Larry Klein, Chair
City of Sunnyvale

Sally Meadows, Vice Chair
City of Los Altos

Terry Hines
City of Campbell

R "Ray" Wang
City of Cupertino

Zach Hilton
City of Gilroy

George Tyson
Town of Los Altos Hills

Rob Rennie
Town of Los Gatos

Garry Barbadillo
City of Milpitas

Bryan Mekechuk
City of Monte Sereno

Mark Turner
City of Morgan Hill

Pat Showalter
City of Mountain View

Chuck Page
City of Saratoga

Otto Lee
County of Santa Clara

svcleanenergy.org
298 S Sunnyvale Ave.
Sunnyvale, CA 94086

Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, October 14, 2026
7:00 p.m.

Sunnyvale Civic Center
456 W. Olive Avenue
Sunnyvale, CA

Gilroy City Hall
Administration Conference Room
7351 Rosanna St.
Gilroy, CA

Teleconference Meeting
Webinar:
https://svcleanenergy-org.zoom.us/j/84085202400

Telephone (Audio Only):
US: +1 669-219-2599
Webinar ID: 840 8520 2400

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

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the Clerk for the Authority at (408) 721-5301 x1005. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.105 ADA Title II).

Larry Klein, Chair
City of Sunnyvale

Sally Meadows, Vice Chair
City of Los Altos

Terry Hines
City of Campbell

R "Ray" Wang
City of Cupertino

Zach Hilton
City of Gilroy

George Tyson
Town of Los Altos Hills

Rob Rennie
Town of Los Gatos

Garry Barbadillo
City of Milpitas

Bryan Mekechuk
City of Monte Sereno

Mark Turner
City of Morgan Hill

Pat Showalter
City of Mountain View

Chuck Page
City of Saratoga

Otto Lee
County of Santa Clara

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 September 9, 2026, Board of Directors Meeting

1b) Receive August 2026 Treasurer Report

1c) Adopt Resolution Amending the Silicon Valley Clean Energy Board of Directors Regular Meeting Schedule to Include November 13, 2026 at 3:00 p.m.

1d) Adopt Resolution Adopting an Official Bond in Compliance with California Government Code Section 6505.1

1e) Receive Silicon Valley Clean Energy Audit Committee Report

1f) Receive Additional Silicon Valley Clean Energy Committee Reports

1g) Receive California Community Power Report

1h) Receive California Community Choice Financing Authority Report

Regular Calendar

2) Receive CEO Report (Informational)

3) Adopt the 2027 Integrated Decarbonization Roadmap (Action)

4) Authorize the Chief Executive Officer to Execute a 20-Year Interconnection Process Enhancements Power Purchase Agreement with NextEra Energy Resources Development Tarantula Canyon, LLC for Up to 150 MW of Solar Photovoltaic Energy and a 150 MW Co-located, Four-Hour Battery Energy Storage System (Action)

svcleanenergy.org
298 S Sunnyvale Ave.
Sunnyvale, CA 94086

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the Clerk for the Authority at (408) 721-5301 x1005. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.105 ADA Title II).

SILICON VALLEY CLEAN ENERGY

Larry Klein, Chair
City of Sunnyvale

Sally Meadows, Vice Chair
City of Los Altos

Terry Hines
City of Campbell

R "Ray" Wang
City of Cupertino

Zach Hilton
City of Gilroy

George Tyson
Town of Los Altos Hills

Rob Rennie
Town of Los Gatos

Garry Barbadillo
City of Milpitas

Bryan Mekechuk
City of Monte Sereno

Mark Turner
City of Morgan Hill

Pat Showalter
City of Mountain View

Chuck Page
City of Saratoga

Otto Lee
County of Santa Clara

Board Member Announcements and Direction on Future Agenda Items

Public Comment on Closed Session

Closed Session
PUBLIC EMPLOYEE PERFORMANCE EVALUATION:
Title: Chief Executive Officer

CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Director Klein, Board Chair, and Director Meadows, Board Vice Chair
Unrepresented employee: Chief Executive Officer

Report from Closed Session

Adjourn

svcleanenergy.org
298 S Sunnyvale Ave.
Sunnyvale, CA 94086

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the Clerk for the Authority at (408) 721-5301 x1005. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.105 ADA Title II).

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, September 9, 2026
7:00 pm

Sunnyvale Civic Center
456 W. Olive Avenue
Sunnyvale, CA

Gilroy City Hall
Administration Conference Room
7351 Rosanna St.
Gilroy, CA

DRAFT MEETING MINUTES

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

Roll Call
Present:
Sally Meadows (Vice Chair), Los Altos
Murali Srinivasan, Sunnyvale
Garry Barbadillo, Milpitas
Maria Ristow, Los Gatos
Bryan Mekechuk, Monte
George Tyson, Los Altos Hills
Pat Showalter, Mountain View
Chuck Page, Saratoga
Terry Hines, Campbell
Otto Lee, Santa Clara County
Zach Hilton, Gilroy (participated remotely)
Yvonne Martinez Beltran, Morgan Hill (participated remotely; arrived at 7:04pm)

Absent:
R "Ray" Wang, Cupertino

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

Consent Calendar (Action)

There were no questions or comments from the Silicon Valley Clean Energy (SVCE) Board of Directors (Board); there were no requests from the public to speak on any matter on the Consent Calendar.

1a) Approve Minutes of the August 12, 2026, Board of Directors Meeting

1b) Approve Minutes of the August 31, 2026, Board of Directors, Executive Committee, and Finance and Administration Committee; and the Cities Association of Santa Clara County Board of Directors Meeting

1c) Receive July 2026 Treasurer Report

1d) Approve Amendments to Energy Risk Management Policy

1e) Receive Executive Committee Report

1f) Receive Finance and Administration Committee Report

1g) Receive Additional Committees Report

1h) Receive California Community Power Report

1i) Receive California Community Choice Financing Authority Report

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

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

Regular Calendar

2) CEO Report (Informational)

Director Martinez Beltran arrived during Item 2.

Monica Padilla, Chief Executive Officer (CEO), addressed the following in her report:

- Introduction to SVCE's new employee: Victoria Lopez, Community Engagement Coordinator Climate Corp Fellow, who provided brief welcome comments;
- A legislative update from Bena Chang, Director of Government and Legislative Affairs, on SB492, AB2383, SB868, AB1761, and President Trump's executive order on the security of the bulk power system; and
- A presentation of an SVCE animated marketing video.

Staff responded to questions from board members on the types of equipment included in President Trump's executive order, the Cap-and-Invest Program and funding, the spaces applicable to SB868, and where the marketing videos would be posted.

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

3) Adopt the Proposed Stub Operating Budget, and the Recommendation to Maintain the Current Financial Reserves Targets and Policy (Action)

Chief Financial Officer, Amrit Singh presented the proposed Stub Operating Budget, which included a proposed five-year financial outlook, budget highlights, fourth quarter audit actuals, information on the creation of an EcoInvest Fund, variables affecting the stub budget, review of the five-year financial

outlook with additional liquidity assumptions, review of reserve targets and SVCE's policy, and the proposed addition of a facilities manager role.

Staff responded to board member questions and comments regarding the increase in posting to collateral services under the provider of last resort requirements, the effect of the overall rate on customers, the ending five-year forecast Days Cash on Hand (DCOH) improving from 142 to 190, when the financial levers approved as part of the Financial Levers Playbook at the June Board meeting would be put into practice, and a request for comparison to other CCAs as part of the next budget discussion.

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

MOTION: Director Showalter moved and Director Mekechuk seconded the motion to adopt Resolution 2026-15 approving the proposed stub period (Q4 2026), which, at a high level, includes the following:

- **Withdraws $27.2 million from the reserves**
- **Maintains an average of one percent (1%) customer discount to comparable PG&E rates through December 2026**
- **Continues to provide additional monthly $12 bill credit to California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) customers**
- **Keeps the GreenPrime rate premium at $0.0074/kWh ($7.40/MWh)**
- **Transfers $3.5 million to a new EcoInvest Fund**
- **Proposes no changes to the current financial reserves targets and policy**

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

4) Customer Programs Participation Report (Informational)

CEO Padilla introduced the item. Nupur Hiremath, Manager of Decarbonization Programs, presented a summary of Customer Programs Participation cumulative through Q2 of 2026. The presentation included participation data in SVCE's customer decarbonization programs broken out by member agency through SVCE programs and was intended for informational purposes. The summary gave an overview of the data from SVCE's Building Electrification and Transportation Electrification programs, which included information on single-family residential homes, multifamily housing units, small and medium businesses, heat pump water heaters across the service territories, heat pump HVAC installations, induction cooktops, Go Electric Advisor interactions, panel rebate upgrades and city rebates programs.

Staff responded to questions and comments about heat pump HVAC installation and if there is a draw for customers that haven't traditionally had air conditioning, tracking single family home EV charger installations, stackable rebate programs for SVCE and City rebates, if opportunities to expand electrification were identified, confirmation that the data presented was specific to participants in SVCE's programs, data reflected for multifamily EV chargers, data of fully electrified homes and businesses, timing of data used in the report, a request to show the impact of electrification by comparing the units electrified to the greenhouse gas emissions saved, and if there is information on what proportion of the programs represent the total electrification in SVCE service territory.

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

Board Member Announcements and Future Agenda Items
No announcements.

Public Comment on Closed Session
Vice Chair Meadows opened Public Comment.
No speakers.
Vice Chair Meadows closed Public Comment.

Vice Chair Meadows announced the Board would convene to Closed Session at 8:36 p.m.

Closed Session

THREAT TO PUBLIC SERVICES OR FACILITIES
Consultation with: Nik Zanotto, Director of Operations

The Board returned from Closed Session at 9:28 p.m.

Report from Closed Session
Vice Chair Meadows announced there was nothing to report from Closed Session.

Adjourn
Vice Chair Meadows adjourned the meeting at 9:28 p.m.

ATTEST:

_____
Andrea Pizano, Board Secretary

TREASURER REPORT

Fiscal Year to Date
As of August 31, 2026

(Preliminary & Unaudited)

Issue Date: October 14, 2026

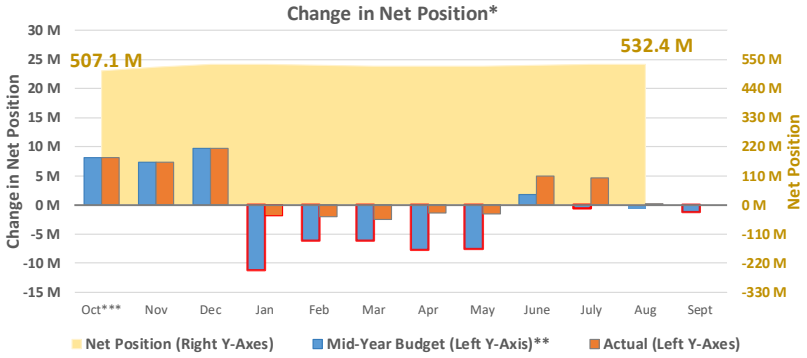
Table of Contents

	Page
Summary	2-3
Statement of Net Position	4
Statement of Revenues, Expenses & Changes in Net Position	5
Statement of Cash Flows	6-7
Actuals to Budget Report	8-12
Monthly Change in Net Position	13
Investments Report	14-15
Customer Accounts and Aging Report	16
Certificate of Compliance	17
SVCE Managed Account & Security Transactions	18-41

SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights ($ in millions)
August 31, 2026

Balance Sheet Highlights:

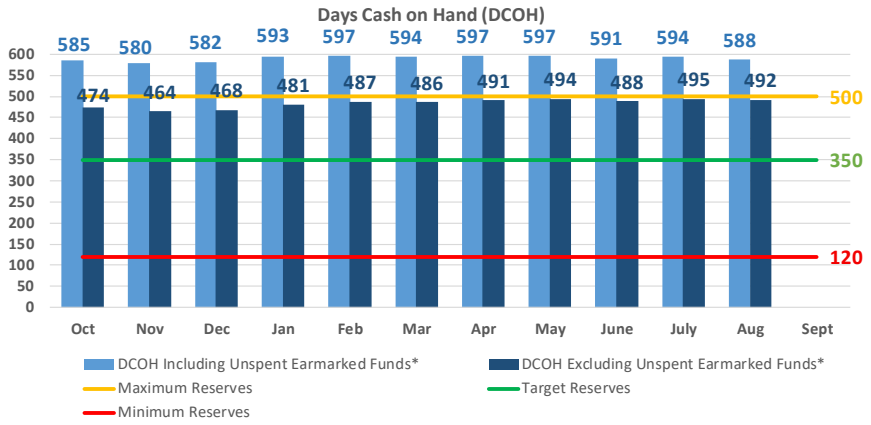
> SVCE operations resulted in an increase in net position of $191 thousand for the month of August or an increase of $25.3 million for the eleven months period of the fiscal year 2025-2026 (FYTD).
> Total Net Position increased to $532.4 million from $532.2 million.
> SVCE is investing ~98.7% of available funds, recognizing interest/dividend income of $18.2M FYTD.



*Does not yet recognize unspent program dollars

**For reconciliation purposes, budget numbers include actual program expenses and depreciation, excludes GASP 96 expenses.

*** Displays the starting fiscal year net position on Oct. 1, 2025, of $507M.



* Earmarked funds are unspent SVCE program and building funds. DCOH Includes rate stabilization funds. January 2026 reflects sizable collection of receivables and $780K of unsettled trades.

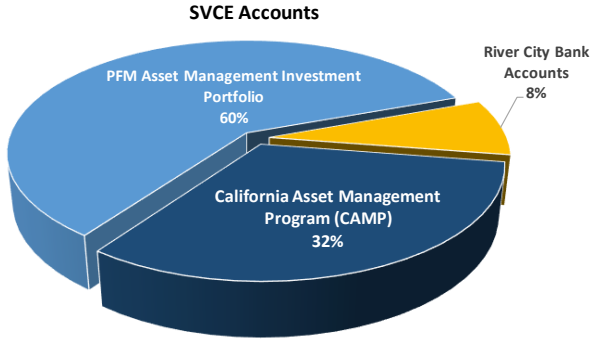
DCOH is computed as cash and cash equivalents plus investments divided by daily budgeted expenditures. A decrease in June DCOH reflects a larger account receivables and accrued revenue balances.

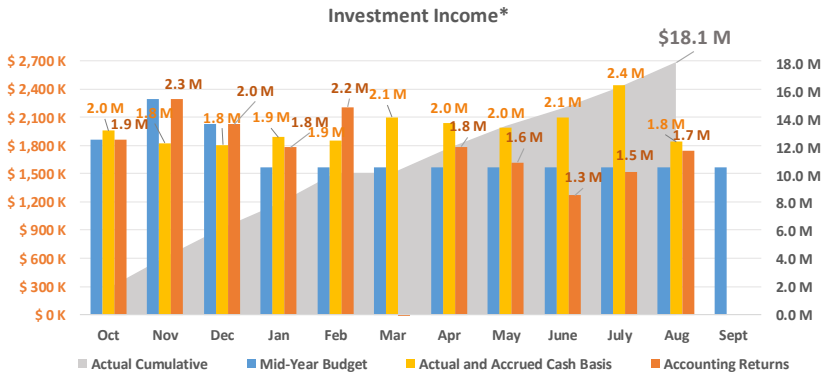
SVCE Yield-bearing Accounts:

Combined Ending Balance*	590.9 M
Total Interest/Div. Earned FYTD	18.1 M
Average Yield to Maturity**	4.19%

* Includes River Bank accounts - Money Market, Collateral and ICS; CAMP; PFMAM Portfolio

** Average annualized yield for the current month. Investment yields are measured to maturity at market.





* Accounting returns investment of income includes unrealized mark-to-market gain or loss of the total investment portfolio as per US GAAP; Actual and Accrued Cash Basis excludes mark-to-market gains (losses).

SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights** ($ in millions)
August 31, 2026

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

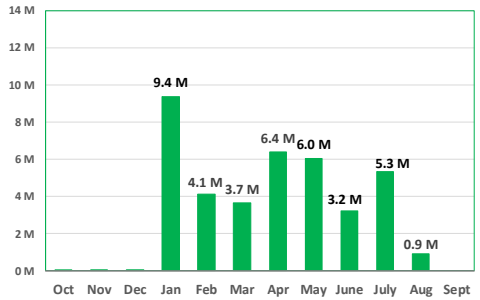
> Operating margin of $51 million (or 16%) was significantly above the Mid-Year Budget expectations of $22.4M (or 7%) operating margin for the fiscal year to date.
> Fiscal Year to Date (FYTD) Power Supply costs are -8% below Mid-Year Budget.
> Retail GWh sales landed 1% above Mid-Year Budget expectations for the month of August and -1% lower for the FYTD.

Variance Explanation:

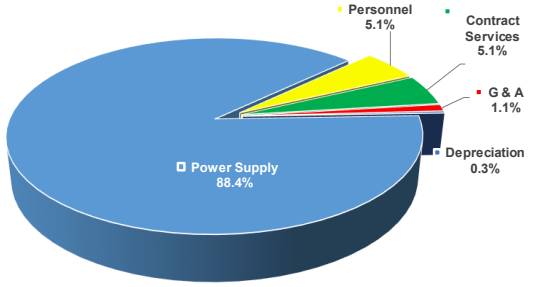
October-December - *Equalized to actuals during the Mid-Year budget recalibration.*
January *- higher revenues from improvement in SVCE margins and lower power supply cost.*
February *- lower customer load combined with reduced energy prices minimized anticipated net loss by $4M.*
March *- higher customer load combined with extended decline in energy prices, offset by a negative unrealized mtm adjustment of SVCE Investment Portfolio*
April *- lower energy consumption under negative margins, combined with reduced energy prices,..*
May-July *- Higher revenues due to potential favorable changes in load profile, combined with lower energy prices and operational savings contributed to better than budgeted results.*

August *- Higher power supply cost diminished revenue gains and ex-power operating savings.*

Net Increase in Available Fund Balance
Comparing Actuals to Mid-Year Budget

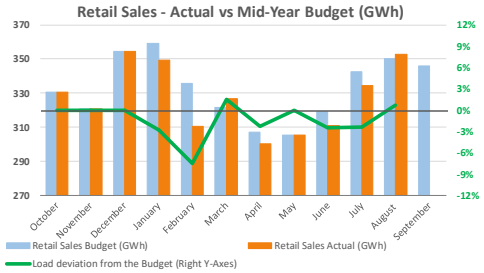


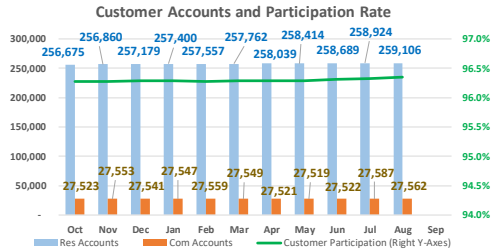
YTD Operating Expenses



$ in millions	August Actual	August MY Budget	August % Diff	Fiscal YTD Actual	Fiscal YTD MY Budget	Fiscal YTD % Diff	Main Drivers:
Revenue	34.7 M	32.2 M	8%	310.5 M	303.6 M	2%	• *Higher revenue in May - August reflects potential changes in customer load profiles.*
Power Supply Cost	31.9 M	29.0 M	10%	259.4 M	281.2 M	-8%	• *August overbudget reflects new ISTs transacted after the MY budget and missaligned invoice timing.*
Operating Margin	2.7 M	3.1 M	-13%	51.0 M	22.4 M	128%	
Operating Expenses (ex Power)	2.8 M	3.9 M	-28%	28.3 M	38.8 M	-27%	• *Contingencies in the budget, underrunning professional services, and lower marketing expenses.*
Other Non-Op. Expen. (Income)	-1.7 M	-1.5 M	17%	-5.3 M	-5.2 M	1%	• *Reflects budgetary transfers to program and building funds offset by investment income.*
Net Increase in Available Fund Balance	1.7 M	0.7 M	127%	28.1 M	-11.1 M	-352%	• *Reflects budgetary transfers to program and building funds offset by investment income.*

Customer Load Statistics:





Total Accounts	**286,668**
Opt-Out Accounts (Month)	**14**
Opt-Out Accounts (FYTD)	**162**
Opt-Up Accounts (Month)	**(9)**
Opt-Up Accounts (FYTD)	**8**

Program Funds:

	Beginning Balance	End Balance	YTD Contributions	YTD Expenditures
General Program Fund	$ 76,714,107	$ 69,528,248	$ 7,251,000	$ 14,436,859
CRCR Fund*	$ 4,911,889	$ 4,197,983	$ -	$ 713,906
Electrification Discount Fund	$ 8,740,312	$ 8,740,312	$ -	$ -
Nuclear Program Funds	$ 5,891,455	$ 5,891,455	$ -	$ -
Hanford Program Funds	$ 1,800,000	$ 1,626,772	$ -	$ 173,228
Building Fund	$ 8,214,310	$ 6,921,570	$ 5,500,000	$ 6,792,740

** Customer Relief and Community Resilience Fund*

**** The financial results in this report are preliminary and subject to change pending the closing of the books for the fiscal year.**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of August 31, 2026

ASSETS		
Current Assets		
Cash & Cash Equivalents*	$	213,760,973
Accounts Receivable, net of allowance		28,659,047
Accrued Revenue		21,381,856
Other Receivables		25,113,358
Prepaid Expenses		2,303,849
Deposits		2,367,488
Investments		83,526,490
Cash equivalents - restricted		1,267,964
Total Current Assets		**378,381,025**
Noncurrent assets		
Investments**		304,029,106
Capital assets, net of depreciation		20,300,834
Total Noncurrent Assets		**324,329,940**
Total Assets		**702,710,965**
LIABILITIES		
Current Liabilities		
Accrued Cost of Electricity		53,034,531
Accounts Payable		4,347,775
Other accrued liabilities		2,546,464
User Taxes and Energy Surcharges due to other gov'ts		1,064,122
Information technology subscription liability		584,879
Supplier security deposits		33,000
Total Current Liabilities		**61,610,771**
Noncurrent Liabilities		
Information technology subscription liability		511,029
Supplier security deposits		8,203,125
Total noncurrent liabilities		**8,714,154**
Total Liabilities		**70,324,925**
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization Fund		**100,000,000**
NET POSITION		
Net investment in capital assets		18,150,032
Restricted for security collateral		1,267,964
Unrestricted (deficit)		512,968,044
Total Net Position	**$**	**532,386,040**

** May not account for securities acquired towards the end of the month but not yet paid.*

*** May include securities acquired towards the end of the month but not yet paid.*

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2025 through August 31, 2026

OPERATING REVENUES	
Electricity Sales, Net	$ 306,203,638
GreenPrime electricity premium	1,575,676
Liquidated damages	2,690,596
TOTAL OPERATING REVENUES	**310,469,910**
OPERATING EXPENSES	
Cost of Electricity	259,443,523
Contract services	14,847,439
Staff compensation and benefits	15,009,518
Program incentives	9,859,533
Other operating expenses	3,176,882
Depreciation and amortization	910,677
TOTAL OPERATING EXPENSES	**303,247,572**
OPERATING INCOME(LOSS)	**7,222,338**
NONOPERATING REVENUES (EXPENSES)	
Investment Income	18,108,180
Financing costs	(77,882)
TOTAL NONOPERATING REVENUES (EXPENSES)	**18,030,298**
CHANGE IN NET POSITION	25,252,636
Net Position at beginning of period	507,133,404
Net Position at end of period	**$ 532,386,040**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2025 through August 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 317,792,999
Receipts of liquidated damages	2,759,346
Receipts of wholesale sales	38,789,564
Receipts of deposits and collateral	35,976
Payments to suppliers for electricity	(311,940,667)
Payments of security deposits	(1,463,782)
Payments for other goods and services	(19,590,348)
Payments for program incentives	(9,683,504)
Payments for staff compensation and benefits	(15,082,741)
Tax and surcharge payments to other governments	(6,494,775)
Net cash provided (used) by operating activities	**(4,877,933)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Payments of subscription liability and related interest	(704,126)
Acquisition of capital assets	(4,355,508)
Net cash provided (used) by capital and related financing activities	**(5,059,634)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	20,242,267
Proceeds from investment sales	172,774,548
Purchase of investments	(283,787,357)
Net cash provided (used) by investing activities	**(90,770,542)**
Net change in cash and cash equivalents	(100,708,109)
Cash and cash equivalents at beginning of year	315,737,046
Cash and cash equivalents at end of period	**$ 215,028,937**
NONCASH CAPITAL FINANCING ACTIVITIES	
Capital acquisitions included in accounts payable and other liabilities	2,150,802
Reconciliation to the Statement of Net Position	
Cash and cash equivalents - unrestricted	213,760,973
Cash equivalents - restricted	1,267,964
Total cash and cash equivalents	**$ 215,028,937**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2025 through August 31, 2026

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

Operating Income (loss)	$	7,222,338
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		910,677
(Increase) decrease in accounts receivable		(5,565,026)
(Increase) decrease in accrued revenue		9,715,218
(Increase) decrease in other receivables		1,474,678
(Increase) decrease in prepaid expenses		(1,457,842)
(Increase) decrease in current deposits		(1,473,541)
Increase (decrease) in accrued cost of electricity		(13,913,209)
Increase (decrease) in accounts payable		(331,293)
Increase (decrease) in accrued liabilities		(586,651)
Increase (decrease) in taxes and surcharges due to other governments		(631,281)
Increase (decrease) in supplier security deposits		(242,000)
Net cash provided (used) by operating activities	**$**	**(4,877,932)**

NONCASH INVESTING ACTIVITIES

Change in fair value of investments	$	(2,748,150)
Change in interest receivable	$	614,063

SILICON VALLEY CLEAN ENERGY AUTHORITY
BUDGETARY COMPARISON SCHEDULE
October 1, 2025 through August 31, 2026

	FYTD	FYTD	Variance		FY 2025-26	FY 2025-26
OPERATING REVENUES	**Actual**	**Mid-Year Budget**	**$**	**%**	**Mid-Year Budget**	**Remaining Budget**
Energy Sales	$310,085,286	$303,842,904	$ 6,242,382	2%	$335,858,000	$25,772,714
Green Prime Premium	1,575,676	$2,226,306	(650,630)	-29%	$2,439,000	863,324
Customer bill relief (existing CARE/FERA)	(3,881,648)	(3,853,856)	(27,792)	1%	(4,163,000)	-
Other Income	2,690,596	1,344,000	1,346,596	n/a	1,344,000	(1,346,596)
TOTAL OPERATING REVENUES	**310,469,910**	**303,559,354**	**6,910,556**	**2%**	**335,478,000**	**25,289,442**
ENERGY EXPENSES						
Power Supply	259,443,523	281,166,273	(21,722,750)	-8%	311,996,000	52,552,477
Operating Margin	**51,026,387**	**22,393,081**	**28,633,306**	**128%**	**23,482,000**	**(27,263,035)**
OPERATING EXPENSES						
Data Management	3,390,058	3,445,595	(55,537)	-2%	3,764,000	373,942
PG&E Fees	1,113,051	1,427,849	(314,798)	-22%	1,569,000	455,949
Salaries & Benefits	15,009,518	17,215,048	(2,205,530)	-13%	18,870,000	3,860,482
Professional Services	4,103,426	9,569,936	(5,466,510)	-57%	10,645,000	6,541,574
Marketing & Promotions	1,038,323	1,992,621	(954,298)	-48%	2,189,000	1,150,677
General & Administrative	3,600,640	5,124,647	(1,524,007)	-30%	5,647,000	2,046,360
TOTAL OPERATING EXPENSES	**28,255,016**	**38,775,696**	**(10,520,680)**	**-27%**	**42,684,000**	**14,428,984**
OPERATING INCOME/(LOSS)	**22,771,371**	**(16,382,615)**	**39,153,986**	**-239%**	**(19,202,000)**	**(41,973,371)**
NON-OPERATING REVENUES						
Investment Income	18,108,180	18,707,102	(598,922)	-3%	20,272,000	2,163,820
TOTAL NON-OPERATING REVENUES	**18,108,180**	**18,707,102**	**(598,922)**	**-3%**	**20,272,000**	**2,163,820**
NON-OPERATING EXPENSES						
Financing	18,489	149,699	(131,210)	-88%	166,000	147,511
CAPITAL EXPENDITURES, TRANSFERS, & OTHER						
Capital Outlay	45,865	560,083	(514,218)	-92%	611,000	565,135
Building Fund	5,500,000	5,500,000		0%	5,500,000	-
Transfer to Programs Fund	7,251,000	7,251,000	-	0%	7,251,000	-
TOTAL OTHER USES	**12,796,865**	**13,311,083**	**(514,218)**	**-4%**	**13,362,000**	**565,135**
NET INCREASE(DECREASE) IN AVAILABLE FUND BALANCE	**$ 28,064,197**	**$ (11,136,295)**	**$ 39,200,492**	**-352%**	**-$12,458,000**	**-$40,522,197**

SILICON VALLEY CLEAN ENERGY AUTHORITY

OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2025 through August 31, 2026

Net Increase (decrease) in available fund balance per budgetary comparison schedule	$	28,064,197
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position		
Subtract depreciation expense		(910,677)
Subract program expense not in operating budget		(15,323,993)
Add back portion of lease payment applied to reduce lease liability		626,244
Add back transfer to Program funds		12,751,000
Add back capital asset acquisition		45,865
Change in Net Position		**25,252,636**

SILICON VALLEY CLEAN ENERGY AUTHORITY
GENERAL PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2025 through August 31, 2026

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	BUDGET REMAINING	ACTUAL/ BUDGET
Transfers in - General Programs	$ 7,251,000	$ 7,251,000	$ -	100.0%
Total	$ 7,251,000	$ 7,251,000	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures	28,628,866	14,436,859	14,192,007	50.4%
Net increase (decrease) in fund balance	**$ (21,377,866)**	**$ (7,185,859)**		
Fund balance at beginning of period		76,714,107		
Fund balance at end of period		$69,528,248		

CUSTOMER RELIEF & COMMUNITY RESILIENCY FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2025 through August 31, 2026

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	BUDGET REMAINING	ACTUAL/ BUDGET
Transfer from Operating Fund	$ -		$ -	n/a
EXPENDITURES & OTHER USES:				
Other program expenditures	963,704	713,906	249,798	74.1%
Total Program expenditures	963,704	713,906	249,798	
Net increase (decrease) in fund balance	**$ (963,704)**	**$ (713,906)**		
Fund balance at beginning of period		4,911,889		
Fund balance at end of period		$4,197,983		

ELECTRIFICATION DISCOUNT FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2025 through August 31, 2026

	BUDGET	ACTUAL	BUDGET REMAINING	ACTUAL/ BUDGET
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund	$ -	$ -	$ -	n/a
EXPENDITURES & OTHER USES:				
Program expenditures	500,000	-	500,000	0.0%
Net increase (decrease) in fund balance	**$ (500,000)**	**0**		
Fund balance at beginning of period		8,740,312		
Fund balance at end of period		$8,740,312		

BUILDING FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2025 through August 31, 2026

	BUDGET	ACTUAL	BUDGET REMAINING	ACTUAL/ BUDGET
REVENUE & OTHER SOURCES:				
Transfer in - Building Fund	$ 5,500,000	$ 5,500,000	$ -	100.0%
EXPENDITURES & OTHER USES:				
Capital outlay	13,714,310	6,792,740	6,921,570	49.5%
Other building expenditures		-	-	
		6,792,740		
Net increase (decrease) in fund balance	**$ (8,214,310)**	**(1,292,740)**		
Fund balance at beginning of period		8,214,310		
Fund balance at end of period		$6,921,570		

NUCLEAR PROGAM FUNDS
BUDGETARY COMPARISON SCHEDULE
October 1, 2025 through August 31, 2026

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	BUDGET REMAINING	ACTUAL/ BUDGET
Transfers in - Nuclear Allocation	$ -	$ -		
Transfer in - Hanford Emissions Mitigation Fund	$ -	$ -	$ -	n/a
Total	$ -	$ -	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures	1,692,000	-	1,692,000	
Net increase (decrease) in fund balance	**$ (1,692,000)**	**$0**		
Fund balance at beginning of period		5,891,455		
Fund balance at end of period		$5,891,455		

HANFORD PROGRAM FUNDS
BUDGETARY COMPARISON SCHEDULE
0

REVENUE & OTHER SOURCES:	BUDGET	ACTUAL	BUDGET REMAINING	ACTUAL/ BUDGET
Transfers in - Nuclear Allocation	$ -	$ -		
Transfer in - Hanford Emissions Mitigation Fund	$ -	$ -	$ -	n/a
Total	$ -	$ -	$ -	
EXPENDITURES & OTHER USES:				
Program expenditures	450,000	173,228	276,772	
Net increase (decrease) in fund balance	**$ (450,000)**	**-$173,228**		
Fund balance at beginning of period		1,800,000		
Fund balance at end of period		$1,626,772		

