	15	$35	Mar-21	Pre-construction
9	AES	Mountain View	Wind	33.3			3.1%	20	$128	Apr-21	Online
10	Origis	San Luis West	Solar + Storage	62.5	15.625	62.5	3.9%	15	$132	Apr-21	Pre-construction
11	Clearway	Victory Pass	Solar + Storage	100	25	100	7.6%	15	$173	May-21	Construction
12	Terra-Gen	Cameron Crest	Wind	77.7			4.6%	15	$150	May-21	Online
13	Rev Renewables	Tumbleweed	Long Duration Storage		15.9375	127.5		15	$100	Feb-22	Pre-construction
14	Onward	Goal Line	Long Duration Storage		14.2	113.6		15	$100	Mar-22	Pre-construction
15	Ormat	Geothermal Portfolio	Geothermal	16.75			4.2%	20	$256	Jun-22	Pre-construction
16	OME	Fish Lake	Geothermal	1.82			0.4%	20	$30	Jun-22	Pre-construction
17	AES	Baldy Mesa (RA-only)	Storage	0	75	300		10	$81	Sep-22	Construction
18	MRP	Hanford	Thermal + BESS	99.4	131.4	131.4		12	$280	Apr-23	Pre-construction
19	NextEra	Grace	Solar	120	0		8.3%	15	$286	Aug-23	Pre-construction
20	NextEra	Yellow Pine III	Storage	0	115	460		15	$420	Aug-23	Pre-construction
21	Pattern	SunZia	Wind	100	0	0	7.6%	15	$361	Nov-23	Pre-construction

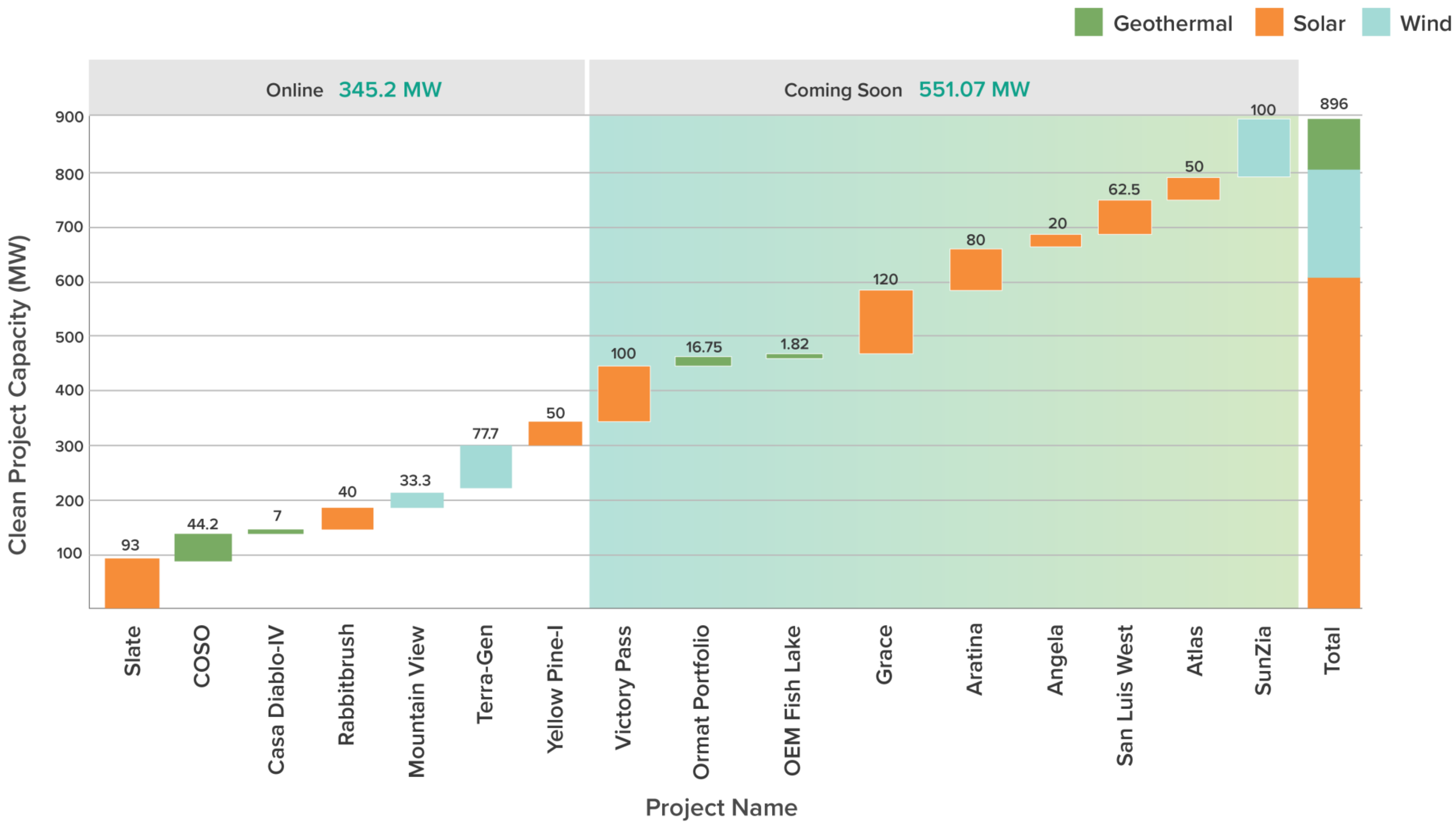
Clean Energy Resources Online Progress
as of 2/7/2024

2024 – Q1	• Victory Pass Solar + Storage: *Construction mode – delayed* • Angela Solar + Storage: *Pre-construction – delayed*
2024 – Q2	• Baldy Mesa (RA-Only Storage): *Construction mode*
2024 – Q4	• Hanford BESS on Peaker: *Pre-construction*
2025 – Q2	• Goal Line Long Duration Storage: *Pre-construction* • Aratina Solar + Storage: *Pre-construction – delayed* • San Luis West Solar + Storage: *Pre-construction - delayed*
2025 – Q3+	• Fish Lake Geothermal: *Pre-construction* • Ormat Geothermal Portfolio: *Pre-construction* • Tumbleweed Long Duration Storage: *Construction mode* • Atlas Solar: *Pre-construction – delayed* • Yellow Pine III Storage: *Pre-construction* • Grace Solar: *Pre-construction* • SunZia Wind: *Pre-construction*

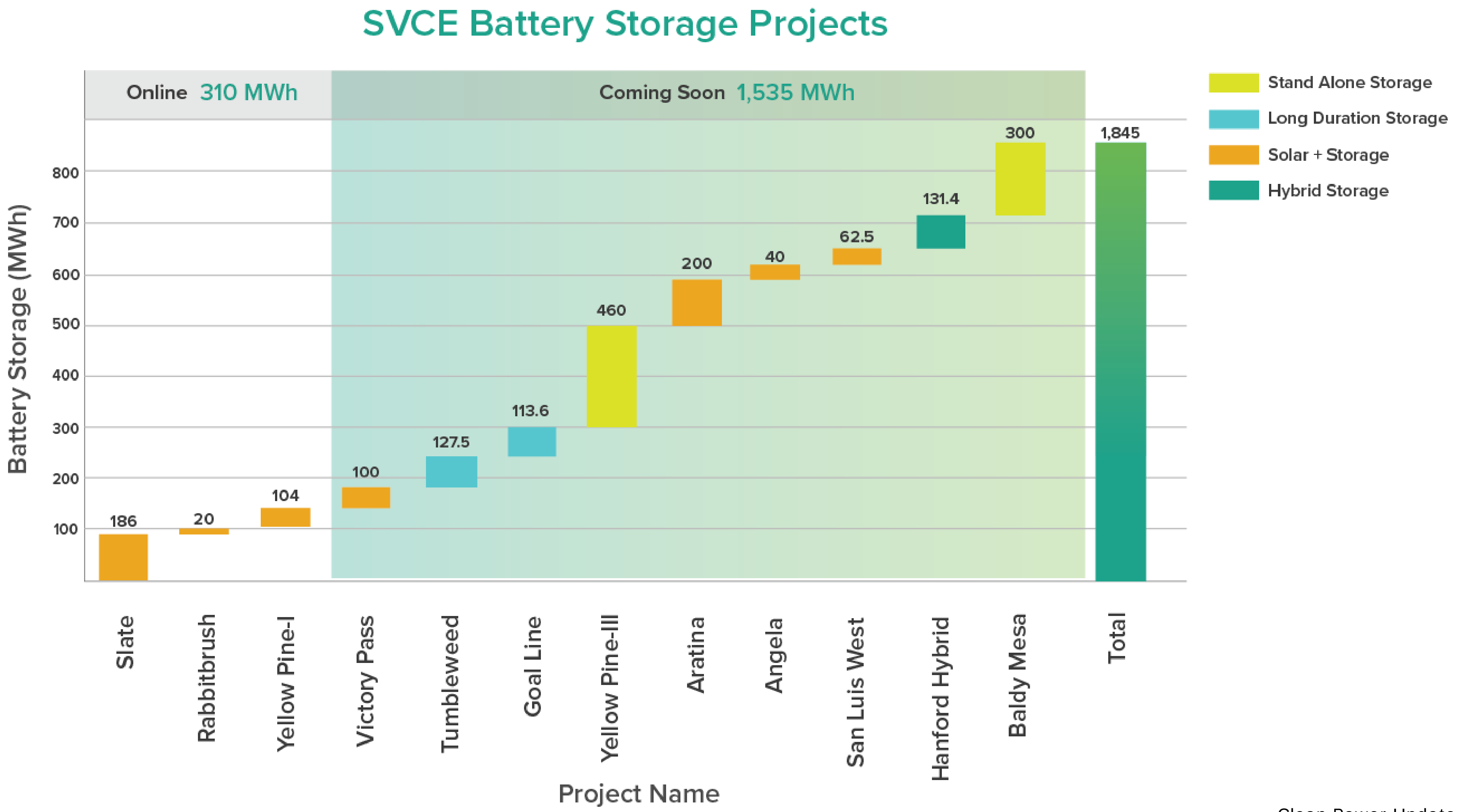
SVCE Progress Toward RPS Requirements



SVCE Has Contracted 896 MWh of Clean Generation Capacity



SVCE Has 1,845 MWh of Clean Storage



Victory Pass Solar + Storage

COD in Q1 2024

Developer: Clearway

Riverside County, CA

PV: 100 MW

BESS: 25 MW

Will meet approx. 8% of SVCE's load

THANK YOU!

1. Outreach Events & Sponsorships

Date	Sponsorship	Location