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2025 through August 31, 2026

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	$ 38,508,886	$ 35,571,690	$ 39,479,027	$ 23,564,865	$ 18,103,369	$ 18,192,431	$ 16,163,433	$ 18,451,760	$ 29,751,072	$ 34,484,205	$ 33,932,900		$ 306,203,638
Green electricity premium	$ 204,210	$ 186,390	$ 198,040	$ 232,605	$ 103,245	$ 96,962	$ 103,118	$ 89,646	$ 115,692	$ 130,308	$ 115,460		1,575,676
Liquidated damages	$ 5,750	$ 21,750	$ 1,316,832	$ 4,707		$ 74,155	$ 145,208	$ 163,184	$ 127,760	$ 212,500	$ 618,750		2,690,596
Other Income													-
Total operating revenues	38,718,846	35,779,830	40,993,899	23,802,177	18,206,614	18,363,548	16,411,759	18,704,590	29,994,524	34,827,013	34,667,110	-	310,469,910
OPERATING EXPENSES													
Cost of electricity	28,412,034	$ 27,405,294	$ 29,131,307	$ 23,128,183	$ 18,628,678	$ 16,999,700	$ 16,112,789	$ 17,760,844	$ 22,709,112	$ 27,207,064	$ 31,948,518		259,443,523
Staff compensation and benefits	1,276,785	$ 1,267,182	$ 1,428,500	$ 1,908,905	$ 1,209,410	$ 1,526,527	$ 1,179,608	$ 1,355,736	$ 1,238,277	$ 1,197,323	$ 1,421,265		15,009,518
Data manager	301,259	$ 299,868	$ 300,270	$ 300,775	$ 317,087	$ 313,631	$ 310,938	$ 310,055	$ 312,116	$ 312,169	$ 311,890		3,390,058
Service fees - PG&E	100,223	$ 100,352	$ 100,467	$ 100,683	$ 103,451	$ 100,884	$ 100,907	$ 102,139	$ 101,308	$ 101,220	$ 101,417		1,113,051
Consultants and other professional fees	899,290	$ 895,784	$ 816,525	$ 729,493	$ 1,136,993	$ 984,553	$ 814,803	$ 1,138,768	$ 1,058,451	$ 1,062,999	$ 806,671		10,344,330
Program incentives	1,146,022	$ 394,408	$ 1,199,900	$ 946,795	$ 827,031	$ 711,957	$ 805,994	$ 828,668	$ 474,806	$ 1,464,187	$ 1,059,765		9,859,533
Other operating expenses	279,315	$ 291,015	$ 298,184	$ 335,692	$ 146,217	$ 151,979	$ 225,174	$ 365,892	$ 326,236	$ 275,379	$ 481,799		3,176,882
Depreciation	79,605	$ 79,605	$ 79,605	$ 79,604	$ 79,605	$ 79,605	$ 89,783	$ 89,783	$ 90,462	$ 74,856	$ 88,164		910,677
Total operating expenses	32,494,533	30,733,508	33,354,758	27,530,130	22,448,472	20,868,836	19,639,996	21,951,885	26,310,768	31,695,197	36,219,489	-	303,247,572
Operating income (loss)	6,224,313	5,046,322	7,639,141	(3,727,953)	(4,241,858)	(2,505,288)	(3,228,237)	(3,247,295)	3,683,756	3,131,816	(1,552,379)	-	7,222,338
NONOPERATING REVENUES (EXPENSES)													
Grant income	-												-
Interest income	1,865,552	$ 2,295,828	$ 2,025,849	$ 1,780,985	$ 2,212,151	$ (10,983)	$ 1,788,071	$ 1,618,093	$ 1,269,174	$ 1,514,780	$ 1,748,680		18,108,180
Financing costs	(3,797)	$ (7,922)	$ (5,626)	$ (5,696)	$ (6,879)	$ (4,984)	$ (19,923)	$ (5,940)	$ (5,757)	$ (5,819)	$ (5,539)		(77,882)
Total nonoperating revenues (expenses)	1,861,755	2,287,906	2,020,223	1,775,289	2,205,272	(15,967)	1,768,148	1,612,153	1,263,417	1,508,961	1,743,141	-	18,030,298
CHANGE IN NET POSITION	**$ 8,086,068**	**$ 7,334,228**	**$ 9,659,364**	**$ (1,952,664)**	**$ (2,036,586)**	**$ (2,521,255)**	**$ (1,460,089)**	**$ (1,635,142)**	**$ 4,947,173**	**$ 4,640,777**	**$ 190,762**	**$ -**	**$ 25,252,636**

SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2025 through August 31, 2026

Ending Balance of SVCE Accounts:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	$ 40,453,602	$ 39,908,498	$ 40,045,114	$ 49,361,301	$ 49,273,772	$ 49,141,316	$ 50,108,130	$ 49,127,126	$ 41,643,567	$ 43,646,038	$ 55,653,617	$ -
California Asset Management Program (CAMP)	$ 204,479,801	$ 198,168,622	$ 198,832,731	$ 199,483,109	$ 200,068,872	$ 200,713,749	$ 201,337,885	$ 201,980,229	$ 177,582,446	$ 178,152,889	$ 158,702,135	$ -
PFM Asset Management Investment Portfolio	$ 361,652,377	$ 359,561,190	$ 360,891,157	$ 362,655,540	$ 366,506,845	$ 362,660,064	$ 363,691,715	$ 364,456,502	$ 390,077,177	$ 390,932,713	$ 392,054,049	$ -
Total Ending Balance	**$ 606,585,779**	**$ 597,638,310**	**$ 599,769,003**	**$ 611,499,950**	**$ 615,849,488**	**$ 612,515,129**	**$ 615,137,730**	**$ 615,563,858**	**$ 609,303,190**	**$ 612,731,640**	**$ 606,409,801**	**$ -**

Return On Investments:

Annual % Yield	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts*	3.92%	3.70%	4.07%	4.03%	3.98%	3.90%	3.86%	3.84%	3.82%	3.81%	3.82%	
California Asset Management Program (CAMP)	4.26%	4.10%	3.95%	3.85%	3.83%	3.80%	3.78%	3.76%	3.77%	3.78%	3.80%	
PFM Asset Management Investment Portfolio **	3.90%	3.82%	3.74%	3.77%	3.67%	4.01%	3.98%	4.09%	4.22%	4.33%	4.40%	
Average Return On Investments:	**4.02%**	**3.91%**	**3.83%**	**3.82%**	**3.75%**	**3.93%**	**3.90%**	**3.96%**	**4.06%**	**4.13%**	**4.19%**	

* Excludes non-interest bearing RCB checking account

** Yield to Maturity at Market.

Accounting Returns	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	$ 20,457	$ 13,570	$ 56,716	$ 81,302	$ 94,616	$ 114,779	$ 101,389	$ 119,750	$ 102,504	$ 85,128	$ 77,622	$ -
California Asset Management Program (CAMP)	$ 825,532	$ 688,821	$ 664,109	$ 650,378	$ 585,763	$ 644,877	$ 624,136	$ 642,344	$ 602,217	$ 570,444	$ 549,245	$ -
Other Interest Income	$ 4,447	$ 3,138	$ 1,919	$ 1,907	$ 1,858	$ 1,670	$ 1,844	$ 1,785	$ 1,831	$ 1,787	$ 1,855	$ -
PFM Asset Management Investment Portfolio *	$ 1,017,502	$ 1,590,299	$ 1,303,104	$ 1,047,398	$ 1,529,914	$ (772,308)	$ 1,060,702	$ 854,214	$ 562,622	$ 857,422	$ 1,119,958	$ -
Total Interest and Investment Gains	**$ 1,867,938**	**$ 2,295,828**	**$ 2,025,848**	**$ 1,780,985**	**$ 2,212,151**	**$ (10,982)**	**$ 1,788,071**	**$ 1,618,093**	**$ 1,269,174**	**$ 1,514,780**	**$ 1,748,680**	**$ -**

* Includes change in current market value (month over month), accrued interest and money market dividends (as per US GAAP).

Actual and Accrued Cash Basis Returns	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	$ 20,457	$ 13,570	$ 56,716	$ 81,302	$ 94,616	$ 114,779	$ 101,389	$ 119,750	$ 102,504	$ 85,128	$ 77,622	$ -
Camp Pool Composition (based on market value):	$ 825,532	$ 688,821	$ 664,109	$ 650,378	$ 585,763	$ 644,877	$ 624,136	$ 642,344	$ 602,217	$ 570,444	$ 549,245	$ -
Other Interest Income	$ 4,447	$ 3,138	$ 1,919	$ 1,907	$ 1,858	$ 1,670	$ 1,844	$ 1,785	$ 1,831	$ 1,787	$ 1,855	$ -
PFM Asset Management Investment Portfolio *	$ 1,111,671	$ 1,125,280	$ 1,086,434	$ 1,159,987	$ 1,171,497	$ 1,343,275	$ 1,313,730	$ 1,226,174	$ 1,399,146	$ 1,788,516	$ 1,212,523	$ -
Total Interest and Investment Gains	**$ 1,962,107**	**$ 1,830,809**	**$ 1,809,178**	**$ 1,893,575**	**$ 1,853,734**	**$ 2,104,600**	**$ 2,041,100**	**$ 1,990,053**	**$ 2,105,697**	**$ 2,445,875**	**$ 1,841,245**	**$ -**

* Includes interest/dividends/coupons received, net realized gains/losses and monthly change in accrued interest.

CAMP Portfolio Statistics

As of August 31, 2026

Beginning of the Month Market Value	$ 178,152,889
Ending of The Month Market Value	$ 158,702,135
Monthly Distribution Yield	3.80%
Weighted Average Maturity (days)	53

	2020	2021	2022	2023	2024	2025	2026
January	1.78%	0.12%	0.05%	4.53%	5.54%	4.55%	3.85%
February	1.75%	0.10%	0.06%	4.73%	5.50%	4.51%	3.83%
March	1.50%	0.08%	0.25%	4.80%	5.48%	4.47%	3.80%
April	0.98%	0.06%	0.50%	4.97%	5.44%	4.45%	3.78%
May	0.67%	0.05%	0.82%	5.16%	5.43%	4.42%	3.76%
June	0.51%	0.05%	1.14%	5.24%	5.43%	4.40%	3.77%
July	0.37%	0.05%	1.64%	5.31%	5.43%	4.41%	3.78%
August	0.30%	0.05%	2.30%	5.52%	5.41%	4.40%	3.80%
September	0.27%	0.05%	2.61%	5.55%	5.29%	4.36%	
October	0.19%	0.05%	3.14%	5.56%	5.03%	4.26%	
November	0.14%	0.05%	3.90%	5.58%	4.87%	4.10%	
December	0.12%	0.05%	4.30%	5.55%	4.73%	3.95%	

Current Annualized Yield:[1]

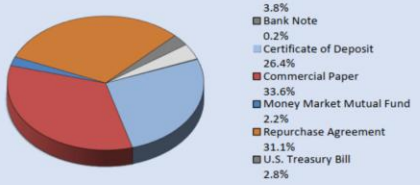
3.80%

CAMP CALIFORNIA ASSET MANAGEMENT PROGRAM

Cash Reserve Portfolio Characteristics as of August 31, 2026

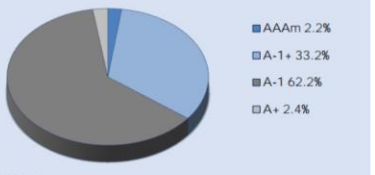
Total Fund Net Assets[1]	$16,176,934,992	Weighted Average Maturity	46 Days
Current 7-Day Yield[2]	3.80%	Net Asset Value per Share	$1.00
S&P Rating[3]	AAAm		

Portfolio Sector Composition



Percentages may not total to 100% due to rounding.

Portfolio Credit Quality Distribution**



**Ratings by S&P Global.
Percentages may not total 100% due to rounding.

1. Total fund net assets, portfolio holdings valued at amortized cost, trade date based.
2. As of August 31, 2026. The current seven-day yield of the CAMP Cash Reserve Portfolio may, from time to time, be quoted in reports, literature and advertisements published by the Trust. The current seven-day yield, also known as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally $1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7. **Past performance is not indicative of future results and yields may vary.**
3. S&P Global AAAm Rating: S&P evaluates a number of factors, including credit quality, market price, exposure, and management. Please visit SPGlobal.com/Ratings for more information and ratings methodology.

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

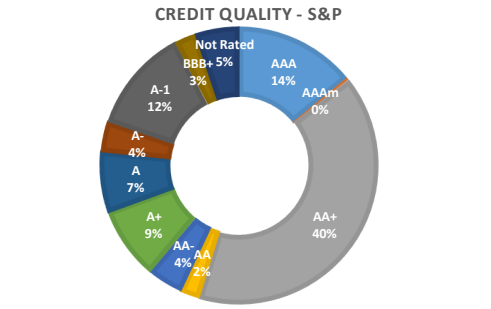
SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY (Continued)
October 1, 2025 through August 31, 2026

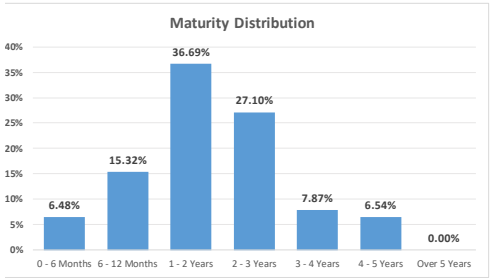
PFM Portfolio Statistics

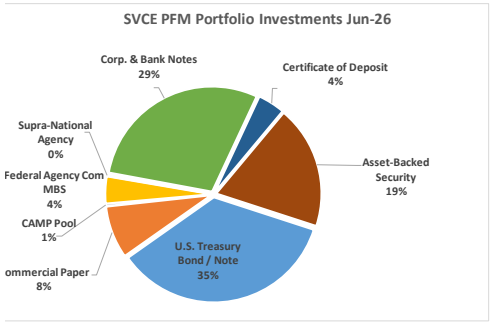
As of August 31, 2026

Portfolio Par Value	$ 392,430,710
Portfolio Market Value (incl. Accrued Interest)	$ 392,054,049
Yield to Maturity at Cost	4.09%
Yield to Maturity at Market	4.40%
Benchmark Yield*	4.14%
Portfolio Effective Duration (years)	1.32
Weighted Average Maturity (days)	693

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

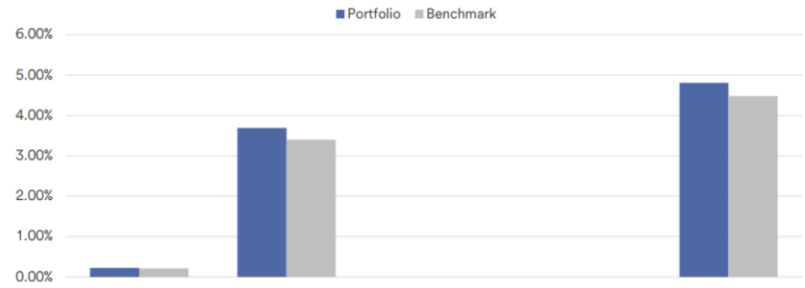






Total Return Performance

Periods Ending August 31, 2026



	1-Month	1-Year	3-Year	5-Year	Since Inception
Portfolio	0.29%	3.23%	n/a	n/a	4.77%
Benchmark	0.27%	2.92%	n/a	n/a	4.44%

The lesser of 10 years or since inception is shown. Performance inception date is September 30, 2023.
Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.
The portfolio's benchmark is the ICE BofA 0-3 Year U.S. Treasury Index.

Historical Sector Allocations

Security Type	Jun-25	% of Total	Sep-25	% of Total	Dec-25	% of Total	Mar-26	% of Total	Jun-26	% of Total
U.S. Treasury	$ 99.8	36%	$ 100.8	27%	$137.4	38%	$121.1	34%	$130.4	34%
Agency CMBS	$ 24.1	9%	$ 23.5	6%	$22.5	6%	$21.6	6%	$17.1	4%
Supranational	$ 0.9	0%	$ 0.9	0%	$0.9	0%	$0.9	0%	$0.9	0%
Negotiable CD	$ 9.7	4%	$ 13.7	4%	$14.7	4%	$17.4	5%	$20.0	5%
Commercial Paper	$ 13.8	5%	$ 12.1	3%	$31.9	9%	$24.7	7%	$41.3	11%
Corporate Notes	$ 73.9	27%	$ 75.2	20%	$86.8	24%	$105.4	29%	$106.6	28%
ABS	$ 52.8	19%	$ 75.2	20%	$63.8	18%	$67.2	19%	$69.0	18%
Joint Powers Authority	$ 1.4	1%	$ 75.2	20%	$0.6	0%	$1.8	0%	$2.0	1%
Total	$ 276.4	100%	$ 376.6	100%	$358.6	100%	$360.1	100%	$387.3	100%

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

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

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
Retail Sales Actual (GWh)	**330.4**	**320.7**	**354.3**	**349.2**	**310.5**	**326.7**	**300.1**	**305.2**	**311.0**	**334.5**	**352.7**		**3,595**
Retail Sales Budget (GWh)	**330.4**	**320.7**	**354.3**	**359.4**	**335.7**	**321.8**	**307.1**	**305.2**	**319.1**	**342.7**	**350.3**	**345.9**	**3,647**
Load deviation from the Budget	*0.0%*	*0.0%*	*0.0%*	*-2.8%*	*-7.5%*	*1.5%*	*-2.3%*	*0.0%*	*-2.5%*	*-2.4%*	*0.7%*		***-1.4%***
Customer Participation Rate Res	96.3%	96.3%	96.3%	96.3%	96.3%	96.3%	96.3%	96.3%	96.3%	96.3%	96.4%		
Customer Participation Rate Com	96.5%	96.4%	96.5%	96.5%	96.3%	96.3%	96.4%	96.3%	96.3%	96.3%	96.3%		
Total Accounts	284,198	284,413	284,720	284,947	285,116	285,311	285,560	285,933	286,211	286,511	286,668		**286,668**
Opt-Out Accounts	14	17	15	19	23	23	10	8	9	10	14		**162**
Opt-Up Accounts	-7	-6	-6	0	-2	7	36	-5	-4	4	-9		**8**

Age Summary (as of 9/1/2026)

<30 days	$25,970,917
<60 days	$773,498
<90 days	$376,182
<120 days	$286,262
Older	$3,758,497

Accounts Receivable Days

34 Days

$31,165,357

TOTAL DUE

Bad Debt % (*Budget*)

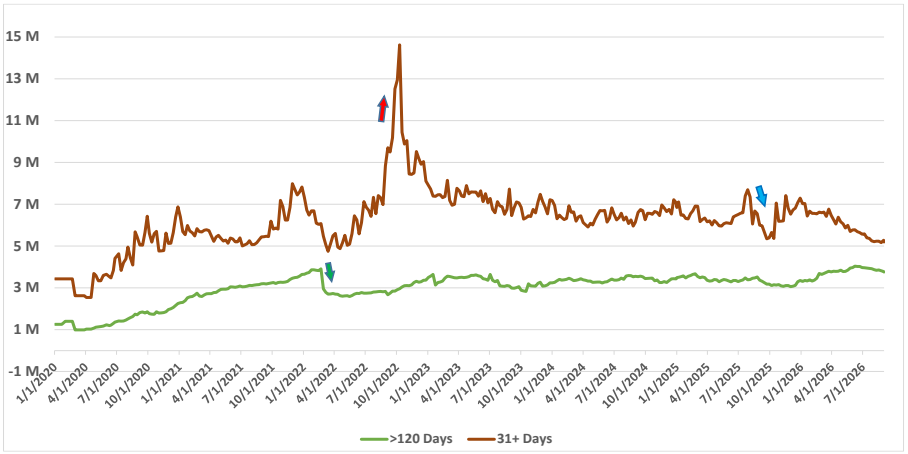
0.75%

Bad Debt % (Actual)

August 2026 FYTD

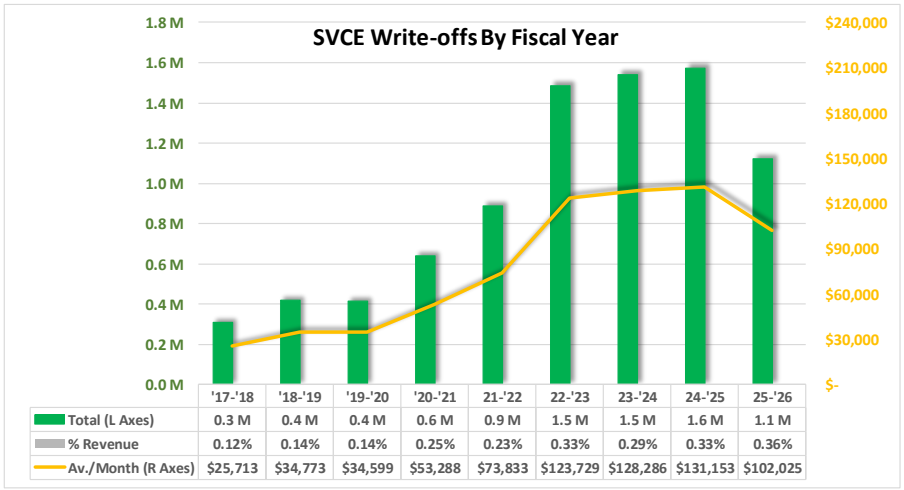
0.36%

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	9/1/2026	$5.2 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.
- Blue arrow marks the distribution of SVCE One-Time Customer Bill Credit



Certificate of Compliance

During the reporting period for the month ended August 31, 2026, 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, a division of U.S. Bancorp Asset Management, Inc.



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

2

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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										
08/04/26	08/12/26	HAROT 2026-3 A3 DTD 08/12/2026 4.520% 02/18/2031	43815XAD4	1,780,000.00	(1,779,633.14)	0.00	(1,779,633.14)			
08/04/26	08/18/26	ABBVIE INC DTD 08/18/2026 4.500% 08/18/2028	00287YEK1	1,365,000.00	(1,364,590.50)	0.00	(1,364,590.50)			
08/06/26	08/10/26	ALPHABET INC DTD 08/10/2026 4.500% 08/10/2028	02079KCL9	885,000.00	(883,743.30)	0.00	(883,743.30)			
08/11/26	08/13/26	ILLINOIS TOOL WORKS INC (CALLABLE) DTD 08/13/2026 4.650% 08/13/2029	452308BD0	1,830,000.00	(1,825,388.40)	0.00	(1,825,388.40)			
08/11/26	08/19/26	BMWOT 2026-A A3 DTD 08/19/2026 4.590% 04/25/2031	05595NAD1	1,325,000.00	(1,324,885.65)	0.00	(1,324,885.65)			
08/13/26	08/17/26	ADVANCED MICRO DEVICES (CALLABLE) DTD 08/17/2026 4.600% 08/17/2029	007903BK2	2,500,000.00	(2,497,225.00)	0.00	(2,497,225.00)			
08/18/26	08/26/26	WOART 2026-C A2A DTD 08/26/2026 4.270% 11/15/2029	98165LAB4	1,615,000.00	(1,614,903.10)	0.00	(1,614,903.10)			
08/28/26	08/31/26	US TREASURY N/B DTD 08/31/2026 4.125% 08/31/2028	91282CRH6	1,750,000.00	(1,744,326.17)	0.00	(1,744,326.17)			
Transaction Type Sub-Total				**13,050,000.00**	**(13,034,695.26)**	**0.00**	**(13,034,695.26)**			
INTEREST										
08/01/26	08/01/26	INTER-AMERICAN DEVEL BK DTD 12/12/2023 4.375% 02/01/2027	4581X0EM6		0.00	18,593.75	18,593.75			
08/01/26	08/25/26	FHMS K737 A2 DTD 01/01/2020 2.525% 10/01/2026	3137FQXJ7		0.00	1,489.57	1,489.57			
08/01/26	08/25/26	FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3		0.00	2,681.39	2,681.39			
08/01/26	08/25/26	FNA 2018-M2 A2 DTD 02/01/2018 3.026% 01/01/2028	3136B0YM2		0.00	2,874.67	2,874.67			
08/01/26	08/25/26	FHMS K076 A2 DTD 05/01/2018 3.900% 04/01/2028	3137FEZU7		0.00	3,900.00	3,900.00			
08/01/26	08/25/26	FHMS K069 A2 DTD 11/01/2017 3.187% 09/01/2027	3137FBU79		0.00	1,909.77	1,909.77			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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										
08/01/26	08/25/26	FHMS K059 A2 DTD 11/01/2016 3.120% 09/01/2026	3137BSRE5		0.00	1,490.99	1,490.99			
08/01/26	08/25/26	FHMS K074 A2 DTD 03/01/2018 3.600% 01/01/2028	3137F4D41		0.00	2,957.52	2,957.52			
08/01/26	08/25/26	FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72		0.00	4,440.62	4,440.62			
08/01/26	08/25/26	FHMS K067 A2 DTD 09/01/2017 3.194% 07/01/2027	3137FAWS3		0.00	4,591.38	4,591.38			
08/01/26	08/25/26	FHMS K065 A1 DTD 07/01/2017 2.864% 10/01/2026	3137F1G36		0.00	165.92	165.92			
08/01/26	08/25/26	FHMS K079 A2 DTD 08/01/2018 3.926% 06/01/2028	3137FGZT5		0.00	4,907.50	4,907.50			
08/01/26	08/25/26	FNA 2024-M6 A2 DTD 11/01/2024 3.049% 07/01/2027	3136BTGM9		0.00	3,947.27	3,947.27			
08/01/26	08/25/26	FHMS KJ28 A2 DTD 02/01/2020 2.308% 10/01/2027	3137FREE7		0.00	1,686.55	1,686.55			
08/01/26	08/25/26	FHMS K739 A2 DTD 11/01/2020 1.336% 09/01/2027	3137F64P9		0.00	2,597.47	2,597.47			
08/01/26	08/25/26	FHMS K068 A2 DTD 10/01/2017 3.244% 08/01/2027	3137FBBX3		0.00	2,297.83	2,297.83			
08/05/26	08/05/26	PACCAR FINANCIAL CORP DTD 02/05/2026 3.900% 02/05/2029	69371RU38		0.00	15,210.00	15,210.00			
08/05/26	08/05/26	NATIONAL RURAL UTIL COOP (CALLABLE) DTD 02/05/2024 4.800% 02/05/2027	63743HFM9		0.00	12,000.00	12,000.00			
08/06/26	08/06/26	BNP PARIBAS NY BRANCH DTD 08/07/2025 4.190% 08/06/2026	05593DJE4		0.00	169,462.22	169,462.22			
08/08/26	08/08/26	TEXAS INSTRUMENTS INC (CALLABLE) DTD 02/08/2024 4.600% 02/08/2027	882508CE2		0.00	11,500.00	11,500.00			
08/09/26	08/09/26	AMERICAN EXPRESS CO (CALLABLE) DTD 02/10/2026 4.009% 02/09/2029	025816EN5		0.00	19,833.97	19,833.97			
08/09/26	08/09/26	ELI LILLY & CO (CALLABLE) DTD 02/09/2024 4.500% 02/09/2027	532457CJ5		0.00	12,487.50	12,487.50			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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										
08/11/26	08/11/26	BMW US CAPITAL LLC DTD 08/11/2025 4.150% 08/11/2027	05565EDA0		0.00	20,231.25	20,231.25			
08/12/26	08/12/26	UNILEVER CAPITAL CORP (CALLABLE) DTD 08/12/2024 4.250% 08/12/2027	904764BU0		0.00	3,612.50	3,612.50			
08/12/26	08/12/26	ELI LILLY & CO (CALLABLE) DTD 02/12/2025 4.550% 02/12/2028	532457CU0		0.00	12,740.00	12,740.00			
08/13/26	08/13/26	BMW US CAPITAL LLC DTD 08/13/2024 4.650% 08/13/2026	05565ECP8		0.00	19,762.50	19,762.50			
08/14/26	08/14/26	ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.150% 08/14/2027	532457CP1		0.00	6,640.00	6,640.00			
08/15/26	08/15/26	HART 2025-A A3 DTD 03/12/2025 4.320% 10/15/2029	44935CAD3		0.00	6,102.00	6,102.00			
08/15/26	08/15/26	WFCIT 2025-A1 A DTD 06/10/2025 4.340% 05/15/2030	92970QAJ4		0.00	4,068.75	4,068.75			
08/15/26	08/15/26	AMXCA 2024-1 A DTD 04/23/2024 5.230% 04/16/2029	02582JKH2		0.00	3,116.21	3,116.21			
08/15/26	08/15/26	HALST 2026-A A3 DTD 01/21/2026 3.970% 12/15/2028	448970AD5		0.00	2,696.29	2,696.29			
08/15/26	08/15/26	TAOT 2026-A A2A DTD 01/21/2026 3.800% 12/15/2028	89240KAB4		0.00	4,899.87	4,899.87			
08/15/26	08/15/26	TAOT 2026-C A3 DTD 07/21/2026 4.510% 03/17/2031	89231DAD7		0.00	4,570.13	4,570.13			
08/15/26	08/15/26	HART 2025-D A3 DTD 11/12/2025 3.990% 09/16/2030	44891XAD9		0.00	5,253.50	5,253.50			
08/15/26	08/15/26	US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4		0.00	65,625.00	65,625.00			
08/15/26	08/15/26	ALLYA 2023-1 A3 DTD 07/19/2023 5.460% 05/15/2028	02007WAC2		0.00	560.15	560.15			
08/15/26	08/15/26	HALST 2026-B A3 DTD 04/22/2026 4.210% 04/16/2029	448972AD1		0.00	4,104.75	4,104.75			
08/15/26	08/15/26	US TREASURY N/B DTD 02/17/2026 3.500% 02/15/2029	91282CQA2		0.00	140,000.00	140,000.00			
08/15/26	08/15/26	WOART 2025-D A2A DTD 10/15/2025 3.910% 02/15/2029	98165HAB3		0.00	4,668.56	4,668.56			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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