1/31/2024	**SV Reads Kick-Off** 6:00 p.m. – 7:00 p.m. *Tabling*	De Anza College VPAC 21250 Stevens Creek Blvd Cupertino, CA 95014
2/12/2024	**Sunnyvale Neighborhoods Presentation** 7:00 p.m. – 8:30 p.m. *Presentation*	Virtual
2/21/2024	**SV Reads Author Talk on Climate** 10:00 a.m. – 12:00 p.m. *Attendance and tabling*	The Tech Interactive 201 S Market St San Jose, CA 95113
2/24/2024	**SV Reads Story Time at Milpitas Library** 11:00 a.m. – 12:00 p.m. *Attendance and tabling*	Milpitas Library 160 N Main St Milpitas, CA 95035
3/1/2024	**JVSV State of the Valley** 8:30 a.m. – 12:30 p.m. *Attendance and sponsorship*	SJSU Diaz Compean Student Union, 2nd Floor Ballroom 211 South 9th Street San Jose, California 95192

1. Outreach Events & Sponsorships (cont.)

Date	Sponsorship	Location
3/7/2024	**Silicon Valley Central Chamber Mayors' Breakfast** 7:30 a.m. – 10:30 a.m. *Attendance*	Embassy Suites by Hilton Milpitas Silicon Valley 901 East Calaveras Boulevard Milpitas, CA 95035

2. Customer Participation

	Participation Rate	Overall Participation Rate
Residential	96.19%	96.23%
Commercial	96.62%	

SILICON VALLEY CLEAN ENERGY

3. DIY Energy Savings Toolkit Premium Items and Sweepstakes

SVCE is holding two promotions to increase DIY Toolkit check-outs in 2024.