Transaction Type					Principal	Accrued		Realized G/L	Realized G/L	Sale
Trade	Settle	Security Description	CUSIP	Par	Proceeds	Interest	Total	Cost	Amort Cost	Method
INTEREST										
08/15/26	08/15/26	HDMOT 2023-B A3 DTD 09/27/2023 5.690% 08/15/2028	41285YAC9		0.00	1,272.26	1,272.26			
08/15/26	08/15/26	KCOT 2025-1A A2 DTD 02/19/2025 4.610% 12/15/2027	50117FAB7		0.00	1,104.52	1,104.52			
08/15/26	08/15/26	FORDO 2025-C A3 DTD 11/25/2025 3.900% 06/15/2030	34535LAD8		0.00	3,152.50	3,152.50			
08/15/26	08/15/26	TAOT 2024-A A3 DTD 01/30/2024 4.830% 10/16/2028	89238DAD0		0.00	651.61	651.61			
08/15/26	08/15/26	COPAR 2025-1 A3 DTD 11/05/2025 3.850% 07/15/2030	14043YAD7		0.00	2,630.83	2,630.83			
08/15/26	08/15/26	TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4		0.00	522.85	522.85			
08/15/26	08/15/26	AMXCA 2025-2 A DTD 05/13/2025 4.280% 04/15/2030	02582JKP4		0.00	3,727.17	3,727.17			
08/15/26	08/15/26	FORDO 2023-C A3 DTD 11/21/2023 5.530% 09/15/2028	344940AD3		0.00	586.97	586.97			
08/15/26	08/15/26	WFCIT 2024-A2 A DTD 10/24/2024 4.290% 10/15/2029	92970QAE5		0.00	2,341.63	2,341.63			
08/15/26	08/15/26	TAOT 2025-A A2A DTD 01/29/2025 4.480% 11/15/2027	89240JAB7		0.00	308.24	308.24			
08/15/26	08/15/26	HAROT 2026-2 A3 DTD 05/13/2026 4.300% 11/15/2030	43814YAD3		0.00	7,310.00	7,310.00			
08/15/26	08/15/26	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1		0.00	3,595.62	3,595.62			
08/15/26	08/15/26	HALST 2026-C A3 DTD 07/29/2026 4.680% 07/16/2029	44935LAD3		0.00	3,338.40	3,338.40			
08/15/26	08/15/26	COMET 2024-A1 A DTD 09/24/2024 3.920% 09/15/2029	14041NGE5		0.00	4,736.67	4,736.67			
08/15/26	08/15/26	ALLYA 2024-2 A3 DTD 09/27/2024 4.140% 07/16/2029	02007NAC2		0.00	1,347.32	1,347.32			
08/15/26	08/15/26	HART 2026-B A3 DTD 06/17/2026 4.510% 02/18/2031	44935KAD5		0.00	4,904.62	4,904.62			
08/15/26	08/15/26	MBART 2025-1 A2A DTD 01/23/2025 4.500% 02/15/2028	58773DAB0		0.00	118.27	118.27			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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										
08/15/26	08/15/26	WOART 2025-A A2A DTD 01/29/2025 4.490% 04/17/2028	98164YAB7		0.00	207.55	207.55			
08/15/26	08/15/26	TAOT 2026-B A3 DTD 04/21/2026 4.130% 12/16/2030	89240QAD7		0.00	4,439.75	4,439.75			
08/15/26	08/15/26	KCOT 2026-1A A2 DTD 02/25/2026 3.840% 01/16/2029	50118HAB2		0.00	2,608.00	2,608.00			
08/15/26	08/15/26	KCOT 2025-2A A2 DTD 06/25/2025 4.480% 04/17/2028	50117LAB4		0.00	815.23	815.23			
08/15/26	08/15/26	COMET 2025-A1 A DTD 09/16/2025 3.820% 09/15/2030	14041NGF2		0.00	3,835.92	3,835.92			
08/15/26	08/15/26	BACCT 2024-A1 A DTD 06/13/2024 4.930% 05/15/2029	05522RDJ4		0.00	4,231.58	4,231.58			
08/15/26	08/15/26	ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5		0.00	6,359.89	6,359.89			
08/15/26	08/15/26	AMXCA 2025-4 A DTD 07/22/2025 4.300% 07/15/2030	02582JKV1		0.00	2,938.33	2,938.33			
08/15/26	08/15/26	USAOT 2025-A A3 DTD 10/09/2025 3.950% 12/17/2029	90327HAC3		0.00	1,497.71	1,497.71			
08/15/26	08/15/26	NAROT 2025-A A3 DTD 05/27/2025 4.490% 12/17/2029	65481GAD7		0.00	4,620.96	4,620.96			
08/15/26	08/15/26	FORDO 2025-A A2A DTD 03/25/2025 4.470% 12/15/2027	34535KAB4		0.00	2,040.96	2,040.96			
08/15/26	08/15/26	FORDO 2024-D A2A DTD 11/22/2024 4.590% 10/15/2027	34535VAB0		0.00	65.30	65.30			
08/15/26	08/15/26	BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1		0.00	1,221.85	1,221.85			
08/15/26	08/15/26	WOART 2025-C A2A DTD 08/13/2025 4.190% 10/16/2028	981936AB3		0.00	1,492.54	1,492.54			
08/15/26	08/15/26	HAROT 2025-4 A3 DTD 11/12/2025 3.980% 06/17/2030	43814XAD5		0.00	5,041.33	5,041.33			
08/15/26	08/15/26	TAOT 2025-D A3 DTD 10/23/2025 3.840% 06/17/2030	89231GAD0		0.00	4,704.00	4,704.00			
08/15/26	08/15/26	HART 2025-C A2A DTD 09/17/2025 3.970% 07/17/2028	44935JAB2		0.00	5,702.27	5,702.27			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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										
08/15/26	08/15/26	BAAT 2024-1A A3 DTD 05/22/2024 5.350% 11/15/2028	09709AAC6		0.00	245.82	245.82			
08/15/26	08/15/26	ALLYA 2024-1 A3 DTD 03/13/2024 5.080% 12/15/2028	02008FAC8		0.00	642.50	642.50			
08/15/26	08/15/26	US TREASURY N/B DTD 08/15/2025 3.625% 08/15/2028	91282CNU1		0.00	50,750.00	50,750.00			
08/15/26	08/15/26	CARMX 2026-2 A2A DTD 04/29/2026 4.110% 08/15/2029	142935AB1		0.00	2,911.25	2,911.25			
08/15/26	08/15/26	BACCT 2026-A1 A DTD 05/14/2026 4.220% 04/15/2031	05522RDL9		0.00	6,330.00	6,330.00			
08/15/26	08/15/26	WFCIT 2024-A1 A DTD 03/01/2024 4.940% 02/15/2029	92970QAA3		0.00	3,807.92	3,807.92			
08/15/26	08/15/26	AMXCA 2025-1 A DTD 02/11/2025 4.560% 12/17/2029	02582JKM1		0.00	6,137.00	6,137.00			
08/15/26	08/15/26	WOART 2026-A A2A DTD 02/18/2026 3.710% 04/16/2029	98190AAB7		0.00	3,091.67	3,091.67			
08/15/26	08/15/26	HART 2026-A A3 DTD 02/18/2026 3.790% 02/18/2031	448981AD2		0.00	3,300.46	3,300.46			
08/15/26	08/15/26	BAAT 2026-1A A3 DTD 04/24/2026 4.180% 10/15/2030	05620EAD0		0.00	3,291.75	3,291.75			
08/16/26	08/16/26	GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7		0.00	199.21	199.21			
08/16/26	08/16/26	GMCAR 2025-4 A2A DTD 11/05/2025 3.880% 12/18/2028	36273EAB9		0.00	6,258.10	6,258.10			
08/16/26	08/16/26	GMCAR 2026-1 A2A DTD 01/14/2026 3.770% 03/16/2029	362970AB1		0.00	2,072.84	2,072.84			
08/16/26	08/16/26	GMCAR 2023-4 A3 DTD 10/11/2023 5.780% 08/16/2028	379930AD2		0.00	807.10	807.10			
08/20/26	08/20/26	VZMT 2025-9 A1A DTD 11/25/2025 3.960% 10/21/2030	92348KEV1		0.00	4,686.00	4,686.00			
08/20/26	08/20/26	VZMT 2025-3 A1A DTD 03/31/2025 4.510% 03/20/2030	92348KDY6		0.00	5,675.08	5,675.08			
08/20/26	08/20/26	VALET 2025-2 A3 DTD 11/25/2025 3.920% 03/20/2030	92869QAD1		0.00	4,050.67	4,050.67			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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										
08/20/26	08/20/26	PILOT 2025-1A A3 DTD 05/21/2025 4.610% 10/20/2028	73329KAD8		0.00	1,383.00	1,383.00			
08/20/26	08/20/26	TLOT 2026-A A3 DTD 02/17/2026 3.820% 02/20/2029	89240MAD6		0.00	5,745.92	5,745.92			
08/20/26	08/20/26	TMUST 2026-1A A DTD 03/20/2026 4.250% 10/21/2030	87269AAA8		0.00	5,383.33	5,383.33			
08/20/26	08/20/26	VZMT 2026-1 A1A DTD 03/13/2026 3.940% 02/20/2031	92348KFC2		0.00	9,094.83	9,094.83			
08/20/26	08/20/26	VALET 2024-1 A2A DTD 11/26/2024 4.650% 11/22/2027	92868RAB4		0.00	350.73	350.73			
08/20/26	08/20/26	VALET 2025-1 A2A DTD 03/25/2025 4.510% 01/20/2028	92868MAB5		0.00	1,393.35	1,393.35			
08/20/26	08/20/26	TMUST 2025-2A A DTD 08/06/2025 4.340% 04/22/2030	87268MAA3		0.00	1,862.58	1,862.58			
08/20/26	08/20/26	PILOT 2026-1A A3 DTD 06/12/2026 4.410% 08/20/2029	73328FAD0		0.00	2,976.75	2,976.75			
08/20/26	08/20/26	BAAT 2025-1A A3 DTD 05/12/2025 4.350% 11/20/2029	05594BAD8		0.00	1,015.00	1,015.00			
08/21/26	08/21/26	HAROT 2025-1 A2 DTD 02/11/2025 4.530% 08/23/2027	43814VAB3		0.00	770.64	770.64			
08/21/26	08/21/26	HAROT 2025-3 A2A DTD 08/12/2025 4.190% 03/21/2028	43813QAB5		0.00	3,371.95	3,371.95			
08/21/26	08/21/26	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5		0.00	341.18	341.18			
08/21/26	08/21/26	HAROT 2026-1 A3 DTD 02/18/2026 3.780% 09/23/2030	43815CAD0		0.00	2,866.50	2,866.50			
08/22/26	08/22/26	PFAST 2025-1A A2A DTD 10/24/2025 3.910% 03/22/2029	732911AB8		0.00	3,067.96	3,067.96			
08/22/26	08/22/26	DEFT 2026-1A A2 DTD 04/22/2026 4.240% 07/24/2028	246921AC4		0.00	2,473.33	2,473.33			
08/22/26	08/22/26	AMAZON.COM INC (CALLABLE) DTD 06/06/2018 3.150% 08/22/2027	023135BC9		0.00	9,450.00	9,450.00			
08/24/26	08/24/26	HERSHEY COMPANY (CALLABLE) DTD 02/24/2025 4.550% 02/24/2028	427866BK3		0.00	9,327.50	9,327.50			

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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											
	08/25/26	08/25/26	NATIONAL RURAL UTIL COOP (CALLABLE) DTD 08/25/2025 4.150% 08/25/2028	63743HFZ0		0.00	8,611.25	8,611.25			
	08/25/26	08/25/26	BMWLT 2025-1 A3 DTD 06/10/2025 4.430% 06/26/2028	096912AD2		0.00	1,827.38	1,827.38			
	08/25/26	08/25/26	CHAOT 2026-1A A2 DTD 05/27/2026 4.250% 07/25/2029	16145GAB2		0.00	2,780.21	2,780.21			
	08/25/26	08/25/26	CHAOT 2025-2A A2 DTD 10/29/2025 3.910% 12/26/2028	16144MAC8		0.00	4,393.62	4,393.62			
	08/25/26	08/25/26	BMWOT 2024-A A3 DTD 06/11/2024 5.180% 02/26/2029	096919AD7		0.00	1,756.22	1,756.22			
	08/25/26	08/25/26	CHAOT 2025-1A A3 DTD 07/30/2025 4.290% 06/25/2030	16145NAC5		0.00	2,717.00	2,717.00			
	08/26/26	08/26/26	ASTRAZENECA FINANCE LLC (CALLABLE) DTD 02/26/2024 4.800% 02/26/2027	04636NAK9		0.00	9,480.00	9,480.00			
	08/31/26	08/31/26	US TREASURY N/B DTD 03/02/2026 3.375% 02/29/2028	91282CQB0		0.00	21,093.75	21,093.75			
Transaction Type Sub-Total						**0.00**	**920,941.35**	**920,941.35**			
MATURITY											
	08/06/26	08/06/26	BNP PARIBAS NY BRANCH DTD 08/07/2025 4.190% 08/06/2026	05593DJE4	4,000,000.00	4,000,000.00	0.00	4,000,000.00	0.00	0.00	
	08/13/26	08/13/26	BMW US CAPITAL LLC DTD 08/13/2024 4.650% 08/13/2026	05565ECP8	850,000.00	850,000.00	0.00	850,000.00	17.00	0.00	
Transaction Type Sub-Total					**4,850,000.00**	**4,850,000.00**	**0.00**	**4,850,000.00**	**17.00**	**0.00**	
PAYDOWNS											
	08/01/26	08/25/26	FNA 2018-M2 A2 DTD 02/01/2018 3.026% 01/01/2028	3136B0YM2	1,504.20	1,504.20	0.00	1,504.20	42.66	23.34	
	08/01/26	08/25/26	FHMS K074 A2 DTD 03/01/2018 3.600% 01/01/2028	3137F4D41	1,809.35	1,809.35	0.00	1,809.35	38.80	20.63	

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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
PAYDOWNS										
08/01/26	08/25/26	FHMS K059 A2 DTD 11/01/2016 3.120% 09/01/2026	3137BSRE5	179,079.40	179,079.40	0.00	179,079.40	9,464.63	589.46	
08/01/26	08/25/26	FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72	330.72	330.72	0.00	330.72	5.78	3.17	
08/01/26	08/25/26	FHMS K065 A1 DTD 07/01/2017 2.864% 10/01/2026	3137F1G36	68,327.30	68,327.30	0.00	68,327.30	2,949.29	260.19	
08/01/26	08/25/26	FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,618.42	1,618.42	0.00	1,618.42	36.54	15.48	
08/01/26	08/25/26	FHMS KJ28 A2 DTD 02/01/2020 2.308% 10/01/2027	3137FREE7	40,380.53	40,380.53	0.00	40,380.53	1,487.44	697.64	
08/01/26	08/25/26	FHMS K737 A2 DTD 01/01/2020 2.525% 10/01/2026	3137FQXJ7	235,321.09	235,321.09	0.00	235,321.09	15,553.25	1,250.21	
08/01/26	08/25/26	FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72	1,837.31	1,837.31	0.00	1,837.31	32.08	17.58	
08/01/26	08/25/26	FNA 2024-M6 A2 DTD 11/01/2024 3.049% 07/01/2027	3136BTGM9	2,261.76	2,261.76	0.00	2,261.76	79.16	31.25	
08/01/26	08/25/26	FHMS K739 A2 DTD 11/01/2020 1.336% 09/01/2027	3137F64P9	25,626.84	25,626.84	0.00	25,626.84	1,967.06	817.58	
08/01/26	08/25/26	FHMS K069 A2 DTD 11/01/2017 3.187% 09/01/2027	3137FBU79	1,285.40	1,285.40	0.00	1,285.40	62.16	23.25	
08/15/26	08/15/26	ALLYA 2023-1 A3 DTD 07/19/2023 5.460% 05/15/2028	02007WAC2	19,358.53	19,358.53	0.00	19,358.53	139.14	53.48	
08/15/26	08/15/26	WOART 2026-A A2A DTD 02/18/2026 3.710% 04/16/2029	98190AAB7	44,509.47	44,509.47	0.00	44,509.47	4.30	3.61	
08/15/26	08/15/26	KCOT 2025-2A A2 DTD 06/25/2025 4.480% 04/17/2028	50117LAB4	20,706.29	20,706.29	0.00	20,706.29	2.50	1.50	
08/15/26	08/15/26	FORDO 2024-D A2A DTD 11/22/2024 4.590% 10/15/2027	34535VAB0	17,072.07	17,072.06	0.00	17,072.06	0.83	0.34	
08/15/26	08/15/26	WOART 2025-C A2A DTD 08/13/2025 4.190% 10/16/2028	981936AB3	68,651.17	68,651.17	0.00	68,651.17	6.02	4.12	
08/15/26	08/15/26	TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	11,074.44	11,074.44	0.00	11,074.44	1.19	0.52	
08/15/26	08/15/26	ALLYA 2024-1 A3 DTD 03/13/2024 5.080% 12/15/2028	02008FAC8	15,458.70	15,458.70	0.00	15,458.70	2.24	1.15	

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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
PAYDOWNS										
08/15/26	08/15/26	WOART 2025-A A2A DTD 01/29/2025 4.490% 04/17/2028	98164YAB7	55,470.99	55,470.99	0.00	55,470.99	1.55	0.81	
08/15/26	08/15/26	WOART 2025-D A2A DTD 10/15/2025 3.910% 02/15/2029	98165HAB3	179,163.22	179,163.22	0.00	179,163.22	11.47	8.52	
08/15/26	08/15/26	TAOT 2025-A A2A DTD 01/29/2025 4.480% 11/15/2027	89240JAB7	82,565.00	82,565.00	0.00	82,565.00	3.84	1.71	
08/15/26	08/15/26	TAOT 2026-A A2A DTD 01/21/2026 3.800% 12/15/2028	89240KAB4	138,267.86	138,267.86	0.00	138,267.86	2.30	1.85	
08/15/26	08/15/26	MBART 2025-1 A2A DTD 01/23/2025 4.500% 02/15/2028	58773DAB0	31,538.21	31,538.21	0.00	31,538.21	0.76	0.37	
08/15/26	08/15/26	HDMOT 2023-B A3 DTD 09/27/2023 5.690% 08/15/2028	41285YAC9	40,618.34	40,618.34	0.00	40,618.34	9.18	38.21	
08/15/26	08/15/26	TAOT 2024-A A3 DTD 01/30/2024 4.830% 10/16/2028	89238DAD0	15,263.88	15,263.88	0.00	15,263.88	3.05	1.47	
08/15/26	08/15/26	FORDO 2025-A A2A DTD 03/25/2025 4.470% 12/15/2027	34535KAB4	137,926.67	137,926.67	0.00	137,926.67	8.17	4.10	
08/15/26	08/15/26	KCOT 2025-1A A2 DTD 02/19/2025 4.610% 12/15/2027	50117FAB7	42,911.76	42,911.76	0.00	42,911.76	5.36	2.60	
08/15/26	08/15/26	HART 2025-C A2A DTD 09/17/2025 3.970% 07/17/2028	44935JAB2	206,876.77	206,876.77	0.00	206,876.77	18.47	12.62	
08/15/26	08/15/26	ALLYA 2024-2 A3 DTD 09/27/2024 4.140% 07/16/2029	02007NAC2	33,283.29	33,283.29	0.00	33,283.29	3.44	2.10	
08/15/26	08/15/26	BAAT 2024-1A A3 DTD 05/22/2024 5.350% 11/15/2028	09709AAC6	6,145.30	6,145.30	0.00	6,145.30	1.00	0.52	
08/15/26	08/15/26	FORDO 2023-C A3 DTD 11/21/2023 5.530% 09/15/2028	344940AD3	14,110.63	14,110.63	0.00	14,110.63	3.03	1.39	
08/15/26	08/15/26	BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1	34,773.77	34,773.77	0.00	34,773.77	0.63	0.24	
08/16/26	08/16/26	GMCAR 2023-4 A3 DTD 10/11/2023 5.780% 08/16/2028	379930AD2	20,420.18	20,420.18	0.00	20,420.18	4.19	1.85	
08/16/26	08/16/26	GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	5,282.17	5,282.17	0.00	5,282.17	1.06	0.54	
08/16/26	08/16/26	GMCAR 2025-4 A2A DTD 11/05/2025 3.880% 12/18/2028	36273EAB9	214,396.18	214,396.18	0.00	214,396.18	7.27	5.27	

Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2026**

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
PAYDOWNS											
	08/16/26	08/16/26	GMCAR 2026-1 A2A DTD 01/14/2026 3.770% 03/16/2029	362970AB1	54,839.55	54,839.55	0.00	54,839.55	0.18	0.13	
	08/20/26	08/20/26	VALET 2025-1 A2A DTD 03/25/2025 4.510% 01/20/2028	92868MAB5	129,175.24	129,175.24	0.00	129,175.24	4.08	1.95	
	08/20/26	08/20/26	VALET 2024-1 A2A DTD 11/26/2024 4.650% 11/22/2027	92868RAB4	80,861.64	80,861.64	0.00	80,861.64	1.29	0.49	
	08/20/26	08/20/26	BAAT 2025-1A A3 DTD 05/12/2025 4.350% 11/20/2029	05594BAD8	6,000.20	6,000.20	0.00	6,000.20	0.41	0.29	
	08/21/26	08/21/26	HAROT 2025-1 A2 DTD 02/11/2025 4.530% 08/23/2027	43814VAB3	204,143.18	204,143.18	0.00	204,143.18	8.88	3.61	
	08/21/26	08/21/26	HAROT 2025-3 A2A DTD 08/12/2025 4.190% 03/21/2028	43813QAB5	137,212.78	137,212.78	0.00	137,212.78	10.65	6.51	
	08/21/26	08/21/26	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5	7,810.73	7,810.73	0.00	7,810.73	1.38	0.58	
	08/22/26	08/22/26	PFAST 2025-1A A2A DTD 10/24/2025 3.910% 03/22/2029	732911AB8	206,169.34	206,169.34	0.00	206,169.34	10.25	7.59	
	08/25/26	08/25/26	BMWOT 2024-A A3 DTD 06/11/2024 5.180% 02/26/2029	096919AD7	36,394.49	36,394.49	0.00	36,394.49	5.53	3.07	
	08/25/26	08/25/26	CHAOT 2025-2A A2 DTD 10/29/2025 3.910% 12/26/2028	16144MAC8	164,581.29	164,581.29	0.00	164,581.29	11.08	8.07	
Transaction Type Sub-Total					**3,042,415.65**	**3,042,415.64**	**0.00**	**3,042,415.64**	**32,013.57**	**3,930.96**	
Managed Account Sub-Total						**(5,142,279.62)**	**920,941.35**	**(4,221,338.27)**	**32,030.57**	**3,930.96**	
Total Security Transactions						**($5,142,279.62)**	**$920,941.35**	**($4,221,338.27)**	**$32,030.57**	**$3,930.96**	

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/01/26	09/04/26	US TREASURY N/B DTD 08/17/2026 4.250% 08/15/2029	91282CRG8	2,950,000.00	(2,935,250.00)	(6,813.86)	(2,942,063.86)			
09/02/26	09/08/26	US TREASURY N/B DTD 08/31/2026 4.125% 08/31/2028	91282CRH6	3,000,000.00	(2,985,585.94)	(2,734.81)	(2,988,320.75)			
09/08/26	09/11/26	JOHN DEERE CAPITAL CORP DTD 09/11/2026 4.650% 09/11/2028	24422EYR4	2,750,000.00	(2,747,965.00)	0.00	(2,747,965.00)			
09/08/26	09/15/26	GLAXOSMITHKLINE CAP INC (CALLABLE) DTD 09/15/2026 4.850% 09/14/2029	377372AS6	1,130,000.00	(1,129,627.10)	0.00	(1,129,627.10)			
09/08/26	09/16/26	COMMONWEALTH BK AUSTR NY DTD 09/16/2026 4.800% 07/16/2029	20271RAY6	830,000.00	(829,311.10)	0.00	(829,311.10)			
09/09/26	09/17/26	COPAR 2026-1 A3 DTD 09/17/2026 4.770% 07/15/2031	14042UAD6	1,290,000.00	(1,289,809.08)	0.00	(1,289,809.08)			
09/15/26	09/22/26	TLOT 2026-B A2A DTD 09/22/2026 4.780% 03/20/2029	89240YAB4	1,870,000.00	(1,869,997.38)	0.00	(1,869,997.38)			
09/15/26	09/23/26	HART 2026-C A2A DTD 09/23/2026 4.720% 08/15/2029	44935MAB5	1,995,000.00	(1,994,848.98)	0.00	(1,994,848.98)			
09/18/26	09/23/26	FHMS K097 A2 DTD 09/01/2019 2.508% 07/01/2029	3137FNX54	2,225,000.00	(2,076,116.21)	(3,410.18)	(2,079,526.39)			
Transaction Type Sub-Total				**18,040,000.00**	**(17,858,510.79)**	**(12,958.85)**	**(17,871,469.64)**			
INTEREST										
09/01/26	09/01/26	MARS INC DTD 03/12/2025 4.450% 03/01/2027	571676AW5		0.00	10,680.00	10,680.00			
09/01/26	09/25/26	FHMS K079 A2 DTD 08/01/2018 3.926% 06/01/2028	3137FGZT5		0.00	4,907.50	4,907.50			
09/01/26	09/25/26	FHMS K074 A2 DTD 03/01/2018 3.600% 01/01/2028	3137F4D41		0.00	2,952.09	2,952.09			
09/01/26	09/25/26	FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72		0.00	4,434.03	4,434.03			
09/01/26	09/25/26	FHMS K737 A2 DTD 01/01/2020 2.525% 10/01/2026	3137FQXJ7		0.00	994.42	994.42			
09/01/26	09/25/26	FHMS K739 A2 DTD 11/01/2020 1.336% 09/01/2027	3137F64P9		0.00	2,568.93	2,568.93			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/01/26	09/25/26	FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3		0.00	2,677.18	2,677.18			
09/01/26	09/25/26	FHMS K059 A2 DTD 11/01/2016 3.120% 11/01/2026	3137BSRE5		0.00	1,025.38	1,025.38			
09/01/26	09/25/26	FHMS K068 A2 DTD 10/01/2017 3.244% 08/01/2027	3137FBBX3		0.00	2,297.83	2,297.83			
09/01/26	09/25/26	FHMS K076 A2 DTD 05/01/2018 3.900% 04/01/2028	3137FEZU7		0.00	3,900.00	3,900.00			
09/01/26	09/25/26	FNA 2024-M6 A2 DTD 11/01/2024 3.049% 07/01/2027	3136BTGM9		0.00	3,941.52	3,941.52			
09/01/26	09/25/26	FHMS K065 A1 DTD 07/01/2017 2.864% 10/01/2026	3137F1G36		0.00	2.84	2.84			
09/01/26	09/25/26	FNA 2018-M2 A2 DTD 02/01/2018 3.026% 01/01/2028	3136B0YM2		0.00	2,870.87	2,870.87			
09/01/26	09/25/26	FHMS KJ28 A2 DTD 02/01/2020 2.308% 10/01/2027	3137FREE7		0.00	1,608.89	1,608.89			
09/01/26	09/25/26	FHMS K067 A2 DTD 09/01/2017 3.194% 07/01/2027	3137FAWS3		0.00	4,591.38	4,591.38			
09/01/26	09/25/26	FHMS K069 A2 DTD 11/01/2017 3.187% 09/01/2027	3137FBU79		0.00	1,906.36	1,906.36			
09/03/26	09/03/26	PACCAR FINANCIAL CORP DTD 03/03/2025 4.550% 03/03/2028	69371RT63		0.00	34,125.00	34,125.00			
09/03/26	09/03/26	ABBVIE INC DTD 03/04/2026 3.775% 03/03/2028	00287YED7		0.00	19,896.35	19,896.35			
09/04/26	09/04/26	VALET 2025-1 A2A DTD 03/25/2025 4.510% 01/20/2028	92868MAB5		0.00	7.05	7.05			
09/04/26	09/04/26	AMERICAN EXPRESS CO (CALLABLE) DTD 03/04/2022 2.550% 03/04/2027	025816CS6		0.00	19,125.00	19,125.00			
09/09/26	09/09/26	ABBOTT LABORATORIES (CALLABLE) DTD 03/09/2026 3.700% 03/09/2029	002824BR0		0.00	37,185.00	37,185.00			
09/10/26	09/10/26	MERCEDES-BENZ FIN NA DTD 03/10/2026 4.125% 03/10/2028	58769JBJ5		0.00	72,187.50	72,187.50			
09/12/26	09/12/26	AMERICAN HONDA FINANCE DTD 03/13/2024 4.900% 03/12/2027	02665WFD8		0.00	7,472.50	7,472.50			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/13/26	09/13/26	AMAZON.COM INC DTD 03/13/2026 3.850% 03/13/2028	023135DB9		0.00	62,562.50	62,562.50			
09/14/26	09/14/26	COMMONWEALTH BK AUSTR NY DTD 03/14/2025 4.423% 03/14/2028	20271RAV2		0.00	8,624.85	8,624.85			
09/15/26	09/15/26	WOART 2026-C A2A DTD 08/26/2026 4.270% 11/15/2029	98165LAB4		0.00	3,639.58	3,639.58			
09/15/26	09/15/26	KCOT 2026-1A A2 DTD 02/25/2026 3.840% 01/16/2029	50118HAB2		0.00	2,608.00	2,608.00			
09/15/26	09/15/26	HART 2025-D A3 DTD 11/12/2025 3.990% 09/16/2030	44891XAD9		0.00	5,253.50	5,253.50			
09/15/26	09/15/26	CARMX 2026-2 A2A DTD 04/29/2026 4.110% 08/15/2029	142935AB1		0.00	2,911.25	2,911.25			
09/15/26	09/15/26	TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4		0.00	471.72	471.72			
09/15/26	09/15/26	HART 2025-C A2A DTD 09/17/2025 3.970% 07/17/2028	44935JAB2		0.00	5,017.85	5,017.85			
09/15/26	09/15/26	FORDO 2025-A A2A DTD 03/25/2025 4.470% 12/15/2027	34535KAB4		0.00	1,527.18	1,527.18			
09/15/26	09/15/26	AMXCA 2025-2 A DTD 05/13/2025 4.280% 04/15/2030	02582JKP4		0.00	3,727.17	3,727.17			
09/15/26	09/15/26	USAOT 2025-A A3 DTD 10/09/2025 3.950% 12/17/2029	90327HAC3		0.00	1,497.71	1,497.71			
09/15/26	09/15/26	BACCT 2024-A1 A DTD 06/13/2024 4.930% 05/15/2029	05522RDJ4		0.00	4,231.58	4,231.58			
09/15/26	09/15/26	HALST 2026-A A3 DTD 01/21/2026 3.970% 12/15/2028	448970AD5		0.00	2,696.29	2,696.29			
09/15/26	09/15/26	WFCIT 2025-A1 A DTD 06/10/2025 4.340% 05/15/2030	92970QAJ4		0.00	4,068.75	4,068.75			
09/15/26	09/15/26	HOME DEPOT INC (CALLABLE) DTD 09/15/2025 3.750% 09/15/2028	437076DH2		0.00	7,125.00	7,125.00			
09/15/26	09/15/26	US TREASURY N/B DTD 09/16/2024 3.375% 09/15/2027	91282CLL3		0.00	33,750.00	33,750.00			
09/15/26	09/15/26	BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1		0.00	1,055.51	1,055.51			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/15/26	09/15/26	WOART 2026-A A2A DTD 02/18/2026 3.710% 04/16/2029	98190AAB7		0.00	2,954.06	2,954.06			
09/15/26	09/15/26	WELLS FARGO & COMPANY (CALLABLE) DTD 09/15/2025 4.078% 09/15/2029	95000U4A8		0.00	20,390.00	20,390.00			
09/15/26	09/15/26	HDMOT 2023-B A3 DTD 09/27/2023 5.690% 08/15/2028	41285YAC9		0.00	1,079.67	1,079.67			
09/15/26	09/15/26	ALLYA 2024-2 A3 DTD 09/27/2024 4.140% 07/16/2029	02007NAC2		0.00	1,232.49	1,232.49			
09/15/26	09/15/26	TAOT 2026-A A2A DTD 01/21/2026 3.800% 12/15/2028	89240KAB4		0.00	4,462.02	4,462.02			
09/15/26	09/15/26	TAOT 2026-C A3 DTD 07/21/2026 4.510% 03/17/2031	89231DAD7		0.00	5,712.67	5,712.67			
09/15/26	09/15/26	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1		0.00	3,595.62	3,595.62			
09/15/26	09/15/26	WFCIT 2024-A2 A DTD 10/24/2024 4.290% 10/15/2029	92970QAE5		0.00	2,341.63	2,341.63			
09/15/26	09/15/26	ALLYA 2023-1 A3 DTD 07/19/2023 5.460% 05/15/2028	02007WAC2		0.00	472.07	472.07			
09/15/26	09/15/26	KCOT 2025-2A A2 DTD 06/25/2025 4.480% 04/17/2028	50117LAB4		0.00	737.92	737.92			
09/15/26	09/15/26	HART 2026-B A3 DTD 06/17/2026 4.510% 02/18/2031	44935KAD5		0.00	4,904.62	4,904.62			
09/15/26	09/15/26	BACCT 2026-A1 A DTD 05/14/2026 4.220% 04/15/2031	05522RDL9		0.00	6,330.00	6,330.00			
09/15/26	09/15/26	WOART 2025-C A2A DTD 08/13/2025 4.190% 10/16/2028	981936AB3		0.00	1,252.83	1,252.83			
09/15/26	09/15/26	COPAR 2025-1 A3 DTD 11/05/2025 3.850% 07/15/2030	14043YAD7		0.00	2,630.83	2,630.83			
09/15/26	09/15/26	AMXCA 2025-4 A DTD 07/22/2025 4.300% 07/15/2030	02582JKV1		0.00	2,938.33	2,938.33			
09/15/26	09/15/26	SALESFORCE INC (CALLABLE) DTD 03/13/2026 4.500% 03/15/2028	79466LAQ7		0.00	70,070.00	70,070.00			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/15/26	09/15/26	US TREASURY N/B DTD 03/17/2025 3.875% 03/15/2028	91282CMS7		0.00	48,437.50	48,437.50			
09/15/26	09/15/26	HART 2025-A A3 DTD 03/12/2025 4.320% 10/15/2029	44935CAD3		0.00	6,102.00	6,102.00			
09/15/26	09/15/26	BAAT 2024-1A A3 DTD 05/22/2024 5.350% 11/15/2028	09709AAC6		0.00	218.42	218.42			
09/15/26	09/15/26	US TREASURY N/B DTD 09/15/2025 3.375% 09/15/2028	91282CNY3		0.00	46,406.25	46,406.25			
09/15/26	09/15/26	ALLYA 2024-1 A3 DTD 03/13/2024 5.080% 12/15/2028	02008FAC8		0.00	577.06	577.06			
09/15/26	09/15/26	HALST 2026-B A3 DTD 04/22/2026 4.210% 04/16/2029	448972AD1		0.00	4,104.75	4,104.75			
09/15/26	09/15/26	AMXCA 2024-1 A DTD 04/23/2024 5.230% 04/16/2029	02582JKH2		0.00	3,116.21	3,116.21			
09/15/26	09/15/26	HAROT 2025-4 A3 DTD 11/12/2025 3.980% 06/17/2030	43814XAD5		0.00	5,041.33	5,041.33			
09/15/26	09/15/26	FORDO 2023-C A3 DTD 11/21/2023 5.530% 09/15/2028	344940AD3		0.00	521.94	521.94			
09/15/26	09/15/26	US TREASURY N/B DTD 03/16/2026 3.500% 03/15/2029	91282CQE4		0.00	94,062.50	94,062.50			
09/15/26	09/15/26	FORDO 2025-C A3 DTD 11/25/2025 3.900% 06/15/2030	34535LAD8		0.00	3,152.50	3,152.50			
09/15/26	09/15/26	WOART 2025-D A2A DTD 10/15/2025 3.910% 02/15/2029	98165HAB3		0.00	4,084.78	4,084.78			
09/15/26	09/15/26	HART 2026-A A3 DTD 02/18/2026 3.790% 02/18/2031	448981AD2		0.00	3,300.46	3,300.46			
09/15/26	09/15/26	MERCK & CO INC (CALLABLE) DTD 12/04/2025 3.850% 03/15/2029	58933YBW4		0.00	9,625.00	9,625.00			
09/15/26	09/15/26	TAOT 2025-D A3 DTD 10/23/2025 3.840% 06/17/2030	89231GAD0		0.00	4,704.00	4,704.00			
09/15/26	09/15/26	NAROT 2025-A A3 DTD 05/27/2025 4.490% 12/17/2029	65481GAD7		0.00	4,620.96	4,620.96			
09/15/26	09/15/26	KCOT 2025-1A A2 DTD 02/19/2025 4.610% 12/15/2027	50117FAB7		0.00	939.66	939.66			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/15/26	09/15/26	TAOT 2026-B A3 DTD 04/21/2026 4.130% 12/16/2030	89240QAD7		0.00	4,439.75	4,439.75			
09/15/26	09/15/26	MASTERCARD INC (CALLABLE) DTD 02/27/2025 4.550% 03/15/2028	57636QBF0		0.00	13,650.00	13,650.00			
09/15/26	09/15/26	COMET 2026-A1 A DTD 07/16/2026 4.480% 07/15/2031	14041NGJ4		0.00	23,017.87	23,017.87			
09/15/26	09/15/26	MERCK & CO INC DTD 09/09/2025 3.850% 09/15/2027	58933YBP9		0.00	19,250.00	19,250.00			
09/15/26	09/15/26	COMET 2024-A1 A DTD 09/24/2024 3.920% 09/15/2029	14041NGE5		0.00	4,736.67	4,736.67			
09/15/26	09/15/26	COMET 2025-A1 A DTD 09/16/2025 3.820% 09/15/2030	14041NGF2		0.00	3,835.92	3,835.92			
09/15/26	09/15/26	HALST 2026-C A3 DTD 07/29/2026 4.680% 07/16/2029	44935LAD3		0.00	6,259.50	6,259.50			
09/15/26	09/15/26	AMXCA 2025-1 A DTD 02/11/2025 4.560% 12/17/2029	02582JKM1		0.00	6,137.00	6,137.00			
09/15/26	09/15/26	HAROT 2026-2 A3 DTD 05/13/2026 4.300% 11/15/2030	43814YAD3		0.00	7,310.00	7,310.00			
09/15/26	09/15/26	BAAT 2026-1A A3 DTD 04/24/2026 4.180% 10/15/2030	05620EAD0		0.00	3,291.75	3,291.75			
09/15/26	09/15/26	TAOT 2024-A A3 DTD 01/30/2024 4.830% 10/16/2028	89238DAD0		0.00	590.17	590.17			
09/16/26	09/16/26	GMCAR 2023-4 A3 DTD 10/11/2023 5.780% 08/16/2028	379930AD2		0.00	708.75	708.75			
09/16/26	09/16/26	NATIONAL RURAL UTIL COOP (CALLABLE) DTD 09/16/2024 4.120% 09/16/2027	63743HFT4		0.00	9,682.00	9,682.00			
09/16/26	09/16/26	GMCAR 2025-4 A2A DTD 11/05/2025 3.880% 12/18/2028	36273EAB9		0.00	5,564.89	5,564.89			
09/16/26	09/16/26	GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7		0.00	177.86	177.86			
09/16/26	09/16/26	UBS AG STAMFORD CT (CALLABLE) DTD 03/16/2026 4.302% 03/16/2029	90261AAG7		0.00	11,722.95	11,722.95			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/16/26	09/16/26	GMCAR 2026-1 A2A DTD 01/14/2026 3.770% 03/16/2029	362970AB1		0.00	1,900.56	1,900.56			
09/17/26	09/17/26	BMW US CAPITAL LLC DTD 03/19/2026 4.300% 03/17/2028	05565EDF9		0.00	45,179.86	45,179.86			
09/18/26	09/18/26	STATE STREET CORP (CALLABLE) DTD 03/18/2024 4.993% 03/18/2027	857477CL5		0.00	12,732.15	12,732.15			
09/18/26	09/18/26	NATIXIS NY BRANCH DTD 09/20/2023 5.610% 09/18/2026	63873QP65		0.00	46,925.31	46,925.31			
09/18/26	09/18/26	HAROT 2026-3 A3 DTD 08/12/2026 4.520% 02/18/2031	43815XAD4		0.00	8,045.60	8,045.60			
09/19/26	09/19/26	BMW US CAPITAL LLC (CALLABLE) DTD 03/21/2025 4.650% 03/19/2027	05565ECU7		0.00	13,252.50	13,252.50			
09/20/26	09/20/26	VZMT 2025-9 A1A DTD 11/25/2025 3.960% 10/21/2030	92348KEV1		0.00	4,686.00	4,686.00			
09/20/26	09/20/26	VALET 2025-2 A3 DTD 11/25/2025 3.920% 03/20/2030	92869QAD1		0.00	4,050.67	4,050.67			
09/20/26	09/20/26	VALET 2024-1 A2A DTD 11/26/2024 4.650% 11/22/2027	92868RAB4		0.00	37.39	37.39			
09/20/26	09/20/26	VZMT 2025-3 A1A DTD 03/31/2025 4.510% 03/20/2030	92348KDY6		0.00	5,675.08	5,675.08			
09/20/26	09/20/26	BAAT 2025-1A A3 DTD 05/12/2025 4.350% 11/20/2029	05594BAD8		0.00	993.25	993.25			
09/20/26	09/20/26	PILOT 2026-1A A3 DTD 06/12/2026 4.410% 08/20/2029	73328FAD0		0.00	2,976.75	2,976.75			
09/20/26	09/20/26	VALET 2025-1 A2A DTD 03/25/2025 4.510% 01/20/2028	92868MAB5		0.00	907.87	907.87			
09/20/26	09/20/26	TLOT 2026-A A3 DTD 02/17/2026 3.820% 02/20/2029	89240MAD6		0.00	5,745.92	5,745.92			
09/20/26	09/20/26	VZMT 2026-1 A1A DTD 03/13/2026 3.940% 02/20/2031	92348KFC2		0.00	9,094.83	9,094.83			
09/20/26	09/20/26	TMUST 2026-1A A DTD 03/20/2026 4.250% 10/21/2030	87269AAA8		0.00	5,383.33	5,383.33			
09/20/26	09/20/26	TMUST 2025-2A A DTD 08/06/2025 4.340% 04/22/2030	87268MAA3		0.00	1,862.58	1,862.58			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/20/26	09/20/26	PILOT 2025-1A A3 DTD 05/21/2025 4.610% 10/20/2028	73329KAD8		0.00	1,383.00	1,383.00			
09/21/26	09/21/26	HAROT 2025-3 A2A DTD 08/12/2025 4.190% 03/21/2028	43813QAB5		0.00	2,892.85	2,892.85			
09/21/26	09/21/26	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5		0.00	304.28	304.28			
09/21/26	09/21/26	HAROT 2026-1 A3 DTD 02/18/2026 3.780% 09/23/2030	43815CAD0		0.00	2,866.50	2,866.50			
09/22/26	09/22/26	PFAST 2025-1A A2A DTD 10/24/2025 3.910% 03/22/2029	732911AB8		0.00	2,396.19	2,396.19			
09/22/26	09/22/26	DEFT 2026-1A A2 DTD 04/22/2026 4.240% 07/24/2028	246921AC4		0.00	2,473.33	2,473.33			
09/24/26	09/24/26	ADVANCED MICRO DEVICES DTD 03/24/2025 4.212% 09/24/2026	007903BH9		0.00	14,742.00	14,742.00			
09/25/26	09/25/26	CHAOT 2026-1A A2 DTD 05/27/2026 4.250% 07/25/2029	16145GAB2		0.00	2,780.21	2,780.21			
09/25/26	09/25/26	BMWOT 2026-A A3 DTD 08/19/2026 4.590% 04/25/2031	05595NAD1		0.00	6,081.75	6,081.75			
09/25/26	09/25/26	CHAOT 2025-2A A2 DTD 10/29/2025 3.910% 12/26/2028	16144MAC8		0.00	3,857.36	3,857.36			
09/25/26	09/25/26	BMWLT 2025-1 A3 DTD 06/10/2025 4.430% 06/26/2028	096912AD2		0.00	1,827.38	1,827.38			
09/25/26	09/25/26	BMWOT 2024-A A3 DTD 06/11/2024 5.180% 02/26/2029	096919AD7		0.00	1,599.12	1,599.12			
09/25/26	09/25/26	CHAOT 2025-1A A3 DTD 07/30/2025 4.290% 06/25/2030	16145NAC5		0.00	2,717.00	2,717.00			
09/30/26	09/30/26	AUST & NZ BANKING GRP NY DTD 09/30/2024 3.919% 09/30/2027	05253JB42		0.00	8,523.83	8,523.83			
09/30/26	09/30/26	US TREASURY N/B DTD 03/31/2026 3.875% 03/31/2028	91282CQH7		0.00	33,906.25	33,906.25			
09/30/26	09/30/26	US TREASURY N/B DTD 09/30/2025 3.500% 09/30/2027	91282CPB1		0.00	245,000.00	245,000.00			
Transaction Type Sub-Total					**0.00**	**1,385,421.92**	**1,385,421.92**			