1. **DIY Toolkit Premium Items**: Every second month starting in February, SVCE will release a new Premium energy saving tool to all library branch toolkits. Items include smart power strips and smart LED bulbs.
2. **DIY Toolkit Sweepstakes**: Every 3 months, starting in March, SVCE will hold a Sweepstakes to giveaway big-ticket items to Toolkit winners. Items include smart thermostats and a portable induction cooktop.

4. Press Release & Media

Press Releases

- Silicon Valley Clean Energy Sets 2024 Electric Generation Rates, *Press Release, 01-09-24*
- Silicon Valley Clean Energy Board of Directors Elects Chair and Vice Chair for 2024, *Press Release*, 01-17-24
- Residents Claim $2.8M in Home Upgrade Rebates from Silicon Valley Clean Energy, *Press Release*, 01-23-24

News Coverage

- Sunnyvale green energy nonprofit names new CEO, *The Mercury News, 12-23-23*
- Community News - Clean Energy Grants, *The Mercury News, 12-31-23*
- Silicon Valley Clean Energy CEO named Champion of the Year, *The Mercury News, 01-07-24*
- Grants for good, *elESTOQUE, 01-24-24*
- Town Hall: Getting Ready for Clean Buildings w/SPUR, *KALW, 01-31-24*
- 2024 Silicon Valley Power 100, *Silicon Valley Business Journal, 02-02-2024*
- Saratoga councilmember named chair of clean energy nonprofit, *The Mercury News, 02-04-24*

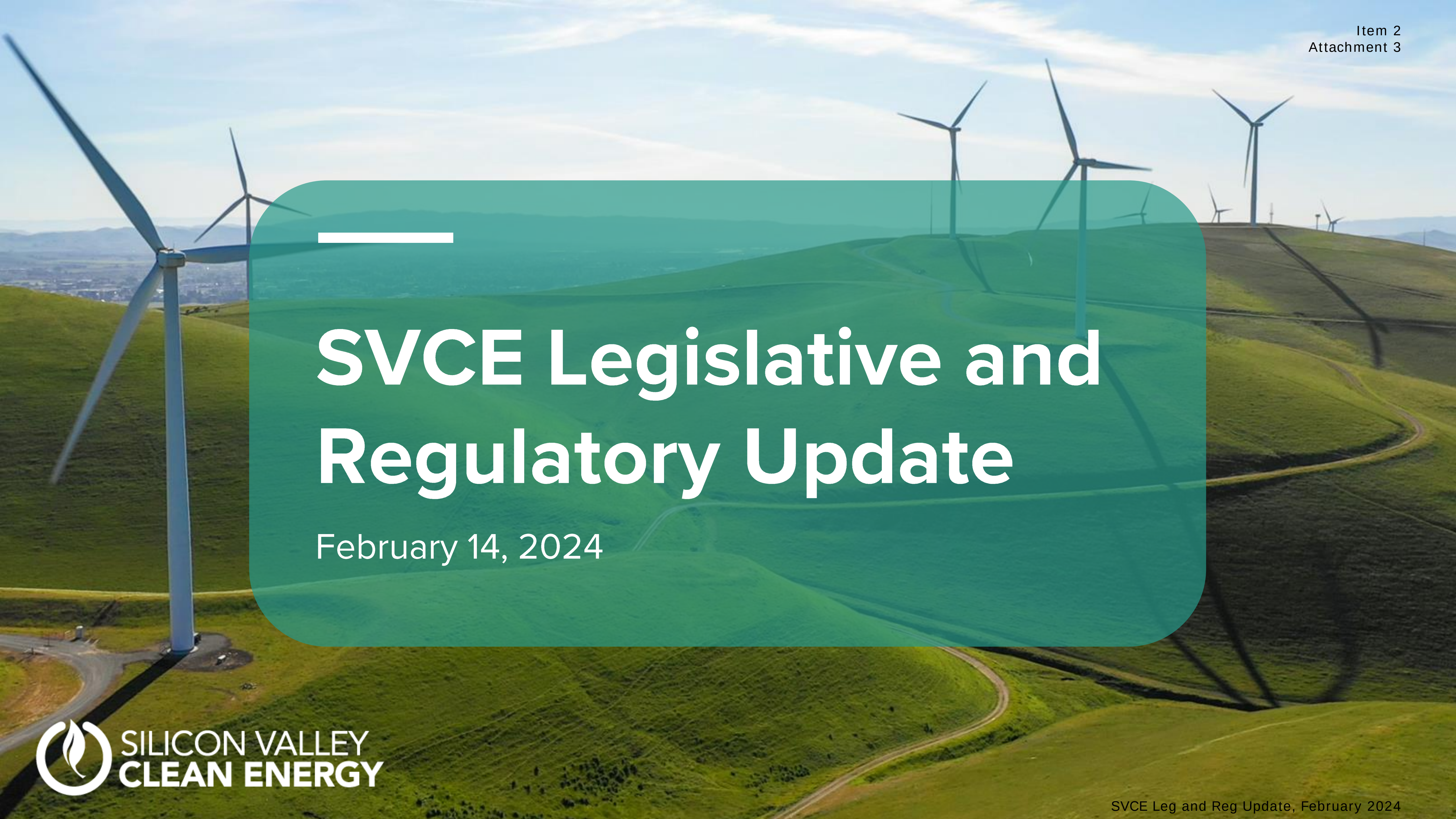
4. Press & Media (continued)