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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
MATURITY										
09/18/26	09/18/26	NATIXIS NY BRANCH DTD 09/20/2023 5.610% 09/18/2026	63873QP65	825,000.00	825,000.00	0.00	825,000.00	0.00	0.00	
09/24/26	09/24/26	ADVANCED MICRO DEVICES DTD 03/24/2025 4.212% 09/24/2026	007903BH9	700,000.00	700,000.00	0.00	700,000.00	0.00	0.00	
Transaction Type Sub-Total				**1,525,000.00**	**1,525,000.00**	**0.00**	**1,525,000.00**	**0.00**	**0.00**	
PAYDOWNS										
09/01/26	09/25/26	FHMS K739 A2 DTD 11/01/2020 1.336% 09/01/2027	3137F64P9	2,481.50	2,481.50	0.00	2,481.50	190.47	73.64	
09/01/26	09/25/26	FHMS K059 A2 DTD 11/01/2016 3.120% 11/01/2026	3137BSRE5	394,377.80	394,377.80	0.00	394,377.80	20,843.48	1,841.26	
09/01/26	09/25/26	FHMS K069 A2 DTD 11/01/2017 3.187% 09/01/2027	3137FBU79	1,289.79	1,289.79	0.00	1,289.79	62.37	21.70	
09/01/26	09/25/26	FHMS K074 A2 DTD 03/01/2018 3.600% 01/01/2028	3137F4D41	1,815.98	1,815.98	0.00	1,815.98	38.94	19.59	
09/01/26	09/25/26	FHMS K076 A2 DTD 05/01/2018 3.900% 04/01/2028	3137FEZU7	186.13	186.13	0.00	186.13	2.05	1.12	
09/01/26	09/25/26	FHMS KJ28 A2 DTD 02/01/2020 2.308% 10/01/2027	3137FREE7	44,148.08	44,148.08	0.00	44,148.08	1,626.22	712.98	
09/01/26	09/25/26	FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	38,373.75	38,373.75	0.00	38,373.75	866.41	334.35	
09/01/26	09/25/26	FHMS K065 A1 DTD 07/01/2017 2.864% 10/01/2026	3137F1G36	1,191.00	1,191.01	0.00	1,191.01	51.41	3.03	
09/01/26	09/25/26	FNA 2018-M2 A2 DTD 02/01/2018 3.026% 01/01/2028	3136B0YM2	1,509.42	1,509.42	0.00	1,509.42	42.81	22.16	
09/01/26	09/25/26	FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72	1,844.10	1,844.10	0.00	1,844.10	32.20	16.74	
09/01/26	09/25/26	FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72	331.94	331.94	0.00	331.94	5.80	3.02	
09/01/26	09/25/26	FNA 2024-M6 A2 DTD 11/01/2024 3.049% 07/01/2027	3136BTGM9	64,253.46	64,253.46	0.00	64,253.46	2,248.87	815.22	
09/01/26	09/25/26	FHMS K737 A2 DTD 01/01/2020 2.525% 10/01/2026	3137FQXJ7	264,689.66	264,689.66	0.00	264,689.66	17,494.33	904.02	

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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
PAYDOWNS										
09/15/26	09/15/26	TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	9,932.65	9,932.65	0.00	9,932.65	1.07	0.45	
09/15/26	09/15/26	WOART 2025-C A2A DTD 08/13/2025 4.190% 10/16/2028	981936AB3	61,508.06	61,508.06	0.00	61,508.06	5.39	3.56	
09/15/26	09/15/26	KCOT 2025-1A A2 DTD 02/19/2025 4.610% 12/15/2027	50117FAB7	38,723.21	38,723.21	0.00	38,723.21	4.84	2.21	
09/15/26	09/15/26	WOART 2025-D A2A DTD 10/15/2025 3.910% 02/15/2029	98165HAB3	171,074.50	171,074.50	0.00	171,074.50	10.95	7.88	
09/15/26	09/15/26	ALLYA 2023-1 A3 DTD 07/19/2023 5.460% 05/15/2028	02007WAC2	17,455.98	17,455.98	0.00	17,455.98	125.46	45.93	
09/15/26	09/15/26	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	825,000.00	825,000.00	0.00	825,000.00	36.88	15.64	
09/15/26	09/15/26	FORDO 2023-C A3 DTD 11/21/2023 5.530% 09/15/2028	344940AD3	12,549.86	12,549.86	0.00	12,549.86	2.70	1.19	
09/15/26	09/15/26	KCOT 2025-2A A2 DTD 06/25/2025 4.480% 04/17/2028	50117LAB4	19,927.08	19,927.08	0.00	19,927.08	2.40	1.37	
09/15/26	09/15/26	HDMOT 2023-B A3 DTD 09/27/2023 5.690% 08/15/2028	41285YAC9	37,461.17	37,461.17	0.00	37,461.17	8.47	33.85	
09/15/26	09/15/26	ALLYA 2024-1 A3 DTD 03/13/2024 5.080% 12/15/2028	02008FAC8	14,894.67	14,894.67	0.00	14,894.67	2.16	1.07	
09/15/26	09/15/26	WOART 2026-A A2A DTD 02/18/2026 3.710% 04/16/2029	98190AAB7	84,593.11	84,593.11	0.00	84,593.11	8.16	6.67	
09/15/26	09/15/26	TAOT 2026-A A2A DTD 01/21/2026 3.800% 12/15/2028	89240KAB4	127,548.64	127,548.64	0.00	127,548.64	2.12	1.65	
09/15/26	09/15/26	ALLYA 2024-2 A3 DTD 09/27/2024 4.140% 07/16/2029	02007NAC2	30,107.72	30,107.72	0.00	30,107.72	3.11	1.85	
09/15/26	09/15/26	BAAT 2024-1A A3 DTD 05/22/2024 5.350% 11/15/2028	09709AAC6	5,552.48	5,552.48	0.00	5,552.48	0.90	0.45	
09/15/26	09/15/26	FORDO 2025-A A2A DTD 03/25/2025 4.470% 12/15/2027	34535KAB4	131,339.83	131,339.83	0.00	131,339.83	7.78	3.67	
09/15/26	09/15/26	HART 2025-C A2A DTD 09/17/2025 3.970% 07/17/2028	44935JAB2	190,861.91	190,861.91	0.00	190,861.91	17.04	11.15	
09/15/26	09/15/26	BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1	30,588.84	30,588.84	0.00	30,588.84	0.55	0.20	

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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
PAYDOWNS										
09/15/26	09/15/26	TAOT 2024-A A3 DTD 01/30/2024 4.830% 10/16/2028	89238DAD0	14,083.27	14,083.27	0.00	14,083.27	2.82	1.31	
09/16/26	09/16/26	GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	4,645.70	4,645.70	0.00	4,645.70	0.93	0.46	
09/16/26	09/16/26	GMCAR 2026-1 A2A DTD 01/14/2026 3.770% 03/16/2029	362970AB1	53,663.92	53,663.92	0.00	53,663.92	0.17	0.13	
09/16/26	09/16/26	GMCAR 2025-4 A2A DTD 11/05/2025 3.880% 12/18/2028	36273EAB9	190,956.08	190,956.08	0.00	190,956.08	6.47	4.53	
09/16/26	09/16/26	GMCAR 2023-4 A3 DTD 10/11/2023 5.780% 08/16/2028	379930AD2	18,223.63	18,223.63	0.00	18,223.63	3.74	1.58	
09/20/26	09/20/26	BAAT 2025-1A A3 DTD 05/12/2025 4.350% 11/20/2029	05594BAD8	18,968.31	18,968.31	0.00	18,968.31	1.31	0.90	
09/20/26	09/20/26	VALET 2024-1 A2A DTD 11/26/2024 4.650% 11/22/2027	92868RAB4	9,648.77	9,648.77	0.00	9,648.77	0.16	0.06	
09/20/26	09/20/26	VALET 2025-1 A2A DTD 03/25/2025 4.510% 01/20/2028	92868MAB5	116,910.13	116,910.13	0.00	116,910.13	3.69	1.66	
09/21/26	09/21/26	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5	7,097.57	7,097.57	0.00	7,097.57	1.25	0.51	
09/21/26	09/21/26	HAROT 2025-3 A2A DTD 08/12/2025 4.190% 03/21/2028	43813QAB5	126,639.33	126,639.33	0.00	126,639.33	9.83	5.70	
09/22/26	09/22/26	PFAST 2025-1A A2A DTD 10/24/2025 3.910% 03/22/2029	732911AB8	188,094.80	188,094.80	0.00	188,094.80	9.35	6.71	
09/25/26	09/25/26	CHAOT 2025-2A A2 DTD 10/29/2025 3.910% 12/26/2028	16144MAC8	156,248.62	156,248.62	0.00	156,248.62	10.52	7.40	
09/25/26	09/25/26	BMWOT 2024-A A3 DTD 06/11/2024 5.180% 02/26/2029	096919AD7	31,794.56	31,794.56	0.00	31,794.56	4.83	2.60	
Transaction Type Sub-Total				**3,562,587.01**	**3,562,587.02**	**0.00**	**3,562,587.02**	**43,800.41**	**4,941.17**	
SELL										
09/02/26	09/03/26	WFCIT 2024-A1 A DTD 03/01/2024 4.940% 02/15/2029	92970QAA3	925,000.00	927,962.89	2,284.75	930,247.64	3,213.93	3,092.83	FIFO
09/03/26	09/04/26	US TREASURY N/B DTD 07/15/2024 4.375% 07/15/2027	91282CKZ3	200,000.00	200,406.25	1,212.64	201,618.89	(1,890.63)	(293.16)	FIFO

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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										
09/03/26	09/04/26	US TREASURY N/B DTD 07/31/2025 3.875% 07/31/2027	91282CNP2	525,000.00	523,646.48	1,934.87	525,581.35	(2,501.96)	(1,897.84)	FIFO
09/04/26	09/08/26	BANK OF NY MELLON CORP (CALLABLE) DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	1,250,000.00	1,239,962.50	2,989.58	1,242,952.08	49,225.00	(251.57)	FIFO
09/04/26	09/08/26	JP MORGAN CHASE BANK NA (CALLABLE) DTD 12/08/2023 5.110% 12/08/2026	48125LRU8	600,000.00	600,924.00	7,665.00	608,589.00	924.00	924.00	FIFO
09/04/26	09/08/26	COMMONWEALTH BK AUSTR NY DTD 11/27/2024 4.577% 11/27/2026	20271RAU4	875,000.00	875,761.25	11,235.90	886,997.15	761.25	761.25	FIFO
09/08/26	09/08/26	US TREASURY N/B DTD 07/31/2025 3.875% 07/31/2027	91282CNP2	250,000.00	249,296.88	1,026.66	250,323.54	(1,250.00)	(959.24)	FIFO
09/09/26	09/10/26	HORMEL FOODS CORP (CALLABLE) DTD 03/08/2024 4.800% 03/30/2027	440452AK6	240,000.00	240,489.60	5,120.00	245,609.60	722.40	534.28	FIFO
09/09/26	09/11/26	US TREASURY N/B DTD 07/31/2025 3.875% 07/31/2027	91282CNP2	1,225,000.00	1,221,411.13	5,417.63	1,226,828.76	(6,268.56)	(4,832.52)	FIFO
09/09/26	09/11/26	US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4	1,175,000.00	1,169,951.17	3,232.85	1,173,184.02	(4,773.44)	(4,960.88)	FIFO
09/16/26	09/17/26	US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4	325,000.00	323,159.18	1,092.90	324,252.08	(1,764.65)	(1,816.92)	FIFO
09/16/26	09/17/26	US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4	475,000.00	472,309.57	1,597.32	473,906.89	(4,601.56)	(3,305.62)	FIFO
09/21/26	09/22/26	US TREASURY N/B DTD 09/16/2024 3.375% 09/15/2027	91282CLL3	800,000.00	791,531.25	522.10	792,053.35	(5,218.75)	(7,350.41)	FIFO
09/21/26	09/23/26	US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4	1,525,000.00	1,515,468.75	6,060.63	1,521,529.38	(15,667.00)	(11,471.30)	FIFO
09/21/26	09/23/26	US TREASURY N/B DTD 05/15/2025 3.750% 05/15/2028	91282CND9	2,000,000.00	1,970,390.63	26,698.37	1,997,089.00	(28,203.12)	(28,820.00)	FIFO
09/22/26	09/23/26	US TREASURY N/B DTD 09/16/2024 3.375% 09/15/2027	91282CLL3	50,000.00	49,476.56	37.29	49,513.85	(320.32)	(453.74)	FIFO
Transaction Type Sub-Total				**12,440,000.00**	**12,372,148.09**	**78,128.49**	**12,450,276.58**	**(17,613.41)**	**(61,100.84)**	
Managed Account Sub-Total					**(398,775.68)**	**1,450,591.56**	**1,051,815.88**	**26,187.00**	**(56,159.67)**	

*September transactions are not included in August Financial Reports but will be included in the next month's report.

Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2026**

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

Total Security Transactions	**($398,775.68)**	**$1,450,591.56**	**$1,051,815.88**	**$26,187.00**	**($56,159.67)**

*September transactions are not included in August Financial Reports but will be included in the next month's report.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1c

Item 1c:	**Adopt Resolution Amending the Silicon Valley Clean Energy Board of Directors Regular Meeting Schedule to Include November 13, 2026 at 3:00 p.m.**
From:	Monica Padilla, CEO
Prepared by:	Michael Callahan, General Counsel Andrea Pizano, Board Clerk/Sr. Executive Assistant
Date:	10/14/2026

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy Authority (SVCE) Board of Directors ("Board") adopt Resolution 2026-16 amending the regular meeting schedule of the Board to include November 13, 2026 at 3:00 p.m. as a regular meeting.

BACKGROUND

Pursuant to Section 4.10 of the SVCE Joint Powers Agreement, the Board of Directors of SVCE may fix, by resolution, the date upon which, and the hour and place at which, each regular meeting of the SVCE Board is to be held. The SVCE Board approved and adopted by Resolution 2016-14 a regular meeting schedule of the second Wednesdays of the month at 7:00 p.m. at Cupertino Community Hall. In August 2025, the Board approved Resolution 2025-14 amending the place of regular meetings to reflect the Sunnyvale Civic Center.

The Board approved meeting dates for 2026 at its December 2025 meeting by motion. During the meeting, staff identified a conflict on what would be the regularly scheduled November meeting date of November 11, 2026, the Veterans Day holiday which SVCE observes. Following discussion, the Board agreed to meet Friday, November 13, 2026 at 3:00 p.m.

ANALYSIS & DISCUSSION

Since the November 13, 2026 meeting does not reflect the regular meeting schedule of the second Wednesday of the month, the meeting is considered a Special Meeting. Staff would like to bring items to the November meeting that are required by the Brown Act to be discussed and/or approved at a Regular Meeting, including the Chief Executive Officer's annual evaluation and a potential fifth prepay.

By adding this date to the regular meeting schedule via resolution, the meeting will be adopted as a regular meeting where the items mentioned can be discussed.

Staff plan to bring back an additional amendment to the regular meeting schedule resolution to amend the meeting location once the new SVCE headquarters are complete and the building is ready to host public meetings.

STRATEGIC PLAN

Amending the schedule to add a necessary regular meeting date supports SVCE's overall Strategic Plan.

ALTERNATIVE

If the Board chooses not to adopt the amended resolution to include the November meeting date, there is potential for SVCE to not meet critical deadlines to participate in a fifth prepay, and the Chief Executive Officer evaluation discussion would need to be moved to the end of the year.

FISCAL IMPACT

No fiscal impact as a result of adding the November 13, 2026, meeting to the regular meeting schedule.

ATTACHMENT

1. Resolution 2026-16 Amending the Regular Meeting Schedule to Include November 13, 2026, at 3:00 p.m.

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2026-16

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY AMENDING THE REGULAR MEETING SCHEDULE OF THE AUTHORITY BOARD TO INCLUDE NOVEMBER 13, 2026, AT 3:00 P.M.

RECITALS

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

WHEREAS, pursuant to Section 4.10 of the Silicon Valley Clean Energy Authority Joint Powers Agreement, the Board of Directors of the Authority may fix, by resolution, the date upon which, and the hour and place at which, each regular meeting of the Authority Board is to be held;

WHEREAS, the Authority established a regular meeting schedule and identified a regular meeting location by Resolution 2016-14; and

WHEREAS, the Authority adopted Resolution 2025-14 in August 2025 to amend the regular meeting location to the Sunnyvale Civic Center;

WHEREAS, the Authority wishes to add a regular meeting date of November 13, 2026, at 3:00 p.m. to the regular meeting schedule;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY RESCINDS RESOLUTION 2025-14 AND HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The regular meetings of the Board of Directors of Authority shall be held on the second Wednesday of each month at the hour of 7:00 p.m. at the Sunnyvale Civic Center, located at 456 W. Olive Avenue, in Sunnyvale, California, with the addition of a regular meeting on November 13, 2026, at the hour of 3:00 p.m.

ADOPTED AND APPROVED this 14th day of October 2026, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Hines				
City of Cupertino	Director Wang				
City of Gilroy	Director Hilton				
City of Los Altos	Director Meadows				

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Director Rennie				
City of Milpitas	Director Barbadillo				
City of Monte Sereno	Director Mekechuk				
City of Morgan Hill	Director Turner				
City of Mountain View	Director Showalter				
County of Santa Clara	Director Lee				
City of Saratoga	Director Page				
City of Sunnyvale	Director Klein				

_____
Chair

ATTEST:

_____
Clerk

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1d

Item 1d:	**Adopt Resolution Adopting an Official Bond in Compliance with California Government Code Section 6505.1**
From:	Monica Padilla, CEO
Prepared by:	Michael Callahan, General Counsel
Date:	10/14/2026

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy Authority ("SVCE") Board of Directors ("Board") adopt Resolution 2026-17 adopting an official bond in compliance with California Government Code ("Code") section 6505.1.

BACKGROUND

Pursuant to Section 4.11.3 of the SVCE Joint Powers Agreement ("Agreement"), the Board of Directors of SVCE may require the Treasurer to file an official bond in an amount to be fixed by the Board. Code section 6505.1 also mandates the Board to require officers and persons who have charge of, handle, or have access to any property of the Authority to file an official bond in an amount to be fixed by the Board. The Agreement requires the cost of bond to be borne by the Authority.

ANALYSIS & DISCUSSION

The obligation to post a bond is intended to help safeguard against the loss of agency property by individuals in control of such property. While Code section 6505.1 does not mandate any specific amount for the official bond, a $1,000,000 amount appears supported by reference to other jurisdictions. For example, San Diego Community Power recently adopted a $1,000,000 threshold for their official bond. A review of others states with similar obligations is also consistent with this threshold. North Carolina requires at least $50,000 or 10% of the budgeted funds up to a maximum of $1,000,000. Texas requires the amount not to exceed 0.5% of previously budgeted amounts with a $5,000 minimum and a $500,000 maximum. Wisconsin requires doubled the apported tax capped at $500,000. Thus the $1,000,000 figure proposed for SVCE appears generally consistent with similar bonding requirements in other jurisdictions.

Staff recommends relying on SVCE's existing crime insurance policy as an expedient way to satisfy this obligation. SVCE's crime insurance policy limit is currently $5 million and is also intended to help safeguard against the loss of agency property by individuals in control of such property. Since the Agreement requires the Authority to cover the costs of the official bond, designating the crime policy as the master bond is both expedient and efficient from a cost perspective.

STRATEGIC PLAN

Adopting the official bond is consistent with Goal 6 of SVCE's Strategic Plan to maintain healthy financial position; avoid failures in management of market risk, credit risk, liquidity risk, operational risks, and enterprise risks.

Agenda Item: 1d **Agenda Date: 10/14/2026**

ALTERNATIVE

If the Board chooses not to adopt the resolution, there is potential for SVCE to be out of compliance with the requirement.

FISCAL IMPACT

No fiscal impact is expected as a result of adopting the resolution since SVCE is already paying the premiums associated with the crime insurance policy.

ATTACHMENT

1. Resolution 2026-17 Adopting an Official Bond in Compliance with California Government Code Section 6505.1

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2026-17

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY ADOPTING OFFICIAL BOND FOR TREASURER IN COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE 6505.1

RECITALS

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

WHEREAS, pursuant to Section 4.11.3 of the Silicon Valley Clean Energy Authority Joint Powers Agreement, the Board of Directors of the Authority may require the Treasurer to file an official bond in an amount to be fixed by the Board;

WHEREAS, the Board wishes to fix an amount of $1,000,000 at the official bond size;

WHEREAS, the California Government Code Section 1481 allows the Board to use a master bond to satisfy the requirement of Section 6505.1;

WHEREAS, the Board finds it expedient to use the Authority crime insurance policy as a master bond to satisfy Section 6505.1;

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

Section 1. The Board hereby fixes the official bond amount for the Treasurer at $1,000,000 and determines it expedient to use the Authority crime insurance policy as a master bond to satisfy the requirement of California Government Code Section 6505.1.

ADOPTED AND APPROVED this 14th day of October, 2026, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Hines				
City of Cupertino	Director Wang				
City of Gilroy	Director Hilton				
City of Los Altos	Director Meadows				
Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Director Rennie				
City of Milpitas	Director Barbadillo				

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Monte Sereno	Director Mekechuk				
City of Morgan Hill	Director Turner				
City of Mountain View	Director Showalter				
County of Santa Clara	Director Lee				
City of Saratoga	Director Page				
City of Sunnyvale	Director Klein				

_____
Chair

ATTEST:

_____
Clerk

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1e

Item 1e:	**Receive** Silicon Valley Clean Energy **Audit Committee Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Terry McCarthy, Chair, Audit Committee
Date:	10/14/2026

The Audit Committee held its second meeting of calendar year 2026 on Friday, September 11, 2026. The Committee welcomed me as a new member as well as Dat Nugyen of Morgan Hill. Returning members to the committee included Director George Tyson (Town of Los Altos Hills), Committee member Harjot Sangha (City of Gilroy) and Committee member Jessie Kim (City of Los Altos). Four Committee members participated in person, and one was remote.

Chief Financial Officer (CFO) Amrit Singh provided a verbal report that included an update on the approval from the Board of Directors to change Silicon Valley Clean Energy's (SVCE) fiscal year to a calendar year, noting the upcoming audit would be the last to cover the October 1 – September 30, 2026 fiscal year, and the stub period between SVCE's old fiscal year (ending September 2026) would be combined with SVCE's new fiscal year full calendar period (ending December 2027) to cover 15 months. CFO Singh provided information on the timing of the next meeting of the Committee.

The first action item on the agenda was the selection of a Chair of the 2026 Audit Committee. The former Chair, Director Bryan Mekechuk, resigned from the Committee in June 2026 following the completion of the 2024-25 financial audit. The Audit Committee selected me to serve as Chair for 2026.

The next item on the regular calendar was the financial audit kick-off, which was provided by Kellin Gilbert of Sorren. Mr. Gilbert reviewed the audit timeline, the roles and responsibilities of management and the auditor, the risk assessment procedures, and significant audit areas of focus. Mr. Gilbert and SVCE staff responded to questions on internal controls and auditing procedures. The Committee and staff discussed the content of the engagement letter from the auditor, and staff noted the letter would be circulated to committee members. The audit committee and management discussed the auditor and audit engagement approval process. They agreed that the audit scope and letter would be reviewed by the committee before management's final approval.