New Coverage (continued)

- Local Scene: Rebates available to upgrade to electric appliances, *The Morgan Hill Times, 02-01-24*
- FutureFitting homes, *The Mercury News, 02-04-2024*

Media Mentions

- San Mateo County's Peninsula Clean Energy details $68 million reinvestment project, *Mountain View Voice, 01-01-24*
- *Opinion: A dose of sunshine, caffeine and optimism*, *Palo Alto Online, 01-13-24*
- Model State Building Code for Equitable Electric Vehicle Charging in Multi-Family Housing, *Enterprise Viewpoint, 01-15-24*
- Meet the District 5 candidates looking to fill a seat on the Santa Clara County Board of Supervisors, *Mountain View Voice, 01-18-2024*
- Battery facility to replace Ice-Plex in Escondido, *The San Diego Union-Tribune, 01-20-24*
- Campbell breaks ground on new police station, *San Jose Spotlight, 01-27-24*



SVCE Legislative and Regulatory Update

February 14, 2024

SILICON VALLEY CLEAN ENERGY

Policy Updates

Regulatory Update:

1. Integrated Resource Planning
2. Resource Adequacy
3. Energization

Legislative Update:

1. Governor's January Budget Proposal
2. 2024 Legislative Calendar

Regulatory Update

Key Regulatory Activities

Activity	Purpose	Status
Integrated Resource Planning (R.20-05-003)	CPUC planning proceeding to ensure LSEs are collectively on track to meet the State's clean energy and reliability goals.	On January 10th, the CPUC issued a Proposed Decision to adopt the 2023 Preferred System Plan (PSP) based on LSEs individual 2022 IRPs. The plan achieves a less than 25 million metric ton (MMT) electricity sector GHG target by adding over 100 GW of new capacity by 2045. The PD adopts most LSEs individual plans, including SVCE's. In addition to adoption of the PSP, the Proposed Decision would allow LSEs to further extend the online date for Long Lead Time resources (geothermal and long duration storage) for Mid-term Reliability (MTR) procurement to 2031. If LSEs use the extension they must procure generic resources to bridge the capacity to meet their 2028 obligations.
Resource Adequacy (R.23-10-011)	Oversees the Resource Adequacy programs, considers program refinements and establishes forward looking resource adequacy procurement obligations	On January 19th stakeholders filed proposals for Track 1 of the Resource Adequacy proceeding. Issues for Track 1 include both Slice of Day implementation refinements and RA penalty reform. SVCE worked with CalCCA to file comments. CalCCA's comments proposed a temporary system RA penalty (through 2027) to help mitigate compliance risk due to both tight market conditions and likely challenges stemming from the transition to Slice of Day. CalCCA also requested the Commission request FERC, CAISO and the CAISO's Department of Market Monitoring investigate the RA capacity market to ensure just and reasonable rates. In February, Energy Division Staff is expected to release a report on the Slice of Day test year. Shortly after a workshop will be held to review party proposals which will be followed by a comment period.
Order Instituting Rulemaking to Establish Energization Timelines (R.24-01-018)	To establish timely energization timelines.	The CPUC has adopted a new Order Instituting Rulemaking to implement the provisions adopted by Senate Bill 410 and Assembly Bill 50, which require the CPUC to establish reasonable average and maximum target energization time periods, as well as a procedure for customers to report energization delays. SVCE plans to engage in the development of these new timelines and will be monitoring the new rulemaking's developments.