The last item on the agenda was a Closed Session item on a threat to public services or facilities, which was led by Director of Operations Nik Zanotto. There was no reportable action from Closed Session.

Materials from the Audit Committee meeting can be found at the following link: SVCE Audit Committee Meeting, 9/11/26.

The next meeting of the Audit Committee is anticipated to be in January 2027, and the exact date will be determined by Audit Committee member availability; materials will be posted no later than 72 hours in advance of the meeting.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1f

Item 1f:	**Receive Additional Silicon Valley Clean Energy Committee Reports**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Andrea Pizano, Sr. Executive Assistant and Board Clerk
Date:	10/14/2026

There is no report for the Executive Committee, Finance and Administration Committee, and 2026 Legislative Ad Hoc Committee, as they have not met since the last report. Committees are planned to meet on the following:

- Executive Committee: Fri., October 23, 10 a.m.
- Finance and Administration Committee: Fri., October 30, 1 p.m.
- 2026 Legislative Ad Hoc Committee: Mon., November 2, 1 p.m.

Materials for the Executive Committee and Finance and Administration Committee will be posted 72 hours in advance of the meeting date.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1g

Item 1g:	**Receive California Community Power Report**
To:	Silicon Valley Clean Energy Board of Directors
From:	Monica Padilla, CEO
Date:	10/14/2026

Per direction from the Silicon Valley Clean Energy (SVCE) Board of Directors (Board) on December 9, 2020 for the Chief Executive Officer 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, September 16, 2026.

Attached is a September summary report from General Manager Alex Morris; materials from the September board meeting can be found here on the CC Power website: CC Power Meeting, 9/16/26

The next meeting of the CC Power board will be October 21, 2026 at 1:00 p.m.; meeting materials can be found on the CC Power website: https://cacommunitypower.org/meetings/

ATTACHMENT

1. CA Community Power Board Meeting Summary from General Manager Alex Morris, September 16, 2026

California Community Power

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

TO: Board of Directors and Alternates **DATE:** 9/17/26
FROM: Alex Morris – General Manager
SUBJECT: **Report on Regular Board of Directors Meeting – September 16, 2026**

The California Community Power (CC Power) Board of Directors held a meeting on September 16, 2026, via Zoom. Details on the Board packet, presentation materials, and public comment letters (if any) 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:

- **Consent Agenda:** The Board approved the following items:
  - Minutes of the Regular Board Meeting held on May 20, 2026
  - Receipt of 2025-2026 Annual Financial Statements (unaudited)

- **Regular Agenda Items**:

  - **Internal Assessment of Financial Operations and Practices – *Information Item*:** The Board received information about a review of CC Power's internal financial operations and practices. This review was timed to allow review of financial practices in CC Power prior to and following the first payments, invoices, and member project-account tracking of CC Power's first online power project (Tumbleweed Energy Storage Project), which came online June 1, 2026, and which involves millions of dollars in recurring financial transactions. The review found that policies, procedures, controls, and invoicing efforts are sound and being followed. The assessment identified that CC Power, serving multiple members through various projects, may need multiple ways to communicate financial information to members and the Board. Banking, audit, accounting, and budgeting practices were also reviewed and deemed sufficient. Enhancements to financial dashboards and information sharing around financial matters are being pursued. Following this assessment, CC Power will now seek to fill a permanent Fractional CFO role to manage internal financial operations. This role was anticipated and included in the Board-approved budget.

  - **Strategic Plan Development and Implementation – *Information Item*:** The Board received an update on a near-final draft of the 2026–2030 Strategic Plan. The plan is designed to guide CC Power's efforts to originate, offer, and manage joint projects for member CCAs based on the 2025 Board-approved strategic priorities. The draft plan provides strategic direction for each priority, including guiding principles, goals and outcomes, needed competencies, and related considerations. Board members were asked to provide final input, if any, on the draft plan. A finalized plan is expected to be considered for adoption by the Board later this year.

- **Member Forum – *Information Item*:** The Board received information about the October 29th, 2026, Member Forum. This in-person event will take place at SVCE's offices and will allow for discussion on implementation-level matters associated with the Strategic Priorities.

- **General Manager Report:** The Board was briefed on 1) financial performance, 2) power project updates, 3) project origination updates, 4) administrative updates, 5) contracts entered, and 6) upcoming Board meetings.

- **Closed Session Item(s)**:

  - **Public Employee Performance Evaluation matters.** No reportable Board action occurred.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 1h

Item 1h:	**Receive California Community Choice Financing Authority Report**
To:	Silicon Valley Clean Energy Board of Directors
From:	Monica Padilla, CEO
Date:	10/14/2026

The California Community Choice Financing Authority (CCCFA) is a Joint Powers Authority established to reduce the cost of power purchases for CCAs through pre-payment structures. Silicon Valley Clean Energy (SVCE) was a founding member in 2021, along with Central Coast Community Energy, Clean Power Alliance, Ava Community Energy (formerly East Bay Community Energy), and Marin Clean Energy. This report is intended to provide an update on the monthly meetings of the CCCFA Board.

The CCCFA held two meetings in September: 1) a Special Meeting on Tuesday, September 15, 2026 and 2) a regular board meeting on Thursday, September 24, 2026 and addressed the following:

- Special Meeting: consideration of approval of a resolution authorizing the execution and delivery of one or more interest rate swap agreements in connection with the issuance of one or more series of Clean Energy Project Revenue Bonds to finance the acquisition of long-term supplies of electricity for Clean Power Alliance of Southern California;
- Minutes from the previous meeting and consideration of approval of a resolution adopting a fee schedule for membership, prepayment projects and the allocation of general and administrative costs on the Consent Calendar;
- Receiving and filing of the audited financial statements as of December 31, 2025 and 2024;
- Consideration of approval of a resolution authorizing the issuance of one or more series of Clean Energy Project Revenue Bonds in an aggregate principal amount not to exceed $1,700,000,000 to finance the acquisition of a long-term supply of electricity for Central Coast Community Energy and other matters relating thereto;
- Consideration of approval of a resolution approving San Diego Community Power as a Governing Member of CCCFA;
- Consideration of approval of a resolution approving annual meeting policies and procedures; and
- An update from the General Manager's Working Group.

Materials from this meeting can be found on CCCFA's website: CCCFA Special Meeting, 9/15/26; CCCFA Regular Meeting, 9/24/26

The next meeting of the CCCFA board will be October 22, 2026 at 1:00 p.m.; meeting materials can be found on the CCCFA website: https://www.cccfa.org/board-meetings.html

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 2

Item 2:	**CEO Report**
To:	Silicon Valley Clean Energy Board of Directors
Prepared by:	Monica Padilla, CEO
Date:	10/14/2026

REPORT

Staff Update

Nima Karimi
Silicon Valley Clean Energy (SVCE) welcomed Nima Karimi, Key Accounts Manager for the Customer Success Department on September 14, 2026. Nima joins SVCE from his previous role at Commercial Energy, an Oakland-based Electricity Services Provider (ESP), where he led business to business energy sales and energy efficiency consulting as a Director of Sales. Bringing more than a decade of experience to the new Key Accounts position, Nima will interface with our top Commercial and Industrial customers while helping to guide the development of our custom product offerings for C&I customers.

My Tran
My Tran is a recent Minerva University graduate in Data Science, with a focus on geospatial data for climate applications. My is joining SVCE as the Decarbonization Data Analyst for the Finance, Analytics, and Data Department as a Climate Corp Fellow on October 12, 2026. My will primarily be supporting the integration of programs enrollment data into RADaR.

Jessamyn Allen
Jessamyn Allen will be continuing her SVCE journey in a new role on the Regulatory, Policy, Planning, and Legislative department as the Decarbonization Planning & Strategy Manager! This promotion is effective Monday, October 12, 2026. Jessamyn was selected as the top candidate in a highly selective recruitment process. She brings a wealth of knowledge, expertise, and industry relationships to the role that will help SVCE meet its mission.

Sanjay Natu
SVCE's former employee, Sanjay Natu, passed away in early September 2026. Sanjay came to SVCE after having spent decades working in Silicon Valley. As a retiree of Intel, he was given an opportunity to select a new interest in post-retirement. As a long-term resident of Los Altos, he selected SVCE as he wanted to learn about clean energy and electrification and help make a difference in his community. During his time at SVCE, he helped develop tools to track progress on strategic planning initiatives, assisted the team in developing demand flexibility and virtual power plant solutions, and tracked emerging innovations in clean energy and technologies.
Beyond his contributions to the agency's work, Sanjay enjoyed participating in the SVCE book club and valued the friendships and connections he built with his coworkers. Sanjay left SVCE at the beginning of January 2026. He is survived by his wife and children. He will be remembered for his curiosity, thoughtful contributions, and commitment to advancing a cleaner energy future.

Personnel Officer Update
Vacancies & Recruitment

Vacancies
SVCE has four open positions, with a fifth opening anticipated on the Programs team following the recent staff promotion. Three of the positions are backfills for departed staff. The fourth position, Facilities Manager, is a newly created position approved by the Board at the September 2026 meeting and has not yet entered Recruitment.

Recruitment
SVCE is currently recruiting for three full-time roles: Manager of IT (screening stage), Senior Manager, Accounting/Controller (application stage), and Senior Manager, Finance, Planning, & Analysis (application stage). Job postings for positions in the application stage can be found on SVCE's website: Current Job Openings

Power Resources & Clean Energy Update
The current expected clean percentages for SVCE have not changed from last month. For 2026, it is 107% which is an estimate based on projected load and resources. For 2027, SVCE is expected to be 102% clean. For 2028, the expected clean position is 90%.

In September, SVCE continued negotiations with counterparties shortlisted in its 2026 New Build and 2026 Queue Cluster 16 Request for Offers. SVCE also held a solicitation to purchase & sell CAISO energy via Inter-SC-Trades (ISTs). The solicitation was launched on September 28 and closed on October 1. The agency was seeking energy transactions for winter 2026-2027 and summer 2027. The agency received offers and contracted with the successful counterparties. The transaction(s) were executed under board-delegated authority. Attachment 1 provides a summary of clean energy procurement and development progress.

Budget and Financial Outlook Update
Treasurer's Report: The Board packet includes the Treasurer's report (Item 1c), which indicates that SVCE's Total Net Position increased from $532.2 million to $532.4 million compared to the prior month's report, reflecting SVCE's $191 thousand net income in August, which was $875 thousand larger than the -$685 thousand monthly net loss anticipated in the Mid-Year budget.

Customer Success Department Updates

Recent Electrification Events

Silicon Valley Clean Energy recently participated in several events that helped amplify the importance of electrification. The events were an opportunity to reach new audiences, and help dispel common myths about heat pumps.

Clearing the Air on Heat Pump Adoption: Benefits to Bay Area Homes, Health, and Climate – Silicon Valley Clean Energy and SPUR hosted a moderated panel discussion focused on the region's proposed transition away from gas-fired water heaters and furnaces. Panelists addressed what the science shows about outdoor air quality and health, what installing a heat pump appliance actually involves, how cities and utilities are facilitating the transition, and what the transition means for homeowners and the contractors doing the work.

The event was moderated by Laura Klivans, an award-winning science and climate reporter for KQED News. Panelists included Zoe Elizabeth Director of Decarbonization Policy and Community Strategies at Silicon Valley Clean Energy; Dr. Lisa Patel, Clinical Associate Professor of Pediatrics, Stanford University, Executive Director, Medical Society Consortium on Climate and Health; Nik Kaestner, Senior Building Decarbonization Coordinator, SF Environment Department; as well as a contractor who designs and advises on all-electric homes and an SF homeowner who went all-electric without a panel upgrade. The full event can be viewed on the SVCE YouTube.

Modern Luxury Best of Silicon Valley



Silicon Valley Clean Energy was a presenting sponsor for the Modern Luxury Magazine Best of Silicon Valley event on September 26. At this event, SVCE recognized two organizations that are helping to build a healthier Bay Area, specifically those working to advance electric living. The awardees were Bronwyn Barry, a local architect/designer focused on passive home design and SunWork, a local non-profit that installs heat pump water heaters and solar through trained volunteers with a mission of making decarbonization more affordable. SVCE also had a lounge at the event with an induction chef demonstration on a Copper range, a display heat pump water heater, display heat pump HVAC, and a new SVCE magazine highlighting the benefits of electric living which features an interview with Dr. Lisa Patel.

Carroll Inn Residents Celebrate as SV Clean Energy Multifamily Gap Funding Grant Project is Completed

On September 18, SV Clean Energy joined MidPen Housing to celebrate the completion of a $2.7M multi-phase all-electric rehabilitation project at Carroll Inn Apartments, an affordable housing community in Sunnyvale, CA. The property, built in 1994, illustrates how existing multi-unit properties can partake in the transition to an equitable, clean energy future. The interior and exterior upgrades expand access to the benefits of electrification, enhance accessibility of the units, and improve overall comfort for residents. The project stacked local, state and federal funding programs, but there was still a funding gap. SV Clean Energy provided a $450,000 grant to fill this gap, covering key electrification measures. At the rededication event, residents cheered for the heat pump HVAC systems funded by the grant, as the new equipment added air conditioning for the first time to the 122-unit property. Read more in the press release.



Built for the Bay Trades

On September 23, SVCE tabled at Built for the Bay, an invite-only career exploration day at Levi's Stadium for high school students from across the Bay Area. Students tried hands-on trade activities, met employers, and learned about apprenticeships and training programs. SVCE staff talked with more than 350 students about clean energy careers, including the electricians, HVAC technicians, and installers who put in heat pumps and other electric equipment. Growing this local workforce is key to making home electrification affordable and accessible across SVCE's communities. The event was presented by Chisel Industries in partnership with the San Francisco 49ers Foundation.

Press and Media

Press Releases

- Carroll Inn Rededication Celebrates $2.7 Million All-Electric Rehabilitation Project, 9-22-26

Media Mentions

- SVCE and the city of Los Altos offer electrification rebates, Los Altos Town Crier, 9-13-26
- A Smarter Blueprint for Healthy Living, Modern Luxury Silicon Valley, 09-25-26
- Carroll Inn Apartments Rededication Celebrates $2.7M All-Electric Rehabilitation Project, YieldPro, 09-27-26
- Bay Area officials are banning new gas water heaters. Have they made the switch in their homes?, SF Chronicle, 09-27-26
- Sunnyvale's Carroll Inn renovation brings air conditioning to 122 affordable homes, The Mercury News, 10-04-26

Recent & Upcoming Events

October 6 – Bay Area Faith Leaders Clean Air Event - Panel presentation - 6:00 p.m. – 7:30 p.m. - Virtual	**October 10 – Green@Home Tour** - Sponsorship - 11 a.m. - 3 p.m. - Peninsula and South Bay Area homes
October 17 – Day on the Bay - Sponsorship and tabling - 10 a.m. - 2 p.m. - Alviso Marina County Park, 1195 Hope St, Alviso, CA 95002	**October 24 – Breathing Room Summit** - Sponsorship - 8:30 a.m. - 2 p.m. - Stanford's Cardinal Hall, 505 Broadway, Redwood City, CA 94063
October 24 – La Ofrenda - Dream Home and sponsorship - 1 - 7 p.m. - Downtown Gilroy	**October 27 - Power Up Your Skills: Split Heat Pump Water Heater Training & Fair** - Sponsorship & Presentation - 8:30 a.m. - 12:30 p.m. - San Jose City College, 2100 Moorpark Avenue, San Jose, CA 95128
October 31 – Lakewood Library Grand Opening - SVCE grant ribbon cutting - 10 a.m. - 5 p.m. - 456 W. Olive Ave., Sunnyvale, CA 94086	**November 5 - Chinese Heat Pump Water Heater Training** - Sponsorship - 2 p.m. - 5 p.m. - Quinlan Community Center, 10185 North Stelling Road - Cupertino, CA 95014

Hanford Fund Update

Staff is working on providing the Board with an update on the Hanford Fund, expected at the December board meeting. For background, the SVCE Board of Directors adopted a resolution approving the Hanford Hybrid Plant Emissions Mitigation Fund and Guidelines, which were to be deployed to benefit low-income or disadvantaged communities in the geographical region where the Hanford Hybrid Energy Center is located in Kings County, CA. In 2025, the SVCE board approved contracts to provide grant funding to two non-profit organizations. Kings

Community Action Organization is using SVCE Hanford Mitigation Funds to help weatherize homes for low-income community members. Self-Help Enterprises is providing community outreach services to connect residents in affordable housing communities with services to lower energy bills and electrify affordable housing properties.

Regulatory & Legislative Update

Regulatory:

Power Charge Indifference Adjustment (PCIA): On September 23, 2026, the California Supreme Court granted CalCCA's Petition for Review of the PCIA Track 1 Decision. Track 1 concluded in 2025 and concerned the methodology for calculating the market-price benchmark for resource adequacy attributes. CalCCA appealed the retroactive application of the methodology to 2025 rates. The appeal now goes back to the Court of Appeal, Third Appellate District, which had previously denied hearing the appeal, with directions to accept CalCCA's Writ Petition and hear the case.

Legislative:

At the state level, AB 1761 (Rogers) on data transparency around the Power Charge Indifference Adjustment (PCIA), a CalCCA-sponsored and SVCE-supported bill, unfortunately was vetoed by the Governor. The Governor said there are existing processes to obtain this data at the California Public Utilities Commission and that he was concerned about releasing market-sensitive information.

The Governor signed SB 868 (Wiener), which will eliminate the need for residents to receive an interconnection agreement with their Investor-Owned Utility to install portable solar systems, otherwise known as balcony solar units.

The Governor signed AB 2383 (Zbur), which provides rules for load-serving entities, including CCAs for large data center generation tariffs. SVCE worked closely with CalCCA to amend the bill to make it workable. SVCE staff is closely reviewing the final rules. More will be coming to the Board on implementation.

On the federal level, Congress released text for a negotiated deal on permitting reform for energy projects. This includes streamlined permitting for transmission and geothermal projects, federal permitting certainty for already approved energy projects, and requirements for transmission owners to ensure there is no cost-shifting for data centers. Congress is expected to vote on this bill after the midterm elections in November.

Attachment 2 contains a summary of current regulatory proceedings and legislative initiatives SVCE staff are either participating in or monitoring.

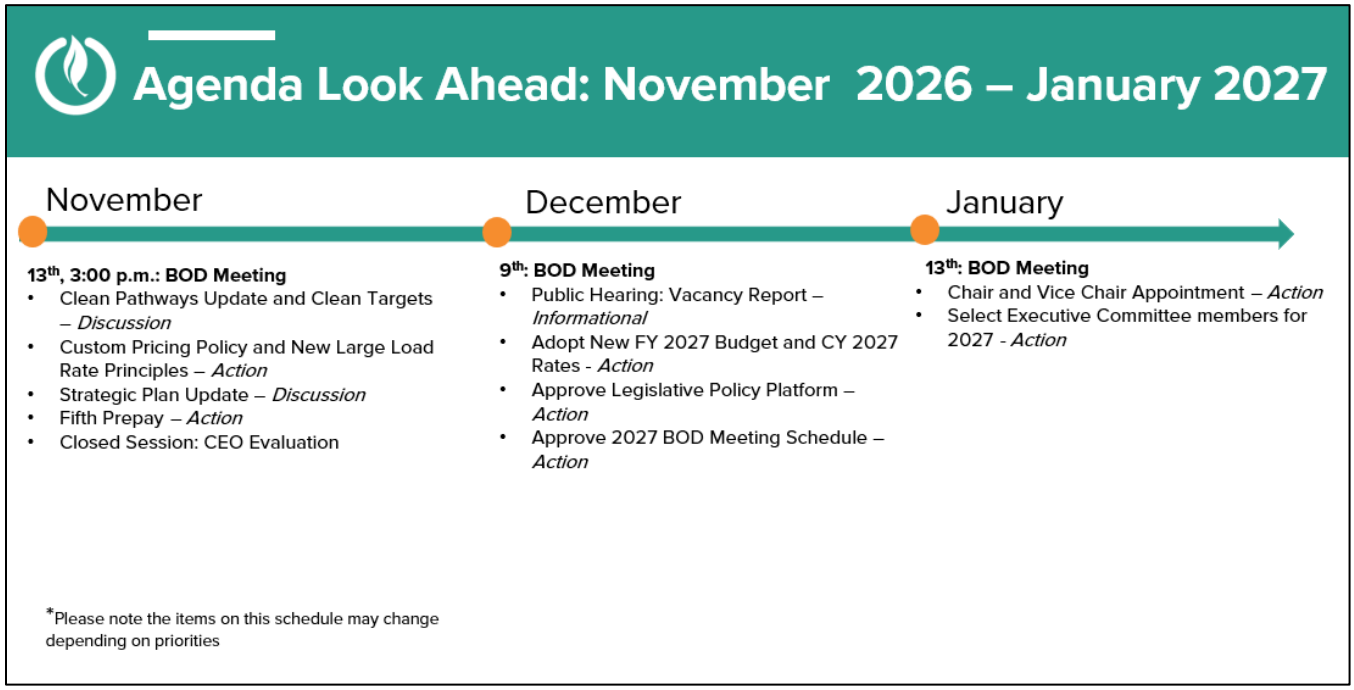
New SVCE Headquarters

Construction on the new SVCE Headquarters started in February. The project is now moving through the final inspection stages. A small number of staff are working on setting up the space. If inspections clear as expected, SVCE will begin moving staff into the building in October. Staff will continue to be fully remote until move-in. The project remains on budget. SVCE will host a ribbon-cutting event on October 14th, prior to the Board Meeting.

Look Ahead Update

Staff continues to plan for Board and committee meetings for the remainder of the year into 2027. Below is a preview of what's ahead for the Board from November 2026 through January 2027:

Agenda Item: 2 **Agenda Date: 10/14/2026**



Upcoming Events

1. October 23rd, 8:30 am – 2 pm: Breathing Room: A summit on health, indoor air quality, and residential stoves
2. December 9th, 4 to 7 pm: Holiday Party, End-of-Year Celebration & SVCE's 10-year Anniversary Kick-off

ATTACHMENTS

1. SVCE Clean Power Update, October 2026
2. Regulatory and Legislative Update, October 2026

Exhibit 1 - CEO Agreements Executed Under Delegated Authority

The following agreements have been executed by the CEO or their delegate, consistent with the authority delegated by the Board, which allows for $250,000 per vendor per fiscal year:

Type	Consultant	Description	Compensation	Authority
Amendment	Evergreen Economics	Residential Rebate and Advisory Program Evaluation	Increased NTE to $278,322	CEO Spending Authority
Amendment	City of Mountain View	Reimbursement Agreement	increased NTE to $1,000,000	BOD Approved 3/2026
Agreement	Chapman and Cutler	Legal Services	NTE - $15,000	CEO Spending Authority
Agreement	Allied Landscape Services, LLC	Landscape Services	NTE - $15,000	CEO Spending Authority
Agreement	Bamacor, Inc	Custodial Services	NTE - $50,000	CEO Spending Authority
Agreement	Lattice	Added Survey Function	NTE - $3,702	CEO Spending Authority
Agreement	Minuteman Press Santa Clara	Printing Services	NTE - $80,000	CEO Spending Authority
Agreement	Karla Dailey	Consulting Services	NTE - $40,000	CEO Spending Authority
Agreement	Braun Blasing Smith Wynne	Legal Services	NTE - $165,000	CEO Spending Authority
Agreement	SEE CHANGE INSTITUE	Pilot Rate Program Messaging	NTE - $90,000	CEO Spending Authority
Amendment	PFM Financial Advisors	Financial Advisor Services	No new money	CEO Spending Authority
Amendment	Gridwell Consulting	CAISO Tech Support and Integration of Electric Resource Services	No new money	CEO Spending Authority

SILICON VALLEY CLEAN ENERGY

Exhibit 2 - CEO Power Supply Agreements Executed Under Delegated Authority

The following transactions were executed by the CEO or their delegate, consistent with the authority delegated by the Board, under the Board adopted Energy Risk Management Policy:

Counterparty Name	Execution/Effective Date	Transaction Type	Product	Start Date	End Date	Notional Value
Chevron Power Holdings Inc.	9/8/2026	Purchase	Resource Adequacy	1/1/2028	12/31/2028	$1,995,000
NextEra Energy Marketing, LLC	9/2/2026	Purchase	Resource Adequacy	7/1/2027	9/30/2027	$1,575,000
Elk Hills Power, LLC	9/24/2026	Purchase	Resource Adequacy	5/1/2027	10/31/2027	$1,212,000
San Jose Clean Energy	10/5/2026	Purchase	Resource Adequacy	3/1/2027	3/31/2027	$68,875
J. Aron & Company LLC	10/1/2026	Purchase	Hedge Energy	7/1/2027	9/30/2027	$3,033,240
Morgan Stanley Capital Group	10/2/2026	Purchase	Hedge Energy	8/1/2027	9/30/2027	$2,036,580
NextEra Energy Marketing, LLC	10/2/2026	Purchase	Hedge Energy	12/1/2026	6/30/2027	$4,639,524
Google Energy LLC	10/6/2026	Purchase	Resource Adequacy	1/1/2027	12/31/2027	$573,550



CEO Report
Clean Power Update

SVCE Board Meeting
October 14, 2026

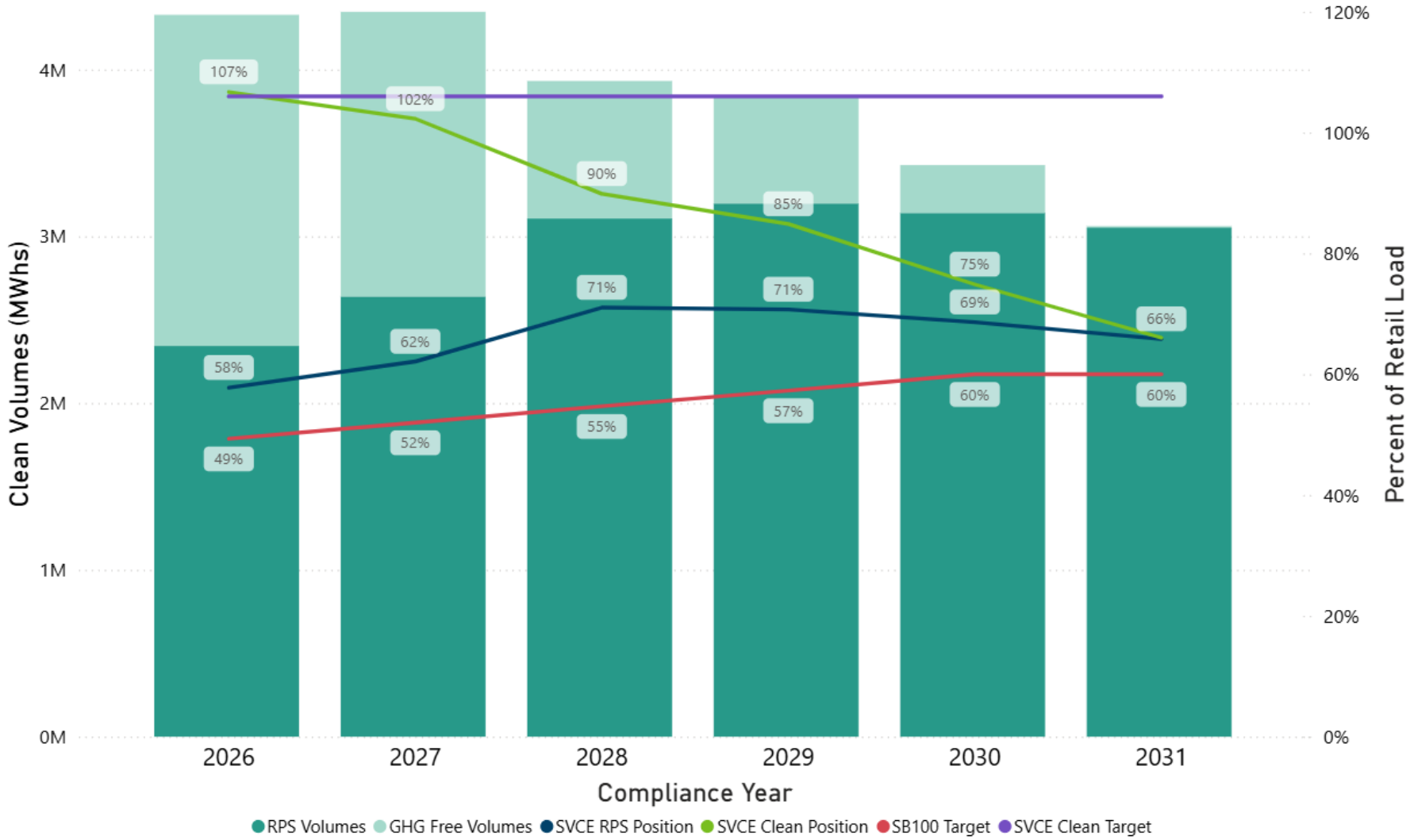
SILICON VALLEY CLEAN ENERGY

California's Clean Energy Goals

SVCE's procurement targets are primarily driven by regulatory requirements and Board goals

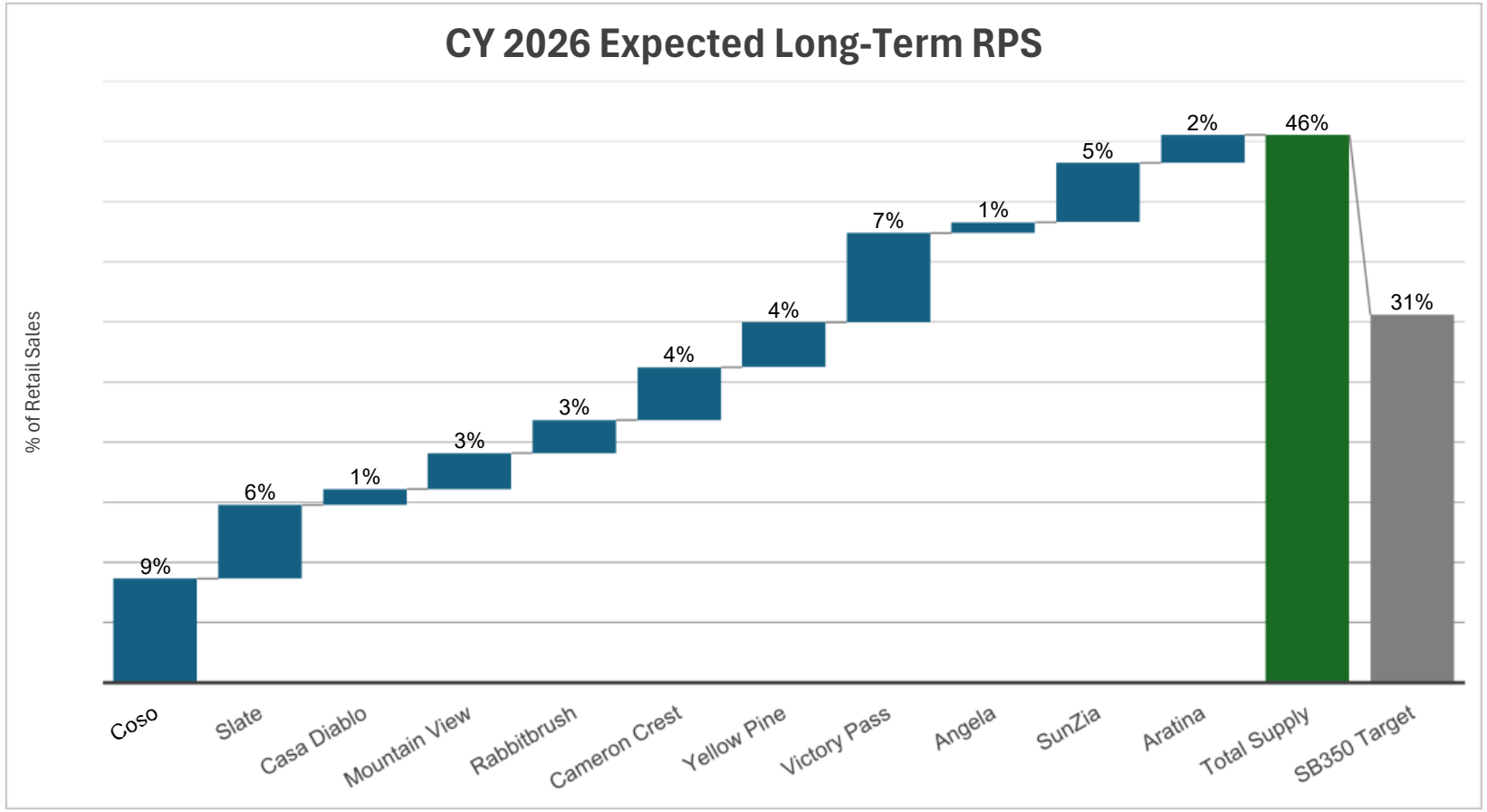
SB100	• 60% Renewable Energy by 2030 • 100% Carbon Free by 2045
SB350	• 65% of Renewable Energy must be from Long-Term (10yr or more) contracts
MTR	• Mid-Term Reliability • Established by the CPUC to focus on securing sufficient online resources to meet expected demand in the coming few years
SVCE BOD	• 100% Clean – annually, with line losses • 75% Renewable by 2030 • 100% Renewable by 2035 (adopted late 2024)

SVCE is On Track to Meet SB100 and Agency Goals for Clean and RPS…



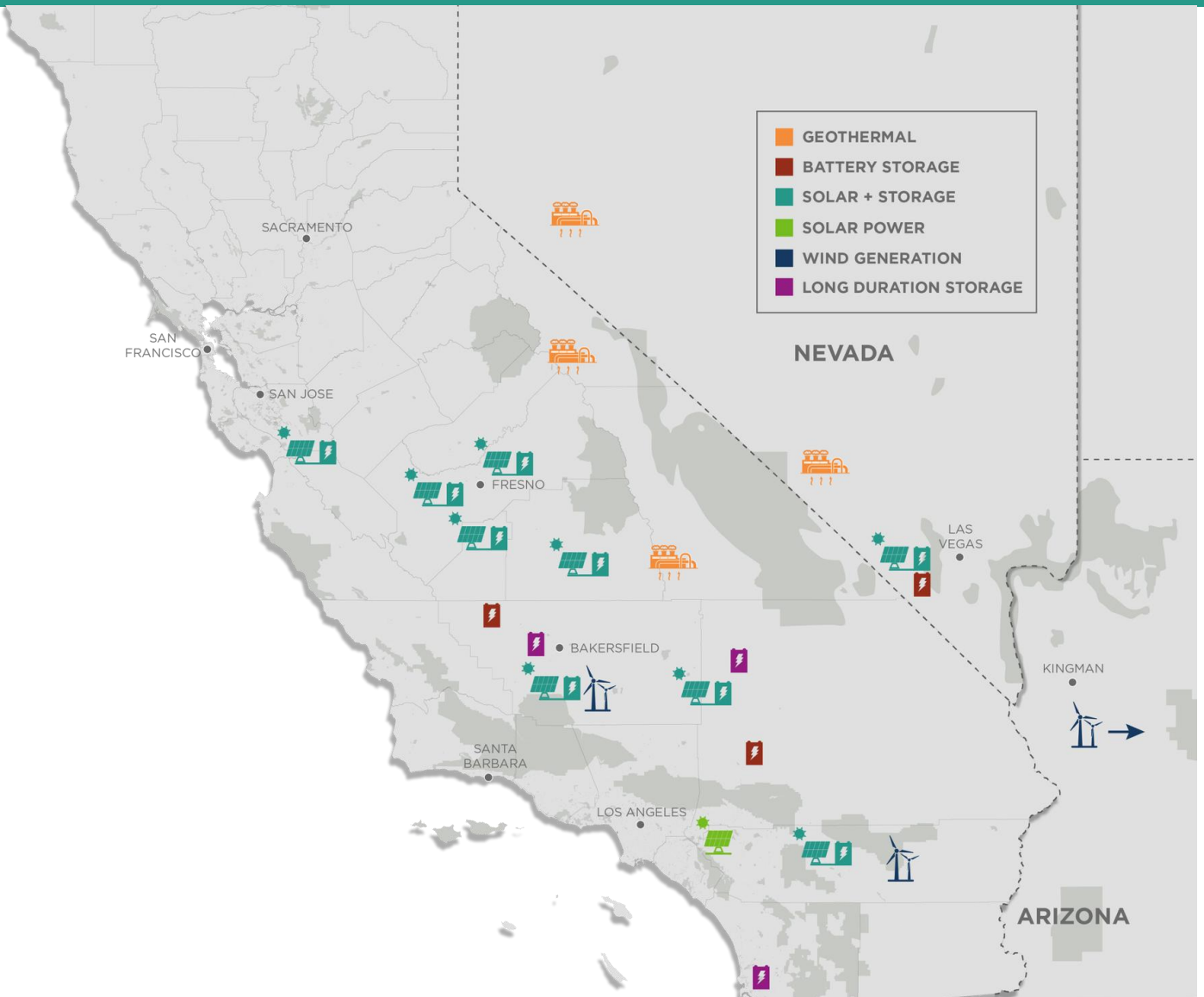
And Making Significant Progress Toward Meeting Long-Term RPS Targets

SB350 is a multi-year compliance period obligation, which has interim annual targets



- **Currently in Compliance Period 5: 2025-2027**

Long-Term Power Purchase Agreements



- $4.2B+ in commitments
- 26 PPAs signed
  - 23 new build projects
  - 17 projects online and delivering
- 1,000+ MW of Renewable Power
- 2,000+ MWh of Battery Storage

Projects online this year:

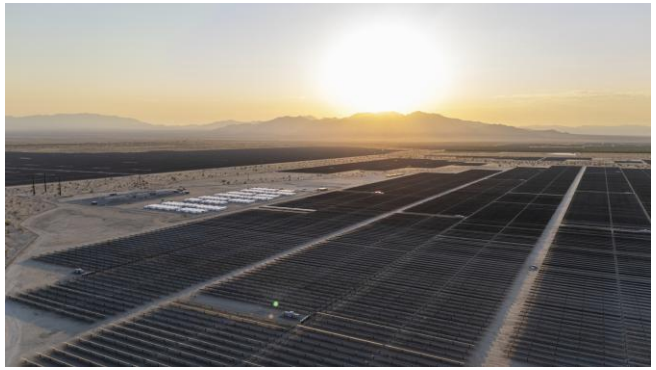
- Angela Solar + Storage – May 2026
- SunZia Wind (4 PPAs) – May 2026
- Tumbleweed LDS – June 2026
- Aratina Solar + Storage – July 2026

Long-Term Contracts: Online

	Seller	Project Name	Technology	Generation MW	Storage MW	Storage MWh	Term (years)	SVCE Board Approval	Online Date
1	MN8	Slate	Solar + Storage	93	46.5	186	17	Oct-18	Jan-22
2	Ormat	Casa Diablo	Geothermal	7.5			15	Feb-20	Jul-22
3	Atlantica	Coso	Geothermal	43.8			15	Mar-20	Jan-22
4	Leeward	Rabbitbrush	Solar + Storage	40	8	20	15	Apr-20	Oct-22
5	NextEra	Yellow Pine	Solar + Storage	50	26	104	20	May-20	Jul-23
6	AES	Mountain View	Wind	33.3			20	Apr-21	Jul-22
7	Clearway	Victory Pass	Solar + Storage	100	25	100	15	May-21	Mar-24
8	Terra-Gen	Cameron Crest	Wind	77.7			15	May-21	Jan-23
9	AES	Baldy Mesa (RA-only)	Storage	0	75	300	10	Sep-22	Jun-24
10	Middle River Power	Hanford	Thermal + BESS	99.4	131.4	131.4	12	Apr-23	Aug-25
11	SB Energy	Angela	Solar + Storage	20	10	40	15	Mar-21	May-26
12	Pattern	SunZia South	Wind	70.2			15	Nov-23	May-26
13	Pattern	SunZia North	Wind	29.8			15	Nov-23	May-26
14	Pattern	SunZia South Incremental	Wind	17.54			10	May-25	May-26
15	Pattern	SunZia North Incremental	Wind	7.46			10	May-25	May-26
16	Rev Renewables	Tumbleweed	Long Duration Storage	0	15.9375	127.5	15	Feb-22	Jun-26
17	Avantus	Aratina	Solar + Storage	80	50	200	20	Jun-20	Jul-26



Casa Diablo Geothermal



Victory Pass Solar + Storage

Long-Term Contracts: In Development

	Seller	Project Name	Technology	Generation MW	Storage MW	Storage MWh	Term (years)	SVCE Board Approval	Status
1	Origis	San Luis West	Solar + Storage	62.5	15.625	62.5	15	Apr-21	Pre-construction
2	Ormat	Geothermal Portfolio	Geothermal	16.75			20	Jun-22	Pre-construction
3	OME	Fish Lake	Geothermal	1.82			20	Jun-22	Pre-construction
4	NextEra	Grace	Solar	120			15	Aug-23	Pre-construction
5	NextEra	Yellow Pine III	Storage	0	24	96	15	Aug-23	Pre-construction
6	NextEra	Yellow Pine III	Long Duration Storage	0	9	72	15	Apr-25	Pre-construction
7	VCI Energy	Garden Green Solar	Solar + Storage	50	50	200	10	Oct-24	Pre-construction
8	Intersect Power	Darden III	Solar + Storage	91.48	91.48	365.92	15	Sep-25	Construction
9	Hydrostor	Willow Rock	Long Duration Storage (Compressed Air)	0	5.7	45.6	20	Jan-26	Construction



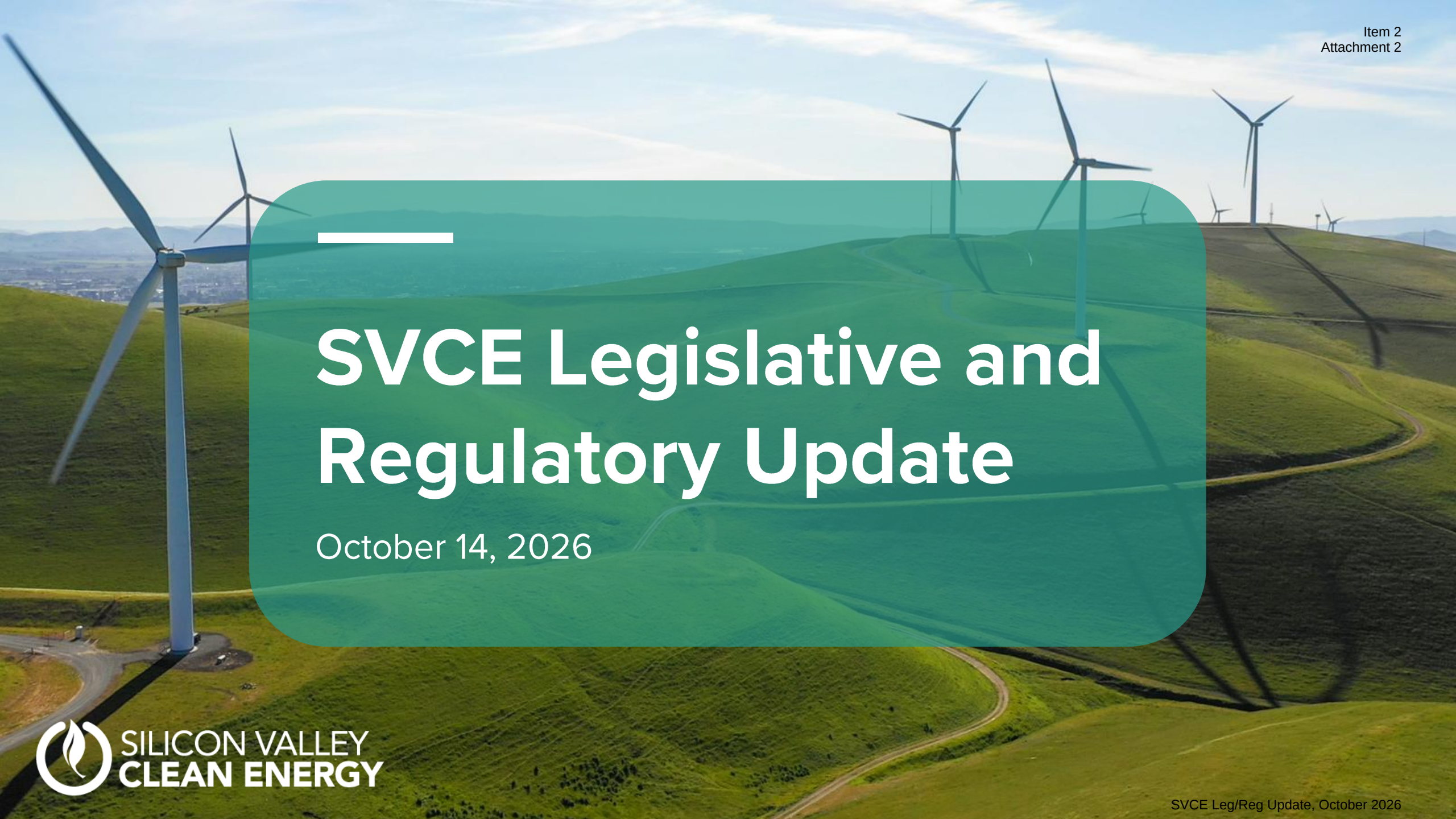
SunZia Wind & Transmission

Clean Energy Resources Online Progress
as of September 25, 2026

2026	• San Luis West Solar + Storage: *Pre-construction - delayed (from 2025)*
2027	• Grace Solar: *Pre-construction* • Ormat Geothermal Portfolio: *Pre-construction* • Fish Lake Geothermal: *Pre-construction*
2028	• Yellow Pine III Storage: *Pre-construction* • Yellow Pine III LDS: *Pre-construction* • Darden: *Construction mode*
2029+	• Garden Green Solar: *Pre-construction* • Willow Rock: C*onstruction mode*

THANK YOU!





SVCE Legislative and Regulatory Update

October 14, 2026

SILICON VALLEY CLEAN ENERGY

Policy Updates

Regulatory Update:

1. Power Charge Indifference Adjustment (PCIA)
2. Timely Energization

Legislative Update:

1. SVCE's Bill Positions
2. 2026 Legislative Calendar



Regulatory Update

Key Regulatory Activities

Activity	Purpose	Status
Power Charge Indifference Adjustment	Proceeding to Update the PCIA Methodology	On September 23, 2026, the California Supreme Court granted CalCCA's Petition for Review of the PCIA Track 1 Decision. Track 1 concluded in 2025 and concerned the methodology for calculating the market-price benchmark for resource adequacy attributes. CalCCA appealed the retroactive application of the methodology to 2025 rates. The appeal now goes back to the Court of Appeal, Third Appellate District, which had previously denied to hear the appeal, with directions to accept CalCCA's Writ Petition and hear the case.
Timely Energization	To improve energization timelines.	On September 9, 2026 Clean Coalition filed a motion in the Timely Energization proceeding requesting that the CPUC reopen the Phase 2 record of the proceeding because new facts and materials have come into existence that affect Phase 2. These facts are statements publicly made by PG&E that they would be reducing 2027 capital spending by $2 billion and there may be delayed or deferred work after Senate Bill 492 (a wildfire cost reform bill) failed to pass this legislative session. SVCE, through its trade association, CalCCA, supported Clean Coalition's motion by filing a response stating that the CPUC should grant the motion because answers are needed as to how the cut in spending will affect PG&E's ability to energize customers and meet Timely Energization requirements.



Legislative Update

SVCE Bill Positions

Bill Number	Summary	SVCE Position	Position Taken Under which Board-Adopted Legislative Platform Policy	Status
AB 1761 (Rogers)	Requires CPUC to share all data used in calculation of the Power Charge Indifference Adjustments to CCAs and other stakeholders.	Support	Affordability and Rates	Governor vetoed
SB 1138 (Padilla)	Requires CPUC to allow load-serving entities to trade Resource Adequacy compliance obligations.	Support	Affordability and Rates	Died

SVCE Bill Positions

Bill Number	Summary	SVCE Position	Position Taken Under which Board-Adopted Legislative Platform Policy	Status
AB 2313 (Berman)	Requires establishment of Gas Distribution Service Line Replacement Alternatives Program to offer financial incentives for zero-emission appliances.	Support	Climate Change/Fuel Switching	Governor signed
AB 2383 (Zbur)	Requires CCAs to set generation tariffs for large data centers that prevent risk and cost shifting to other customers.	Neutral	Do No Harm/Competitive Equity	Governor signed

SVCE Bill Positions

Bill Number	Summary	SVCE Position	Position Taken Under which Board-Adopted Legislative Platform Policy	Status
AB 2748 (Quirk-Silva)	Reverts electric vehicle charging standards to the 2022 state building code for affordable housing developments.	Neutral	Climate Change/Fuel Switching	Died
SB 1265 (Richardson)	Establishes the GoGreen Program as a permanent statewide financing program that offers electrification loans.	Support	Climate Change/Fuel Switching	Died

SVCE Bill Positions

Bill Number	Summary	SVCE Position	Position Taken Under which Board-Adopted Legislative Platform Policy	Status
SB 913 (Becker)	Directs state agencies to enhance market-integrated pathways for aggregated distributed energy resources to qualify as Resource Adequacy.	Support	Clean, Reliable Grid	Governor signed

Key 2026 State Legislative Milestones

- ~~January 5 – Legislature Reconvenes~~
- ~~January 31 – Last day for each house to pass bills introduced in that house in 2025~~
- ~~February 20 – Last day for bills to be introduced~~
- ~~April 24 – Last day for policy committees to hear fiscal bills~~
- ~~May 15 – Last day for fiscal committees to hear bills introduced in that house~~
- ~~May 29 – Last day for each house to pass bills introduced in that house~~
- ~~June 15 – Budget bill must pass by midnight~~
- ~~July 2 – Last day for policy committees to vote on bills~~
- ~~August 14 – 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~~
- November 3 – Statewide General Election

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 3

Item 3:	**Approve the 2027 Integrated Decarbonization Roadmap**
From:	Monica Padilla, CEO
Prepared by:	Zoe Elizabeth, Director of Decarbonization Policy and Community Strategies
Date:	10/14/2026

RECOMMENDATION

Staff requests that the Silicon Valley Clean Energy (SVCE) Board of Directors (Board) approve the 2027 Integrated Decarbonization Roadmap including the 2045 decarbonization goal, targets, principles, priorities, and outcomes summarized in Attachment 1 (with full document in Attachment 2).

EXECUTIVE COMMITTEE RECOMMENDATION

The content proposed for adoption (summarized in Attachment 1) was presented to the SVCE Executive Committee on August 28th, 2026. It was the Executive Committee's recommendation that this content be brought to the Board of Directors for adoption as presented, with no significant modifications or additions.

BACKGROUND

In 2018 SVCE published the "Decarbonization Strategy & Programs Roadmap" (https://svcleanenergy.org/plans-policies-reports/#flipbook-df_39881/1/) a public-facing document outlining SVCE's goals, strategic framework, decarbonization strategy, programs roadmap, and reporting and review structure. This guiding document was created with input from the Board of Directors (BOD), Member Agency Working Group (MAWG), stakeholders, and consultants, and came together in a public-facing document. Core to this document was the identification of greenhouse gas (GHG) emission reduction targets, adopted by the SVCE Board of Directors in December 2018 under Resolution 2018-20, as follows:

- 2021: 30% below 2015 emissions levels
- 2025: 40% below 2015 emissions levels
- 2030: 50% below 2015 emissions levels

These emissions targets were intended to align SVCE with a statewide pathway to carbon neutrality; however, a long-term target beyond 2030 was not adopted as part of SVCE's 2018 roadmap. At the time of the roadmap publication, the long-term statewide emissions reduction target was 80% below 1990 levels by 2050 as set forth in Executive Order S-3-05 (https://www.library.ca.gov/wp-content/uploads/GovernmentPublications/executive-order-proclamation/5129-5130.pdf). Since then, the statewide long-term target has been revised to carbon neutrality by 2045 as set forth by the legislative mandate established by Assembly Bill 1279 (2022) (https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1279).

In addition to GHG reduction targets, the 2018 roadmap identified core program initiatives to help SVCE reach the ambitious GHG reduction targets, as well as more detailed program and operations strategies for implementation.

In August and September of 2025 staff brought an informational presentation to the Executive Committee and Board of Directors, respectively, describing the need to revisit the original document and outlining the goals of the Integrated Decarbonization Roadmap effort, including the following three key deliverables:

1. **Updated roadmap document**
   Sets new decarbonization targets, strategic guidelines around key focus areas, and program milestones to evaluate progress toward our goals over time.
2. **Program evaluation framework**
   Establishes a customized set of metrics to guide investment and track performance of programs toward our goals. This framework will also provide opportunity to prepare for potential future reporting requirements passed down through state legislation.
3. **Reporting guidelines**
   An established cadence and protocol for evaluating and reporting program performance.

Staff returned to the Executive Committee in June of 2026 for further discussion of high-level priorities and tradeoffs. This discussion was informed by stakeholder meetings conducted by SVCE staff throughout the previous year, including:

December 2025: SVCE Board of Directors workshop discussing high-levels values and trade-offs
February 2026: MAWG and Community Leaders workshop on strategic priorities
March 2026: SVCE staff workshop on strategic priorities
April 2026: SVCE Board of Directors presentation on decarbonization pathways and electrification targets
May 2026: Stakeholder expert interviews on strategic priorities and the role of CCAs

Staff analysis and feedback from these stakeholder discussions provided the foundation for developing the decarbonization goal, targets, principles, priorities, and outcomes presented as part of the 2027 Integrated Decarbonization Roadmap.

ANALYSIS & DISCUSSION

Definition of Key Terms

The following terminology is used in the Integrated Decarbonization Roadmap:

Goal: a long-term, measurable, overarching decarbonization objective
Targets: the number of passenger vehicles and building appliances that must be electrified to meet SVCE's long-term decarbonization goal
Principles: core values that guide the SVCE decarbonization priorities, decision making, and resource allocations
Priorities: key recommendations that bridge SVCE's long-term goal with targets and outcomes over the next six years
Outcomes: the results from SVCE investments, such as reduced costs to electrify, that will accelerate market deployment by solving challenges critical to reaching targets
Clean Energy: SVCE measures its clean targets on an annual basis. SVCE defines clean resources to include RPS-eligible resources and carbon-free large hydroelectricity and nuclear energy.

Overview

To meet California's target of statewide carbon neutrality by 2045, all fossil-gas consuming appliances and passenger vehicles will need to be converted to zero-emission technology. Across SVCE's Member Agencies this equates to slightly over one million residential building appliances and passenger vehicles, as illustrated in Figure 1 below, plus tens of thousands of non-residential building appliances and vehicles.

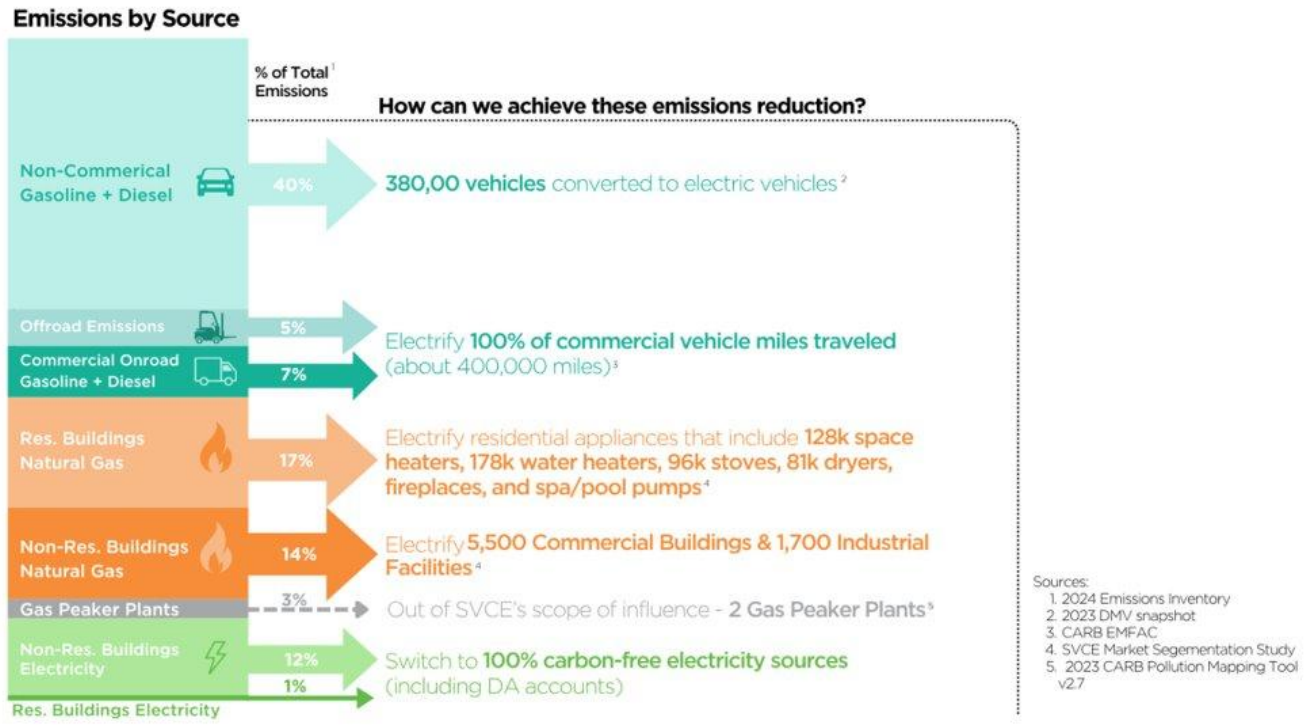


Figure 1. 2024 SVCE service area emissions by source, including two natural gas peaker plants (the Gilroy Energy Center and the Gilroy Cogeneration Project). (Sources: SVCE 2024 Greenhouse Gas Inventory; SVCE's Vehicles dashboard; 2023 CARB Pollution Mapping Tool v2.7; and SVCE 2022 Market Segmentation Study.)

Based on 2024 data, residential building emissions account for 17% of total emissions and non-residential building emissions account for 14% of emissions. While the sectors' emissions contribution is only 3% different, SVCE's direct influence and level of control over those emissions is decidedly unequal. Current SVCE programs influence over 90% of residential building emissions by end-use compared to less than 60% of non-residential building emissions. The reduced influence on non-residential buildings is largely due to lack of electrification solutions readily available in the food service and industrial sectors at present. For this reason, and because interest in non-residential electrification is lagging behind residential, SVCE recommends continuing a greater focus on residential electrification over the next six years, while providing some support for non-residential electrification with the intention to increase support when the market is more mature. Overall building sector emissions by end-use are reflected in Figure 2 below.

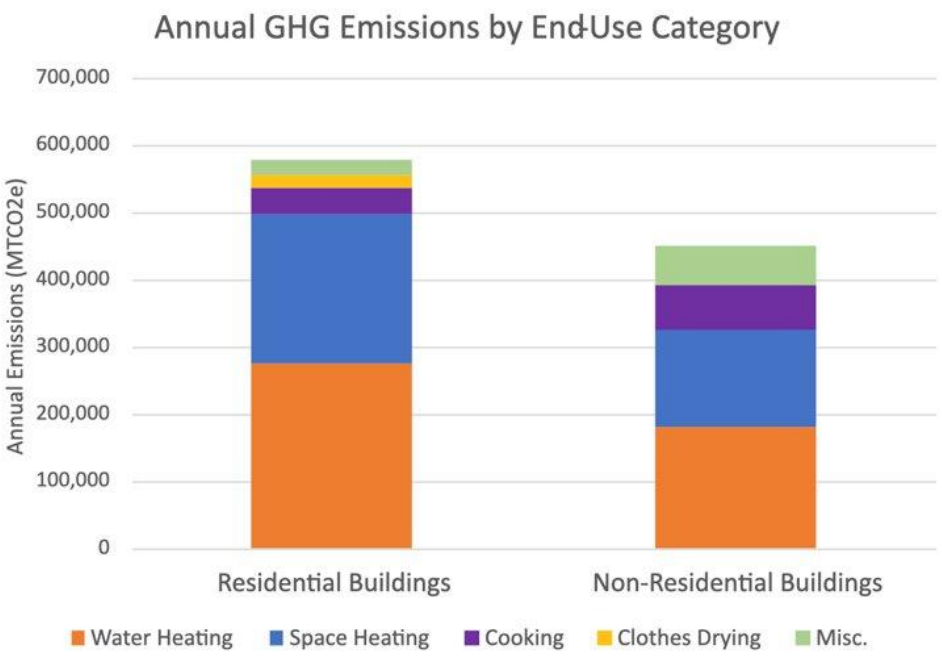


Figure 2. Estimated 2024 SVCE residential and non-residential building emissions by end-use category. (Sources: SVCE 2024 Greenhouse Gas Inventory; CEC Commercial Building End-use Survey; and SVCE 2022 Market Segmentation Study.)

Another significant factor staff evaluated as part of updating decarbonization priorities is technology readiness and adoption levels. Electrification equipment and appliances are experiencing varying rates of market adoption, with differences across sectors even between the same technology. For example, while commercial rooftop HVAC has become firmly established over the previous decades and has reached near-cost parity with packaged gas rooftop HVAC, electric solutions for commercial cooking are still nascent and face significant cost and perception barriers before it can become more established in the market. Evaluation of technology adoption levels is presented in Figure 3, below.

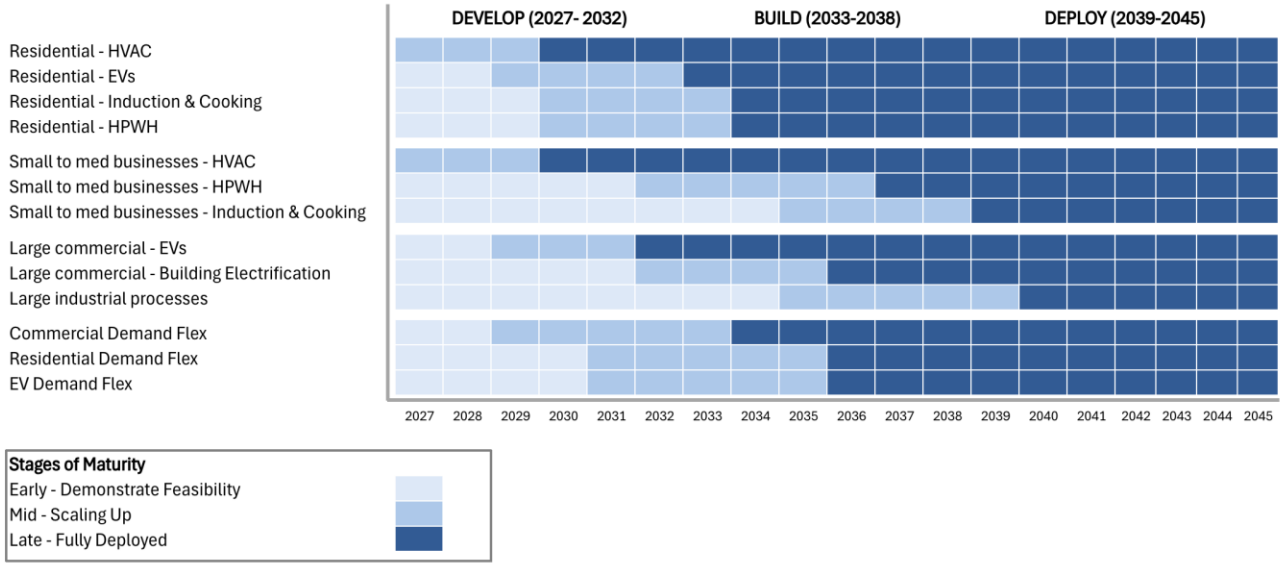


Figure 3. Staff evaluation of technology adoption levels across residential, small-to-medium business, large commercial, and industrial sectors.

Due to the variations in technology adoption levels, staff is recommending a phased approach on the pathway to 2045 consisting of the following four phases and their defining characteristics:

1. **Prove (2020–2026):** test new technologies; launch early programs; support new construction reach code adoption; and incentivize early market growth through rebates.
2. **Develop (2027–2032):** prioritize deploying building appliances and electric vehicles where most feasible to increase demand and lead to overall reduced costs; focus on electric readiness to reduce future retrofit costs; and continued experimentation and policy efforts to reduce barriers to electrification.
3. **Build (2033–2038):** a period of more rapid technological innovation; expand electrification reach beyond early adopters; SVCE programs shift to more targeted and direct investments; and wider market adoption of non-residential electrification.
4. **Deploy (2039–2045):** managed gas transition planning for system-wide decommissioning; build out of EV charging infrastructure to replace current gas station network; and a focus on the hardest-to-electrify sectors including restaurants and industrial process heating.

The rate of emissions reductions will most likely not be linear but instead consist of intermittent plateaus and potentially even short periods of emissions increases. SVCE's current GHG emissions reduction goals established in the 2018 Decarbonization Roadmap were based on a linear emissions reduction between 2025 and 2030 and extending beyond towards 2045, as illustrated in Figure 4 below.