Legislative Update

Governor's January Budget Proposal Highlights

Governor's current proposal uses cuts, deferrals and fund swaps to close a record $38B deficit. Final Budget to be adopted in June.

Program	Funding Amount
Equitable Building Decarb	$283M cut and $87M fund swap from Cap and Trade
Equitable At-Home Charging, Clean Cars 4 All, ZEV Fueling Infrastructure Grants	$600M delay, $218.5M fund shift from Cap and Trade to ZEV Fueling Infrastructure Grants
Extreme Heat and Community Resilience Program	$40M cut
Electricity Supply Reliability Reserve Program	$55M delay
Long Duration Storage	$57M shift from Cap and Trade
Clean Energy Reliability Investment Plan	$400M delay

Key 2024 State Legislative Milestones

- ~~January 3 – Legislature Reconvenes~~
- ~~January 12 – Last day for policy committees to hear fiscal bills from their house last year~~
- ~~January 19 – Last day to submit bill requests to Legislative Counsel; last day for committees to hear and report to the floor bills introduced last year~~
- ~~January 31 – Last day for each house to pass bills introduced last year~~
- February 16 – Last day for bills to be introduced
- April 26 – Last day for policy committees to vote on fiscal bills
- May 17 – Last day for fiscal committees to hear bills introduced in that house
- May 24– Last day for each house to pass bills introduced in that house
- June 15 – Budget bill must pass by midnight
- July 3 – Last day for policy committees to vote on bills
- August 16 – Last day for fiscal committees to vote on bills
- August 31– Last day for each house to pass bills
- September 30 – Last day for Governor to sign bills

SVCE Agenda Look Ahead
February 2024 - June 2024

February 2024	March 2024	April 2024	May 2024	June 2024
Board of Directors, February 14:	**Board of Directors, March 13:** Consent: Minutes January 2024 Treasurer Report Scheduling Coordinator Services Agreement Committee Reports Regular Calendar: Mid-Year Budget Audited Financial Statements Approve SVCE's Load Management Standards Compliance Plan MRP/Gas Peaker Community Investment Policy	**Board of Directors, April 10:** Consent: Minutes February 2024 Treasurer Report Committee Reports Regular Calendar: TBD	**Board of Directors, May 8:** Consent: Minutes March 2024 Treasurer Report Committee Reports Regular Calendar: TBD	**Board of Directors, June 12:** Consent: Minutes April 2024 Treasurer Report Committee Reports Regular Calendar: Introduction to SVCE Budget Framework
Executive Committee, Feb. 23: Preview of SVCE's Load Management Standards Compliance Plan MRP/Gas Peaker Community Investment Policy	**Executive Committee, March 22:** Program Snapshot	**Executive Committee, April 26:** Program Snapshot	**Executive Committee, May 24:** Program Snapshot Intro to 2025 Strategic Plan (Focus Areas)	**Executive Committee, June 28:** Program Snapshot
Audit Committee - TBD				
Finance & Administration Committee - TBD				

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 3

Item 3:	**Appoint 2024 Board Committee Members**
From:	Girish Balachandran, CEO
Prepared by:	Andrea Pizano, Sr. Executive Assistant and Board Clerk
Date:	2/14/2024

RECOMMENDATION

Staff recommends the Board appoint members to the 2024 Legislative Ad Hoc Committee, Audit Committee, and Finance and Administration Committee through February 2025.

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

2024 Legislative Ad Hoc Committee – *New Ad Hoc Committee for 2024

This ad hoc committee was created on November 8, 2023 to address the following policy areas:

- Affordability & Rates,
- Climate Change Mitigation/Fuel Switching,
- Clean, Reliable Grid,
- Competitive Equity/Do No Harm,
- Health Impact/Safety, and
- 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 2024
• 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. Dir. Zach Hilton, Gilroy 3. Dir. Bryan Mekechuk, Monte Sereno 4. Dir. Yvonne Martinez Beltran, Morgan Hill 5. Alt. Dir. Chuck Page, Saratoga 6. Dir. Larry Klein, Sunnyvale

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	2023 Roster	Expressed Interest for 2024
• 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 Sheila Mohan, Cupertino 3. Alt. Dir. Sergio Lopez, Campbell 4. Harjot Sangha, Finance Director for the City of Gilroy 5. Alt. Dir. Murali Srinivasan	1. Dir. Bryan Mekechuk, Monte Sereno 2. Dir. Sheila Mohan, Cupertino 3. Alt. Dir. Sergio Lopez, Campbell 4. 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	2023 Roster	Expressed Interest for 2024
• 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 Hung Wei, Cupertino 2. Committee Vice Chair Sally Meadows, Los Altos 3. Dir. Elliot Scozzola, Campbell 4. Dir. Margaret Abe-Koga, Mountain View 5. Dir. Tina Walia, Saratoga	1. Alt. Dir. Hung Wei, Cupertino 2. Dir. Elliot Scozzola, Campbell 3. Dir. Pat Showalter, Mountain View 4. Alt. Dir. Murali Srinivasan, Sunnyvale

Attached are two documents: 1) the 2024 Committee Summary Snapshot, which outlines who has expressed interest in each committee for 2024, and 2) a 2024 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. 2024 Committee Summary Snapshot
2. 2024 SVCE Assignments and Committee Interests

SILICON VALLEY CLEAN ENERGY

2024 SVCE Committee Summary Snapshot

Three committees up for appointments:

1. **2024 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 2024 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.

2024 Legislative Ad Hoc Committee Roster	Member Agency
Elliot Scozzola	**Campbell**
Zach Hilton	**Gilroy**
Bryan Mekechuk	**Monte Sereno**
Yvonne Martinez Beltran	**Morgan Hill**
Chuck Page	**Saratoga**
Larry Klein	**Sunnyvale**

2024 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 end of February 2024)

2024 Finance and Administration Committee Roster	Member Agency
Elliot Scozzola	Campbell
Hung Wei	Cupertino
Pat Showalter	Mountain View
Murali Srinivasan	Sunnyvale

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 2024)

2024 Audit Committee Roster	Member Agency
Sergio Lopez	Campbell
Sheila Mohan	Cupertino
Bryan Mekechuk	Monte Sereno
Harjot Sangha* City of Gilroy Staff Member nominated by Dir. Hilton	Gilroy

2024 SVCE Assignments and Committee Interests

Director	Agency	Executive Committee *6 Members*	2024 Leg Ad Hoc Committee *Meets as needed* *6 Interested Members*	Audit Committee *Meets Twice Yearly & as needed* *4 Interested Members*	Finance and Administration Committee *Meets Quarterly & as needed* *4 Interested Members*
Tina Walia, Chair	Saratoga	●			
Chuck Page	Saratoga (Alternate Director)		✓		
George Tyson, Vice Chair	Town of Los Altos Hills	●			
Elliot Scozzola	Campbell		✓		✓
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	●	✓		
Pat Showalter	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 2024

✓ = To be ratified at Feb. 14, 2024 Board of Directors Meeting

SILICON VALLEY CLEAN ENERGY

Silicon Valley Clean Energy
Board of Directors Meeting

February 14, 2024

Appendix A

Power Resource Contracts Executed by CEO

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 17, 2024 (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:

<table>
<tr><td>Seller:</td><td>Morgan Stanley Capital Group Inc.</td><td>Buyer:</td><td>Silicon Valley Clean Energy Authority</td></tr>
<tr><td colspan="2">Product:</td><td colspan="2">Carbon Free Product</td></tr>
<tr><td colspan="2">Contract Price:</td><td colspan="2">"Contract Price" shall be equal to the sum of (1) the Energy Price, and (2) the Carbon Free Premium, where:
"Energy Price" is equal to CAISO NP15 Day Ahead Index for Hour Ending 01 through Hour Ending 24; and
"Carbon Free Premium" is equal to [redacted]</td></tr>
<tr><td colspan="2">Contract Quantity:</td><td colspan="2">1. The quantity of MWs of CAISO Energy per hour during the Delivery Term as shown below:<table><tr><th>Month</th><th>MW</th></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr><tr><td>[redacted]</td><td>[redacted]</td></tr></table>2. [redacted]</td></tr>
<tr><td colspan="2">Minimum Monthly Carbon Free Energy Quantity (MWh):</td><td colspan="2">[redacted]</td></tr>
<tr><td colspan="2">Delivery Term:</td><td colspan="2">One contract year, as follows:
[redacted].</td></tr>
<tr><td colspan="2">Carbon Free Energy Delivery Point:</td><td colspan="2">CAISO balancing authority area</td></tr>
</table>