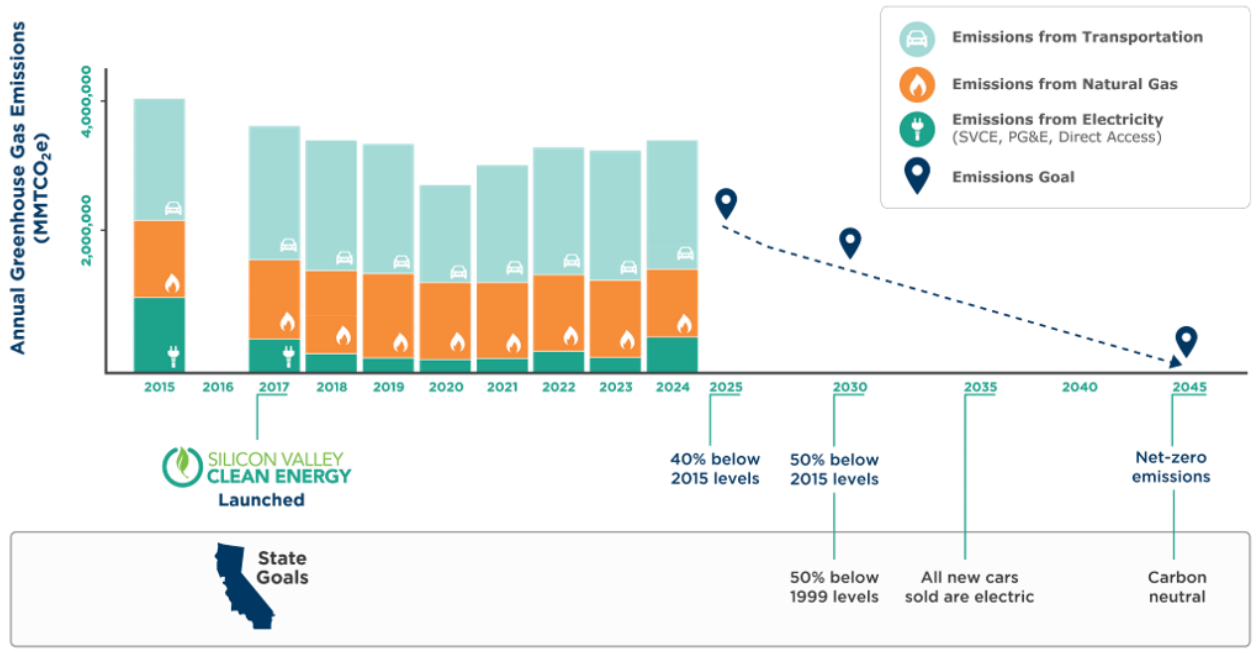


Figure 4. SVCE 2024 GHG Inventory showing emissions levels by sector from establishment in 2017 through 2024, including 2015 levels as a benchmark. Targets for 2025 and 2030 were established as part of the 2018 Decarbonization Roadmap and assumed a linear emissions decrease on the way to long-term statewide decarbonization.

While reducing GHG emissions is at the core of SVCE's founding purpose, tying SVCE's goals to emissions levels, and tracking progress towards these goals, has proven to be challenging and somewhat ineffective. In reality, emissions levels across all SVCE Member Agencies are largely out of SVCE's control and include components clearly outside of SVCE's scope of influence, such as emissions from air travel, off-road vehicles, gas peaker plants, and agriculture. Because of this lack of direct control staff is recommending shifting existing targets from emission levels to number of building appliances and vehicles electrified, as these are quantifiable metrics that can be directly influenced through SVCE programs and policies and tracked over time to monitor progress.

Proposed Goal and Targets

Since the 2018 Decarbonization Roadmap did not establish a goal beyond 2030, staff is proposing adoption of a long-term goal to officially align with current statewide goals, and which includes targets and outcomes that are measurable beyond simply performing an emission inventory.

The proposed 2027–2045 SVCE Decarbonization Goal is as follows:

"Drive the SVCE region to fully electrify every building and vehicle by 2045 and power it with clean energy."

Additionally, staff is recommending the current GHG reduction targets be shifted from emissions reduction percentages to number of building appliances and passenger vehicles electrified. To align with the electrification phases previously described, the targets would be set for six-year periods occurring in 2032 and 2038, with a goal of 100% electrification of all devices by 2045. This approach would be new for SVCE and would require resources to be directed towards further study and evaluation of installed appliance levels to refine targets. Proposed targets were established based on preliminary study of technology adoption levels, in-depth discussion of SVCE's role and influence through a series of stakeholder workshops, as well as detailed electrification scenario modeling to better understand potential rates of electrification throughout SVCE Member Agencies between 2027 and 2045. These initial proposed electrification targets are shown in Table 1 below; however, are subject to change upon further review and study.

	2025 Baseline - Electrified Equipment	2032 Target	2038 Target	2045 Target (100% Electrified)
Light-Duty Vehicles	75,000	**132,000**	**200,000**	**451,500**
Residential HVAC	29,000	**75,000**	**130,000**	**271,000**
Residential Cooking	9,700	**40,000**	**110,000**	**281,500**
Residential Water Heaters	4,000	**35,000**	**85,000**	**252,000**
Commercial HVAC	3,800	**5,500**	**8,500**	**10,500**
Commercial Water Heaters	100	**600**	**2,200**	**6,500**

Table 1. Proposed targets to be adopted as part of the Integrated Decarbonization Roadmap in lieu of the previously adopted interim GHG reduction target for 2030.

Decarbonization Principles, Priorities, and Outcomes

To reach these targets in the broader pursuit of SVCE's 2027–2045 SVCE decarbonization goal, staff proposes the following decarbonization principles to articulate board direction, guide future decision making, and inform program-level staff recommendations:

1. Build a long-term clean power portfolio by pragmatically balancing risks and costs and selectively investing in innovative solutions.
2. Support and partner with member agencies to catalyze emissions reductions and scale decarbonization at a lower cost.
3. Focus on the most cost-effective and market-ready solutions to increase demand, lower costs, and lead to widespread adoption.
4. Scale impact through knowledge sharing from the lessons learned from programs, research, and pilots.
5. Reach all customers through SVCE programs.

To operationalize the decarbonization principles over the next six-year period (2027–2032), staff identified four "top priorities" for 2027–2032. Table 2 describes each priority, the biggest challenge to progress in each area, and strategic recommendations to move SVCE towards success.

Decarbonization Priorities	Challenge Statement	Recommendations (2027–2032)
Where least cost/best fit, integrate local resources and demand flexibility into portfolio planning	Rising load, evolving regulations, and market uncertainty are straining the path to clean portfolio targets. In addition to prudent portfolio management, new solutions, including matching demand closer to supply and the potential to leverage demand as a supply-side resource—could play a small, but important role, in long-term success.	1. Build a process to identify local energy projects that incorporate stakeholder input. 2. Quantify the value of demand flexibility across multiple value streams. 3. Scale demand flexibility when it provides power supply benefits that outweigh the costs, while sharing clear learnings to inform policy and market design.
Lower building electrification costs, especially heat pumps	High upfront costs are the fundamental barrier to adoption. Reduced federal rebates and policy changes magnify this issue, while the forthcoming Bay Area Air District appliance regulations create both additional opportunities and challenges.	1. Take a multi-pronged approach that includes contractor engagement, permit reform, and targeted rebates to increase demand and drive down cost of electrification. 2. Support customers, contractors, and Member Agencies to adapt to the Bay Area Air District zero-NOx appliance standards. 3. Prepare to phase out HVAC incentives as market reaches maturity.
Increase access to affordable, reliable EV charging solutions	The rollback of federal investment and commitments of auto manufacturers will likely slow EV adoption and make the future of EV charging unclear. SVCE needs to continue to support adoption while avoiding high-risk investments.	1. Focus on stable, reliable, long-term charging solutions. 2. Advocate for policy changes that make charging more affordable for multifamily residents. 3. Monitor market changes and adapt programmatic support as needed.
Scale impact through knowledge sharing	The SVCE Board has shown bold leadership and commitment to building a clean energy future. SVCE must leverage lessons learned to transform its commitment to trying new approaches into an invaluable resource that can guide the clean energy transition.	1. Publish 2–3 key learnings for decarbonization each year. 2. Operationalize annual decarbonization reporting metrics. 3. Incorporate findings from data and analysis to continuously improve programs and refine planning approaches.

Table 2. A summary of four decarbonization priorities towards SVCE's 2027–2045 decarbonization goal, the main challenge each priority area faces, and strategic recommendations to prioritize between 2027–2032.

To help measure and gauge progress towards the decarbonization priorities, key outcomes were identified. These outcomes reflect the anticipated results from successfully implementing the strategic recommendations described for each Decarbonization Priority. These outcomes are as follows:

1. SVCE will have identified at least three priority locations for potential local generation development and begun implementing feasible projects.
2. SVCE will have identified pathways for incorporating demand flex into long-term portfolio planning.
3. Heat pump HVAC will outsell air conditioners with gas furnaces with no incentives, and average HPWH retrofit projects will cost 20% less than today.

4. There will be twice the number of EV charging stations available to residents at existing multifamily buildings.
5. SVCE will have published 10 decarbonization learnings and shared them with stakeholders on a statewide level.

Reporting Progress
To track progress towards the decarbonization goal and targets identified in this report, SVCE is committed to tracking and reporting progress on a regular and consistent basis. Tracking and reporting this progress in relation to electrification targets will provide valuable context for understanding larger trends and their impacts over time, such as changes in federal, statewide, and local policy as well as broader changes in consumer demand.

To evaluate progress, guide decision making, and increase overall transparency, staff is recommending SVCE commit to the following reporting practices:

1. Develop a standardized set of reporting metrics to evaluate progress towards the decarbonization priorities identified.
2. Report on decarbonization program performance annually using these reporting metrics.
3. Provide interim updates to the Decarbonization Roadmap every three years to gauge progress and adjust priorities or strategies, as needed, to reflect learnings or changes to the broader ecosystem SVCE operates within.
4. Update the Decarbonization Roadmap plan every six years to refine priorities, provide updates on electrification goals and targets, and recommend strategies for implementation.

Planned Timing and Approach
Staff will incorporate any feedback from the Board of Directors into the final Integrated Decarbonization Roadmap, scheduled for public release in December.

STRATEGIC PLAN

This effort is directly supported by SVCE Strategic Plan Goal 3 – **"**Create a long-term decarbonization plan that integrates supply and demand changes, opportunities, and challenges." Additionally, this effort is supported by Goal 8 – "Long-term target for 100% clean energy annually by building a balanced portfolio with consideration for both affordability and reliability while exploring long-term pathways to clean power supply."

ALTERNATIVE

The Board of Directors could direct staff to maintain the original emissions reduction targets adopted as part of the 2018 Decarbonization Roadmap and not adopt the long-term 2045 target, electrification goals, principles, and decarbonization priorities proposed by staff. Alternatively, the Board of Directors could direct staff to adopt a portion of the recommendations from Attachment 1 or recommend adopting them all in addition to maintaining the emission reduction targets previously established.

FISCAL IMPACT

Adoption of the Integrated Decarbonization Roadmap will not impact the current fiscal year operating budget. The projected annual program spend will vary annually. Based on current projections, program spend for the first three years of the roadmap (2027-2029) is $23M per year, using a combination of annual revenue (approximately $6M per year) and spending down program reserves (approximately $17M per year), as approved by the Board approved plan as set out by the "Financial Levers" discussions in the summer of 2026. Annual spending will then decrease to approximately $11M per year over the 5-year period of 2030-2034 using a combination of annual revenue (approximately $6M per year) and spending of program reserves (approximately $5M per year). Projected annual program spend from the year 2035 through 2045 is estimated to be approximately $6M per year based solely from annual revenue. Staff will include in future operating fiscal year operating budgets, for the Board's consideration, the necessary funding needs as programs and initiatives are identified. The funds are expected to come from the existing General Programs Fund.

ATTACHMENTS

1. Summary of Proposed Recommendations for Adoption
2. 2027 Integrated Decarbonization Roadmap

SILICON VALLEY CLEAN ENERGY

2027 INTEGRATED DECARBONIZATION ROADMAP
SUMMARY OF PROPOSED RECOMMENDATIONS FOR ADOPTION

2027–2045 SVCE Decarbonization Goal:
"Drive the SVCE region to fully electrify every building and vehicle by 2045 and power it with clean energy."[1]

Targets:
(Note: the proposed targets below subject to change upon further review and study if approved by the Board)

	2025 Baseline - Electrified Equipment	2032 Target	2038 Target	2045 Target (100% Electrified)
Light-Duty Vehicles	75,000	**132,000**	**200,000**	**451,500**
Residential HVAC	29,000	**75,000**	**130,000**	**271,000**
Residential Cooking	9,700	**40,000**	**110,000**	**281,500**
Residential Water Heaters	4,000	**35,000**	**85,000**	**252,000**
Commercial HVAC	3,800	**5,500**	**8,500**	**10,500**
Commercial Water Heaters	100	**600**	**2,200**	**6,500**

Decarbonization Principles (2027–2032)

1. Build a long-term clean power portfolio by pragmatically balancing risks and costs and selectively investing in innovative solutions.
2. Support and partner with member agencies to catalyze emissions reductions and scale decarbonization at a lower cost.
3. Focus on the most cost-effective and market-ready solutions to increase demand, lower costs, and lead to widespread adoption.
4. Scale impact through knowledge sharing from the lessons learned from programs, research, and pilots.
5. Reach all customers through SVCE programs.

Decarbonization Priorities (2027–2032)

1. Where least cost/best fit, integrate local resources and demand flexibility into portfolio planning
2. Lower building electrification costs, especially heat pumps
3. Increase access to affordable, reliable EV charging solutions
4. Scale impact through knowledge sharing

Outcomes (2027–2032)

1. SVCE will have identified at least three priority locations for potential local generation development and begun implementing feasible projects.
2. SVCE will have identified pathways for incorporating demand flex into long-term portfolio planning.
3. Heat pump HVAC will outsell air conditioners with gas furnaces with no incentives, and average HPWH retrofit projects will cost 20% less than today.
4. There will be twice the number of EV charging stations available to residents at existing multifamily buildings.
5. SVCE will have published 10 decarbonization learnings and shared them with stakeholders on a statewide level.

[1] SVCE measures its clean energy targets on an annual basis. SVCE defines clean resources to include RPS-eligible resources and carbon-free large hydroelectricity and nuclear energy.

2027 Integrated Decarbonization Roadmap

Draft for Review, October 2026

Table of Contents

Letter from CEO ---- 3
Introduction ---- 4
Why we need an updated plan ---- 4
Existing Commitments ---- 4
The 2027 Roadmap ---- 5
Accomplishments and Lessons Learned ---- 6
Emissions Background and Electrification Forecast ---- 8
SVCE Emissions History ---- 8
Electrification Trends ---- 10
Electrification Forecasts ---- 12
Road to 2045 ---- 16
2045 Decarbonization Goal ---- 16
The Role of SVCE ---- 16
EV and Electric Building Appliance Targets ---- 17
Four Phases to 2045 ---- 18
2027–2032 | DEVELOP ---- 20
Decarbonization Principles ---- 20
Outcomes ---- 22
Reporting Progress ---- 23
Summary ---- 24
Operationalizing Recommendations ---- 26
Power Supply ---- 27
Member Agencies ---- 29
Single-Family Residential ---- 31
Multifamily Residential ---- 33
Large Commercial and Industrial ---- 35

Demand Flexibility ---------- 37
Small-to-Medium Business ---------- 39
Program Operations ---------- 41
Communications ---------- 42
Community Buildings ---------- 44
APPENDIX ---------- 45
Section 1: GHG Inventory Methodology ---------- 45
Section 2: Electrification Forecast Modeling Methodology ---------- 46
Section 3: Detailed Strategic Recommendations ---------- 48

Letter from CEO

Over the past ten years, Silicon Valley Clean Energy and our founding communities have led the transition toward cleaner, healthier, carbon-free communities. In 2018, we released our **Decarbonization Strategy & Programs Roadmap**. The 2018 Roadmap set ambitious climate targets, reinforced our clean energy portfolio objectives, and charted our course for the electrification of transportation and buildings.

I'm proud of what we have achieved together. We are providing 100% clean energy to our customers and are significantly expanding the amount of renewable energy and energy storage through contracts for new projects. Beyond supplying clean energy and grid support, we are helping to accelerate electrification and technology deployment. Collaborative efforts on new construction code enhancements with our member agencies could result in more than 10,000 heat pumps going into homes rather than the status quo with gas appliances. Our early market incentives drove the adoption of over 5,000 heat pumps and 750 electric vehicles. And our activities have expanded to contractor training, permit streamlining, and technical assistance programs.

Now, we must build on these wins and lessons learned to ensure the health and economic benefits of clean electricity and efficient electrification reach all customers. This **2027 Integrated Decarbonization Roadmap** sets the path. It starts with an updated goal: *Drive the SVCE region to fully electrify every building and vehicle by 2045 and power it with clean energy*. While this goal is ambitious, the 2027 Roadmap articulates a pragmatic approach. It prioritizes investments and programs that will have results today and outlines a set of priorities that will lower costs over the long term.

A key update to this roadmap is that it does not consider power supply and electrification goals in isolation but rather views electricity as one system that integrates supply and demand. We must be responsive and adapt to shifts in the market, extreme weather events, and growing and changing demand. And, we need to fully consider how the growth in electricity demand will impact the grid and build a clean power supply that meets these needs reliably and affordably. This will include strategic investments in new and existing renewables, emerging clean-firm technologies, and demand-side flexibility.

We are one small part of a large and complicated energy ecosystem, and we will not be successful alone. We are, however, committed to doing our part and continuing to punch above our weight. We do this work not merely to achieve a single goal, but to create a healthier, safer environment for all our customers and communities.

Introduction

Why we need an updated plan

Over the past ten years, Silicon Valley Clean Energy (SVCE) has demonstrated its commitment to a clean energy transition through its leadership and partnership with the communities it serves. In 2018, SVCE developed the **Decarbonization Strategy & Programs Roadmap** **(2018 Roadmap)**, which outlined the SVCE goals, strategic framework, and decarbonization strategy along with a programs workplan and reporting structure. The **2027 Integrated Decarbonization Roadmap (2027 Roadmap)** builds on achievements and lessons learned since 2018 and articulates an updated plan that tackles the challenges and opportunities for decarbonization today. Put simply: we did a lot of what we set out to do, we learned about what worked and what didn't, and now we want to adjust our approach to reflect that knowledge as well as the different circumstances that exist in 2027 compared to 2018.

Meeting clean energy goals will require many actors across different sectors and levels of government. Understanding that we are part of this larger ecosystem, the 2027 Roadmap focuses on the SVCE role and how we can best leverage our unique position as a clean energy provider, technical assistance resource, and funder who works closely with customers, member agencies, contractors, and other agencies.

Supporting an accelerated shift toward electric vehicles (EVs) for our daily activities, and electric building appliances for heating, cooling, and cooking, all powered by clean energy, is not only critical to reducing greenhouse gas (GHG) emissions but is also to enhancing energy affordability and public health for those who live and work in our communities.[1] Achieving the goals laid out in this report will require a continued commitment to clean energy supply, integrating supply and demand planning to lower costs and emissions, and catalyzing the market for electrification.

Existing Commitments

The 2018 Roadmap set the following regional GHG emissions reduction targets compared to 2015 baseline emissions levels:

- 2021: 30% below 2015
- 2025: 40% below 2015
- 2030: 50% below 2015

SVCE has made progress by investing in clean energy supply, and by acting as a market and policy enabler for EVs and building appliances. These trends depend on a complex mix of local, regional, state, and federal sectors. The **"Emissions Background and Electrification Forecast"**

[1] SVCE measures its clean targets on an annual basis. SVCE defines clean resources to include RPS-eligible resources and carbon-free large hydroelectricity and nuclear energy.

section details GHG emissions trends and how they shaped the new goal and targets set in the 2026 Roadmap.

To take the next steps in meeting our mission, SVCE is taking an integrated approach that views electricity as one system that spans supply and demand. The best solutions are those that lead to lower costs, greater reliability, and clean electricity for both customers and the grid. Energy efficiency guided California's grid planning since the 1970s and continues to be a valuable strategy. However, as we decarbonize our economy, both our supply and demand profiles are changing. With more weather-dependent resources such as solar and wind, the availability of clean electricity is highly variable, changing throughout the day and from season to season. At the same time, the electrification of buildings and transportation is changing the demand for energy. The challenge is no longer simply to reduce total energy consumption or to build more generation, but to build a power supply system that can meet the changing needs and as feasible to encourage energy use during the times when electricity supply is abundant and cheap.

Through the Integrated Resource Planning (IRP) process and the Board-adopted clean energy targets, SVCE has reaffirmed its commitment to an annual 100% clean energy standard and has identified how it plans to achieve its share of the State's electric sector emissions. While we cannot say with certainty what the future grid needs will be, there is a strong consensus that electricity use will increase in coming years and that a least-cost California grid is likely to require emerging technologies that are clean, reliable and dispatchable in addition to the established renewable and storage technologies. We have built an internal planning team at SVCE that will allow us to more precisely model future electricity needs, assess power supply opportunities, and design programs that integrate both.

The 2027 Roadmap

Through this 2027 Roadmap, SVCE is adopting a new overarching 2045 decarbonization goal that sets a long-term and measurable objective to *Drive the SVCE region to fully electrify every building and vehicle by 2045 and power it with clean energy*. This new goal builds upon the progress achieved in building a clean energy portfolio, looks beyond SVCE's existing 2030 decarbonization goals, aligns with the State of California net-zero GHG emissions goals, and codifies SVCE's leadership role on electrification and clean energy.

The **"Road to 2045"** section lays out the high-level path to meet the 2045 goal by setting targets for the number of electric passenger vehicles and appliances for interim years 2032 and 2038 and laying out four phases of decarbonization. Each phase builds upon the previous to enable the technological, market, and economic structures necessary to achieve decarbonization of the buildings, transportation, and electricity sectors. Ultimately, meeting the 2045 goal will require electrifying over a million cars and appliances by 2045. SVCE can only direct fund incentives for a small fraction of these machines and thus to maximize its impact the agency must direct efforts beyond rebates to initiatives that will catalyze market adoption

and lower overall costs. This includes policy support, permit modernization, technical assistance, and innovative pilots. SVCE's role will evolve over time based on these different future phases and variations in market maturity and adoption rates. Figure 1 below illustrates these four phases and the timeline to ultimately meet the SVCE 2045 goal.

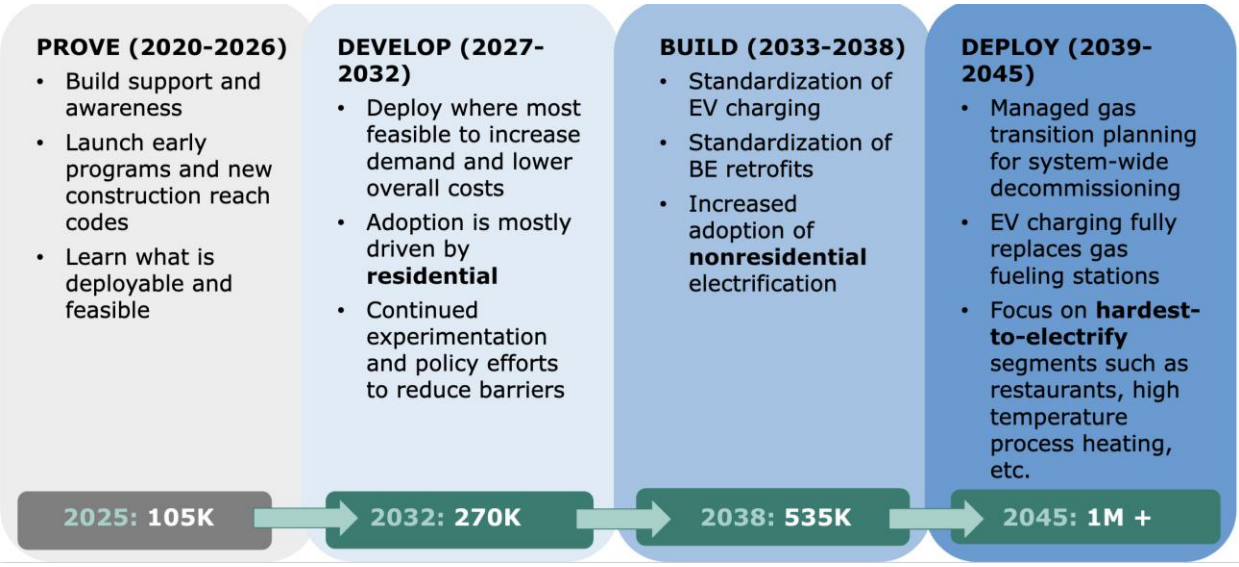


Figure 1. The four phases of decarbonization on the road to 2045 carbon neutrality, including estimated total number of electrified building appliances, passenger vehicles, and commercial vehicles (out of the estimated one million across SVCE Member Agencies).

The 2027 Roadmap builds upon lessons learned during the initial "Prove" phase and sets SVCE up for the "Develop" phase. Over the next six years, SVCE will focus on developing market readiness and scaling technology adoption so that the subsequent "Build" and "Deploy" phases can lead to rapid market expansion and full transformation.

To guide the SVCE priorities and investments in the near-term, the **"2027-2032 Develop"** section dives deeply into the next six years and the SVCE role by outlining:

- **Principles:** core values that guide the SVCE decarbonization priorities, decision making, and resource allocations
- **Priorities:** key recommendations that bridge the long-term SVCE goal with targets and outcomes over the next six years
- **Outcomes:** the results from SVCE investments, such as reduced costs to electrify, that will accelerate market deployment by solving challenges critical to reaching targets

Accomplishments and Lessons Learned

SVCE has successfully executed its foundational "Prove" phase to test and validate decarbonization strategies while also learning about the early market challenges and barriers. Through piloting new technologies, launching early programs, driving building and energy code

enhancement adoption, and utilizing market rebates, SVCE has established a strong framework to support future growth and evolution of regional decarbonization.

As part of this initial phase, SVCE has made key achievements related to clean energy supply, energy storage, and electrification, including:

- Met 100% of annual electricity demand with clean energy 9 out of 10 years
- Reduced electricity emissions by 1 million metric tons (MMT)
- Contracted for over 1,000 MWs of new renewable energy
- Secured over 2,000 MWh of new storage
- Supported new construction code enhancement policies that could add over 10,000 residential heat pumps while driving down customer costs
- Built a holistic program portfolio that successfully deployed over 5,000 residential building heat pumps and over 750 EV charging ports.

This initial phase included discovery and research through pilot projects, technology incubators, and collaboration through building relationships and coalitions. Learnings from this period were directly incorporated into this 2026 Roadmap. Three key learnings include:

- Member agency policies are one of the most powerful levers for electrification.
- Electrification scale, speed, and cost vary based on design, technology, and site conditions; targeted programs can accelerate deployment and lower costs.
- SVCE drives strong innovation when it focuses on solving clearly identified challenges linked to actionable next steps, such as policy or regulatory reform.

SVCE is shifting from the proof-of-concept stage into its next strategic phase to “Develop.” This Roadmap focuses on scaling proven models, mitigating market price risks, and engaging member agencies to achieve deeper grid integration and expanding regional power supply to meet increasing load from building and transportation electrification. And while SVCE has already successfully began scaling decarbonization efforts during the “Prove” phase, the “Develop” phase will need to see significantly increased scale while likely having less access to funding than the previous phase, making strategic investment critical to achieving successful results.

Emissions Background and Electrification Forecast

SVCE Emissions History

SVCE tracks and reports annual emissions starting from the first year of service in 2017 and chose to compare emissions reduction progress relative to 2015 levels as the "baseline" or reference year before SVCE existed (see Appendix Section 1 for GHG emissions reporting methodology). As seen below in Figure 2, annual emissions decreased consistently from 2017 through 2019, dropped suddenly in 2020 during "shelter-in-place," rebounded back up in 2021 and 2022, and then plateaued at a relatively consistent level through 2024. Despite this progress, emissions reductions are not on track to reach the previously adopted SVCE interim GHG reduction target of 50% below 2015 levels by 2030.

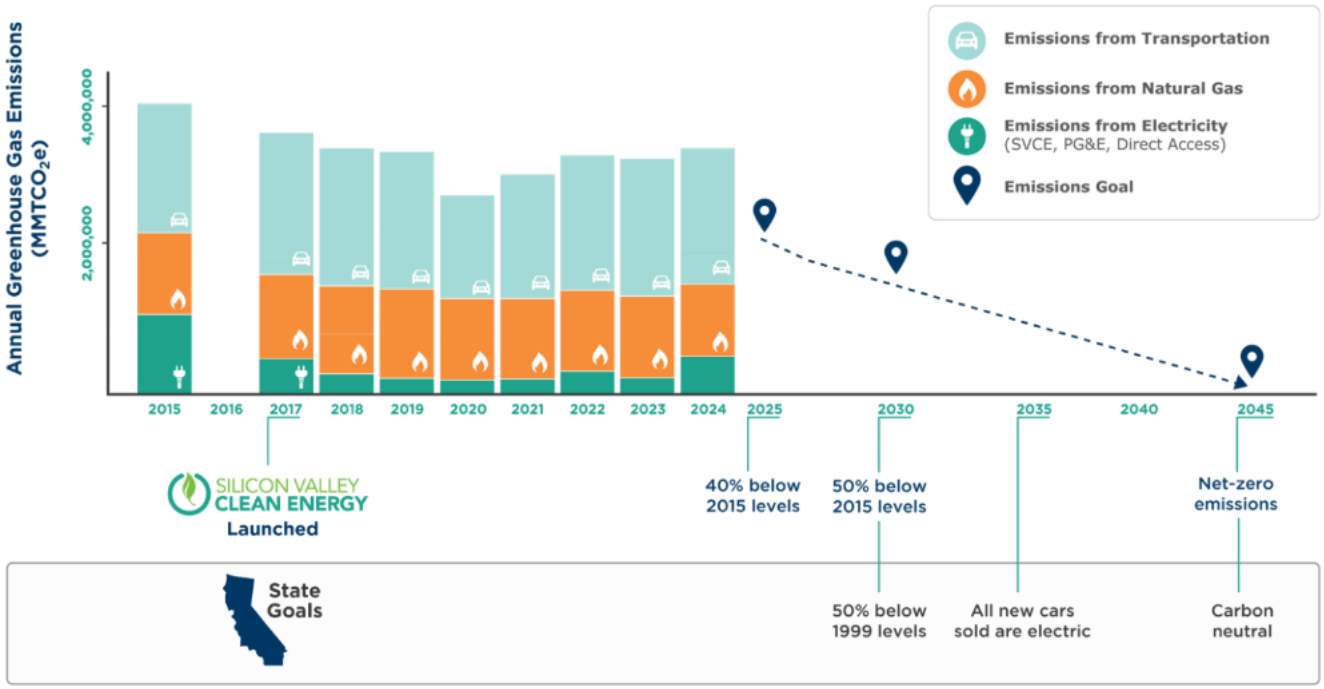


Figure 2. SVCE service area annual emissions from 2017 through 2024, including 2015 as a "baseline" or reference year and 2025 and 2030 interim GHG emissions goals established through SVCE's 2018 Decarbonization Roadmap.

At the time of the 2018 Roadmap, SVCE set reduction targets towards net-zero emissions in 2045, staying consistent with other agencies and statewide goals at the time. Since then, however, SVCE has concluded that emissions reductions will not follow a neat, predictable linear path; instead, the pathway to net-zero emissions will most likely be a series of plateaus and ramps following broader trends such as Federal funding and support of clean energy initiatives, market development and momentum, and regulatory influence. This less predictable but likely more realistic emissions reduction pathway is roughly illustrated in Figure 3 below.

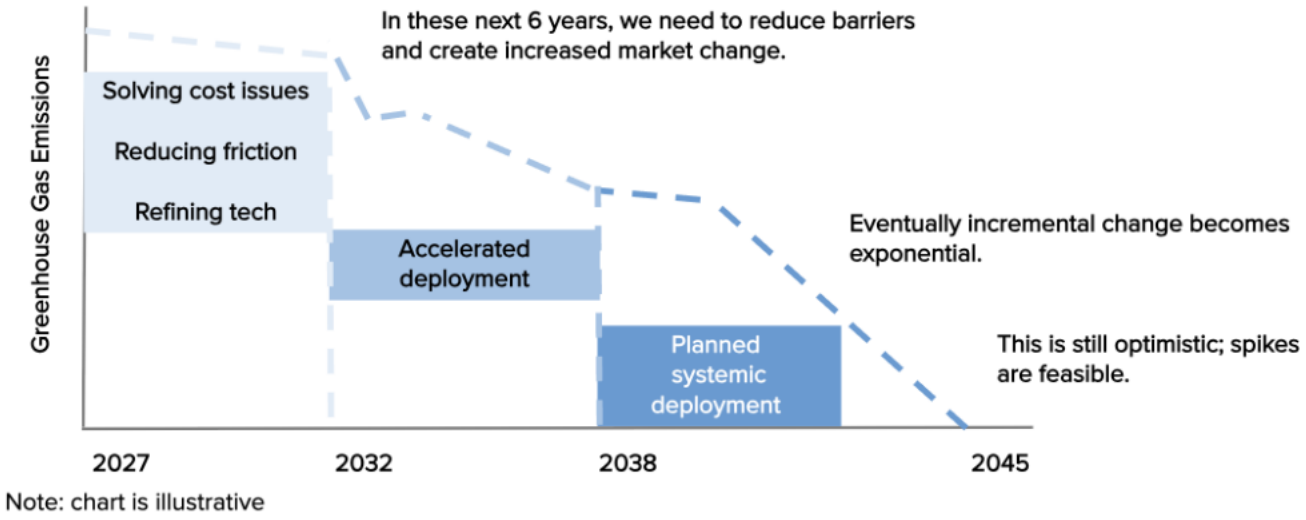


Figure 3. Illustrative example of how emissions reductions may look between now and net-zero emissions in 2045, reflecting a series of plateaus and ramps as external forces shape electrification and clean energy project development momentum.