<table>
<tr><td>CAISO Energy Delivery Point:</td><td>NP15 EZ GEN HUB</td></tr>
<tr><td>CAISO Energy Delivery Hours:</td><td>Monday through Sunday HE 0100 through 2400 (24 Hours)</td></tr>
<tr><td>CAISO Energy Quantity (MW):</td><td>The quantity of MWs per hour during the Delivery Term, as shown below:
<table>
<tr><th>Month</th><th>MW</th></tr>
<tr><td>[redacted]</td><td>[redacted]</td></tr>
<tr><td>[redacted]</td><td>[redacted]</td></tr>
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</table>
</td></tr>
</table>

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:________________	Sign:________________
Print: Kevin Collins	Print: ________________
Title: Vice President	Title: ________________

[*Signature Page to Carbon Free Product Confirmation*]

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:____________________	Sign: DocuSigned by: Girish Balachandran 5CA64B9AC4C24C3
Print:____________________	Print: Girish Balachandran
Title:____________________	Title: CEO

[*Signature Page to Carbon Free Product Confirmation*]

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

Facility name	Fuel Type	LOCATION	EIA	CARB ID
Balch #1 PH	Large hydroelectric	California	217	
Balch #2 PH	Large hydroelectric	California	218	
Belden	Large hydroelectric	California	219	
Bucks Creek	Large hydroelectric	California	220	
Butt Valley	Large hydroelectric	California	221	
Caribou 1	Large hydroelectric	California	222	
Caribou 2	Large hydroelectric	California	223	
Cresta	Large hydroelectric	California	231	
Drum #1	Large hydroelectric	California	235	
Drum # 2	Large hydroelectric	California	236	
Electra	Large hydroelectric	California	239	
Haas	Large hydroelectric	California	240	
James B Black	Large hydroelectric	California	249	
Kerckhoff #2 PH	Large hydroelectric	California	682	
Kings River	Large hydroelectric	California	254	
Pit 1	Large hydroelectric	California	265	
Pit 3	Large hydroelectric	California	266	
Pit 4	Large hydroelectric	California	267	
Pit 5	Large hydroelectric	California	268	
Pit 6	Large hydroelectric	California	269	
Pit 7	Large hydroelectric	California	270	
Poe	Large hydroelectric	California	272	
Rock Creek	Large hydroelectric	California	275	
Salt Springs	Large hydroelectric	California	279	
Stanislaus	Large hydroelectric	California	285	
Tiger Creek	Large hydroelectric	California	287	
SOUTH FEATHER WATER AND POWER AGENCY (Woodleaf and Forbestown)	Large hydroelectric	California	417	
NID-CHICAGO PARK	Large hydroelectric	California	412	
Hoover Dam	Large hydroelectric	Nevada	154	500066
Narrows PH (Hydro)	Large hydroelectric	California	262	910321
Narrows 2 Powerhouse (Hydro)	Large hydroelectric	California	455	910320
Colgate Powerhouse (Hydro)	Large hydroelectric	California	454	910312
Middle Fork Hydro	Large hydroelectric	California	425	910317
Wanapum Dam	Large hydroelectric	Washington State	3888	500054
Priest Rapids Dam	Large hydroelectric	Washington State	3887	500054
Rock Island Dam	Large hydroelectric	Washington State	6200	500003
Rocky Reach Dam	Large hydroelectric	Washington State	3883	500055
Boundary Dam	Large hydroelectric	Washington State	6433	500043
Lucky Peak Dam	Large hydroelectric	Idaho	10014	500046
Wells	Large hydroelectric	Washington State	3886	500237
Kerr (Seli'š Ksanka Qlispé) Dam	Large hydroelectric	Montana	2188	500014