While SVCE has previously tracked GHG emissions as the primary metric for decarbonization progress, the reality is that SVCE does not directly influence total regional emissions in any given year. For example, vehicle miles traveled by passenger and commercial vehicles throughout the service area have little to do with SVCE's role or influence. The SVCE mission is to reduce dependence on fossil fuels, which can be much more directly tracked through electrification of vehicles and buildings. Figure 4 below shows the estimated number of building appliances and vehicles that need to be electrified to reach carbon neutrality, totaling over one million vehicles and appliances.

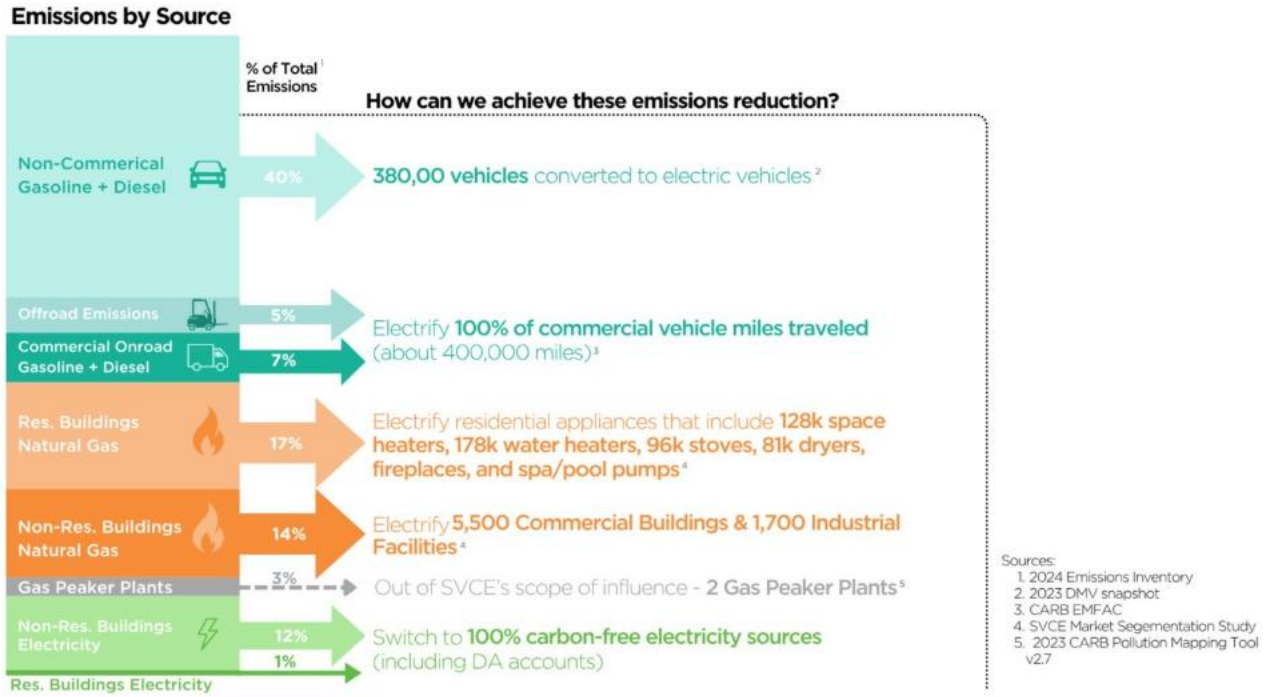


Figure 4. SVCE service area total 2024 emissions by source, including the estimated number of passenger vehicles, commercial vehicle miles traveled, residential appliances, and commercial buildings and industrial facilities contributing to emissions sources. Note that the two "Gas Peaker Plants" (the Gilroy Energy Center and the Gilroy Cogeneration Project) are outside of the SVCE scope of influence and are included for reference only.

Electrification Trends

Adoption of electric equipment in place of fossil-gas devices has grown significantly since SVCE was established in 2017. However, electrification is progressing at a very different rate depending on the technology and the sector. For example, residential induction cooking technology is expected to transition from a proof-of-concept stage to a market growth period between 2027 and 2029, while commercial induction cooking equipment has yet to prove feasibility and will likely continue struggling to create market traction over this same time period. An assessment of electrification adoption by technology and sector is reflected by the "stages of maturity" illustrated in Figure 5, below.

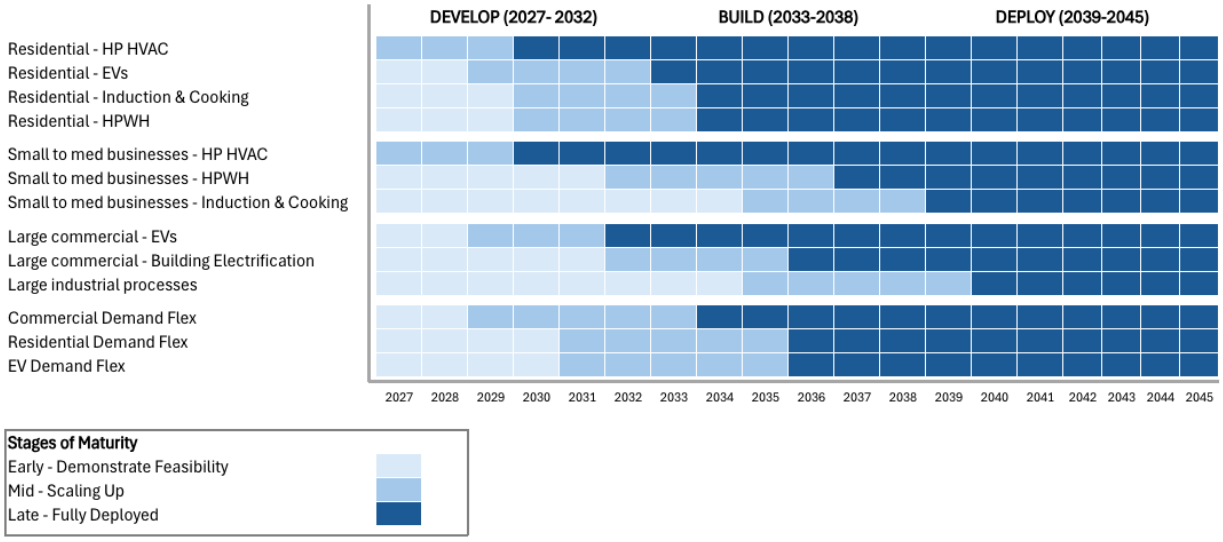


Figure 5. Electrification stages of maturity for different technologies across various sectors.

Generally, heat pump heating, ventilation, and air conditioning ("HP HVAC") equipment is seeing strong market demand across both residential and small-to-medium business sectors across California.[2] This technology is well established and understood by many contractors, having been readily available for several decades in commercial HVAC equipment and more recently in residential equipment. By contrast, heat pump water heaters ("HPWHs") account for a small fraction of annual water heater sales statewide and currently see low levels of consumer demand and weak promotion by contractors.

While building emissions from the residential and non-residential sectors are relatively similar (17% and 14%, respectively), SVCE's influence over the emissions sources within the buildings varies. It is estimated that current SVCE programs have the potential to influence over 90% of emissions sources in a typical residential building (also referred to as equipment "end-use categories"). Conversely, SVCE programs influence less than 60% of non-residential building emissions end-use categories, largely due to lack of electrification solutions for food service and industrial sectors at this time. Emissions by end-use category for these sectors are illustrated in Figure 6, below.

[2] California Heat Pump Partnership, "California Heat Pump Partnership Blueprint: Scaling California's Heat Pump Market: The Path to Six Million", March 2025, https://heatpumppartnership.org/wp-content/uploads/2025/03/CAHPP_Blueprint_2025.pdf

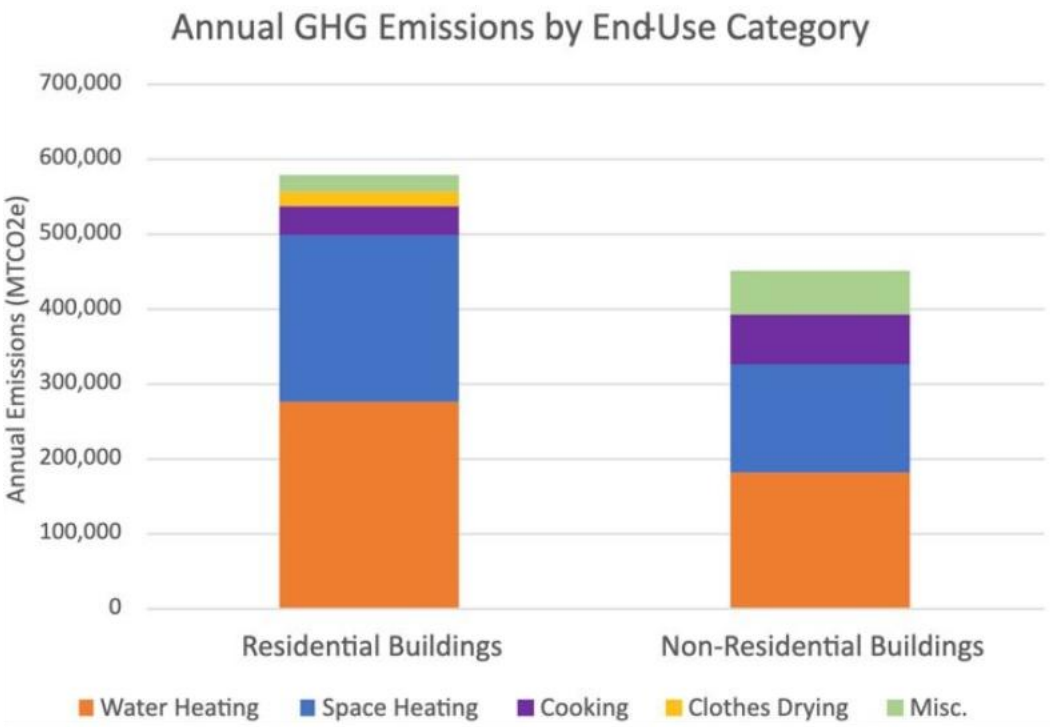


Figure 6. Estimated annual GHG emissions by end-use category for both residential and non-residential sectors for the SVCE service area in 2024.

Electrification Forecasts

While SVCE programs can more directly influence the rate of electrification of building equipment and vehicles compared to influencing regional emissions levels, the simple fact remains that SVCE cannot afford to provide incentives the one million vehicles and building appliances necessary to reach carbon neutrality and direct incentives for all machines is likely not the best solution for market transformation. Therefore, SVCE must strategically prioritize investments in strategies that will lower costs and increase adoption over time, such as building code enhancements, permit modernization, contractor engagement, and innovative pilots. Understanding electrification maturity levels by technology and sector plays an important role in supporting this prioritization process but remains high-level and lacks granularity.

To better understand the potential SVCE impact on electrification of different technologies, we created customized electrification forecast models built on available market studies, statewide and local jurisdiction permitting and construction data, interviews with subject matter experts, and staff experience. The following figures show the electrification forecasts for the three largest residential emissions categories: HPWH for electrification of water heating (Figure 7), HP HVAC for electrification of space heating (Figure 8), and Light-duty EVs for electrification of passenger vehicles (Figure 9). Details of this methodology can be found in Appendix Section 2.

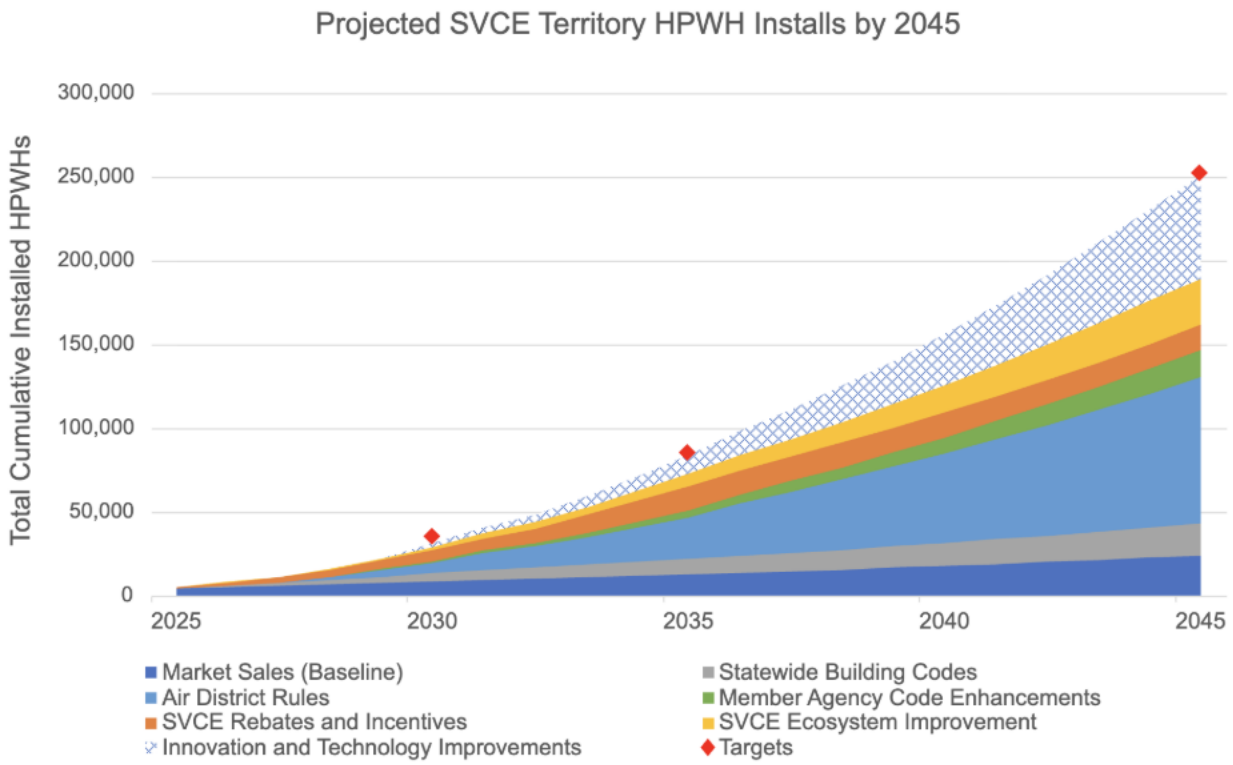


Figure 7. Electrification forecast for residential HPWHs including illustrative targets for 2030 and 2035 as well as the ultimate 100% electrification target in 2045. Modeling reflects conservative Air District beginning compliance (20%) with slow compliance growth. Forecast is based on current SVCE programs budget.

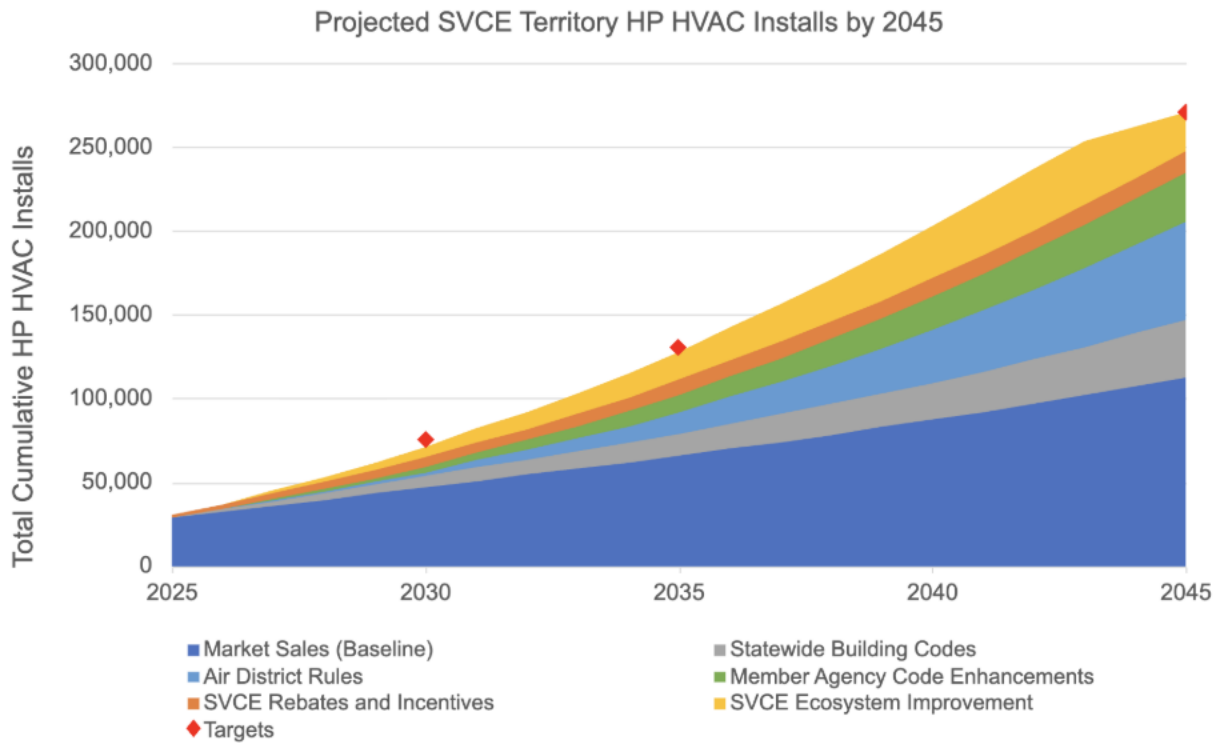


Figure 8. Electrification forecast for residential HP HVAC including illustrative targets for 2030 and 2035 as well as the ultimate 100% electrification target in 2045. Pathway reflects SVCE rebates and incentives phasing out after 2033.

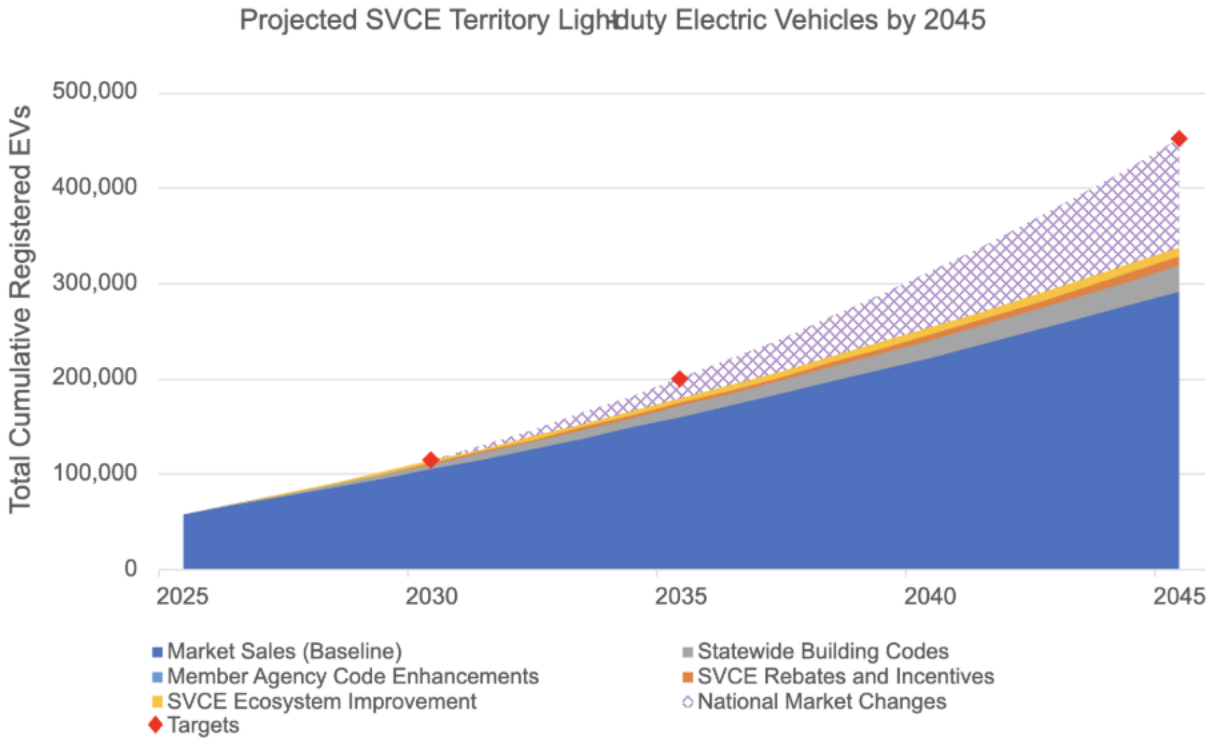


Figure 9. Electrification forecast for light-duty (passenger) EVs including illustrative targets for

2030 and 2035 as well as the ultimate 100% electrification target in 2045. SVCE programs influence is based on current programs budget.

These forecasts were used as the basis for discussions with stakeholders and industry experts, including local elected officials, SVCE board members, colleagues from other CCAs, and thought leaders across the decarbonization sector. Table 1 below summarizes some of the key takeaways and learnings from this effort:

Technology	Key Takeaways
HP HVACs	• Technology that is closest to reaching mainstream market adoption, as supported by our strong program participation data despite SVCE's rebate contribution covering a smaller percentage of total project costs compared to other technology. • Can begin moving towards incentives phase out by 2033, once Air District rules have become established.
HPWHs	• The least likely technology to reach 2045 targets. • Faces significant challenges due to high upfront project costs and lack of consumer demand. • Will require sustained incentives well throughout the next decade, especially if Air District rules are going to be successfully enforced. • Additional innovation will be required to meet HPWH targets including lower cost products, solutions for short and skinny gas tank systems, streamlined permitting processes, and faster installation solutions.
EVs	• The most difficult technology to predict due to the significant role played by the national automotive market as well as federal foreign policy and state and federal regulation. For example, sudden changes in import tariffs could result in the introduction of significantly lower priced EV options which could catalyze rapid adoption of passenger EVs. • Given high uncertainty around the future state of EV charging technology combined with the very low influence SVCE has on consumer vehicle purchase decisions, SVCE is best positioned to focus efforts on proven solutions that expand access to EV charging for renters living in existing multifamily buildings. By leveraging cost-effective charging technology such as Level 1 and Low-Power Level 2 charging outlets, SVCE can scale program impact and fill market gaps.

Table 1. Key takeaways and learnings from electrification forecasting and stakeholder workshops.

Road to 2045

2045 Decarbonization Goal

This Roadmap looks beyond 2030 and sets a new ambitious goal for 2045 to:

"Drive the SVCE region to fully electrify every building and vehicle by 2045 and power it with clean energy."

Electrifying buildings and vehicles is imperative to meeting the state's larger climate and net-zero emissions goals. Reaching this goal will require alignment with where SVCE can have the greatest and most cost-effective impact while having enough flexibility to respond to market and regulatory conditions outside of SVCE's control.

The Role of SVCE

SVCE is part of a larger ecosystem of funders, advocates, implementers, and technical experts. As Figure 10 demonstrates, meeting clean energy goals requires these roles across different scales of government, nonprofits, utilities, and businesses.

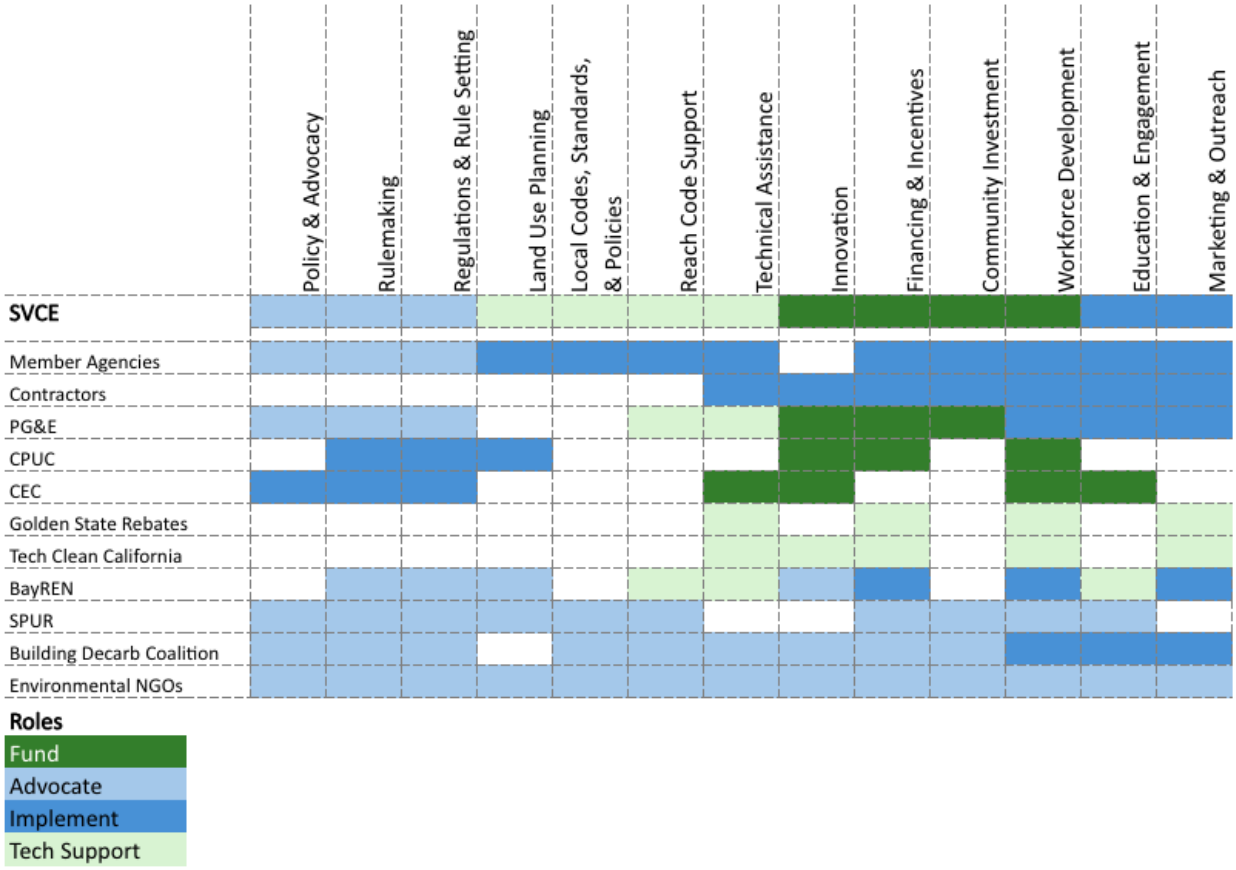


Figure 10. California decarbonization landscape summary by role: fund, advocate, implement, or technical support. Note that while funding is included, funding at the scale necessary to truly

reach statewide decarbonization remains a key gap for the future as the entities listed above are already close to maximum funding ability.

While every entity has its own role to play, SVCE is uniquely positioned in its service area and its ability to lead across all four roles to fund, advocate, implement, and provide technical support. SVCE in turn can focus its efforts on supporting local implementers, including member agencies and contractors, while also working with the more regional and statewide organizations and agencies to ensure policies and code updates facilitate, rather than hinder, electrification and local action. The ability to fund incentives, innovation, community programs, and workforce development allows SVCE to ensure the market is ready and the workforce is trained to meet the necessary accelerated demand for EVs and appliances.

EV and Electric Building Appliance Targets

Achieving deep decarbonization requires electrifying over a million cars and appliances across SVCE communities. This transition will not be a one-size-fits-all approach; rather it will require tailored and customized programming for different technologies and different sectors. Table 2 illustrates that market readiness and adoption rates will vary by technology and sector and inform a staggered targets approach.

	2025 Baseline - Electrified Equipment	2032 Target	2038 Target	2045 Target (100% Electrified)
Light-Duty Vehicles	75,000	**132,000**	**200,000**	**451,500**
Residential HVAC	29,000	**75,000**	**130,000**	**271,000**
Residential Cooking	9,700	**40,000**	**110,000**	**281,500**
Residential Water Heaters	4,000	**35,000**	**85,000**	**252,000**
Commercial HVAC	3,800	**5,500**	**8,500**	**10,500**
Commercial Water Heaters	100	**600**	**2,200**	**6,500**

Table 2. 2045 and interim targets for total electrified vehicles and building appliances broken out by technology and customer type.

Setting these targets allows SVCE to measure and track progress toward reaching the 2045 decarbonization goal. The SVCE priorities for the next six years are informed by the unique challenges and market conditions for each technology and customer. In turn, SVCE's role and focus can align with these targets and leverages where SVCE can have the greatest impact.

Four Phases to 2045

Adoption of building and transportation electrification will not be linear between now and 2045; rather, to reach full electrification of all cars and building appliances by 2045, periods of time will be spent addressing different aspects of achieving success. For example, reducing upfront costs of electrification and increasing market demand will be a required focus to then unlock the growth of electrification technology deployment. Therefore, a phased approach will be needed to reach market maturity across technologies and customers over the next two decades, with each phase focusing on different priorities.

The following four phases build upon each other: 1) an initial "Prove" phase validates and incentivizes electric appliances and vehicles proving that the technology can work; 2) the "Develop" phase applies lessons learned from early testing to deploy technologies where easiest, such as homes and small businesses, while lowering barriers and costs; 3) the "Build" phase capitalizes on the lower costs and fewer barriers to accelerate adoption by shifting focus from early adopters to a broader customer base; and 4) the "Deploy" phase sees a self-sustaining general market and addresses the hardest-to-electrify sectors to close any remaining gaps. While these four phases broadly define the path to full market deployment by 2045, there will be some staggering as the market maturity for different technologies and sectors will vary as illustrated in the "Electrification Trends" section (Figure 5).

PROVE (2020–2026)

This initial phase establishes a foundation to prove that new electric technologies work in the real world, through pilots, early rebates, and building codes. Since the launch of the 2018 Roadmap, SVCE has been part of the movement to prove that electrification of appliances and vehicles is not only possible for most people, but also in their best interest by reducing pollution-related health risks. SVCE will continue to support pilots, testing, and incentives for technologies that are earlier in development, but in a more targeted manner. SVCE plays an important role in this early phase through its support for:

- Testing new technologies including HP HVAC, induction cooking, and EV charging infrastructure through innovative pilot programs;
- Conducting studies related to demand flexibility and virtual power plants;
- Supporting adoption of new construction codes that unlocked heat pump technology and greater access to EV charging for residents; and
- Incentivizing early market growth through rebates for residential electrification including HPWHs, HP HVAC, induction cooking, and prewiring for future electrification readiness.

DEVELOP (2027–2032)

Next, SVCE will build upon the early proof-of-concept stage for electric building appliances and vehicles that are ready to move into market development. This phase is key for shifting

from early-stage testing and rebates to developing the technology and infrastructure to support future accelerated growth. The "Develop" phase will focus on how SVCE can apply lessons learned from the Prove phase to further reduce barriers to adoption.

This Roadmap provides a framework to guide SVCE's next six years of work in the following section. This phase will focus on how SVCE will support:

- Deploying building appliances and EV charging where most feasible, such as for HP HVACs for residential and small-to-medium-sized businesses and increasing access to EV charging for multifamily residents, to increase demand and lead to overall reduced costs;
- Expanding electric readiness through pre-wiring and design interventions to reduce future retrofit costs; and
- Continuing experimentation and policy efforts to reduce barriers to electrification.

BUILD (2033–2038)

By developing the market for these technologies and reducing barriers and costs, SVCE will next transition into a period of accelerated deployment and more rapid technological innovation. The SVCE focus during the build phase will include:

- Expanding electrification reach beyond early adopters to focus on all technologies and customers;
- Shifting to more targeted and direct investments; and
- Focusing on wider market adoption of non-residential electrification.

DEPLOY (2039–2045)

The final phase in meeting the 2045 decarbonization goal will be to continue accelerated deployment and ultimately reach market-wide adoption of electric building appliances and EVs. In this phase, SVCE will address the hardest-to-electrify sectors and phasing out fossil fuel infrastructure including:

- Managing the gas transition planning for system-wide decommissioning;
- Building out EV charging infrastructure to replace the current gas station network; and
- Focusing on the hardest-to-electrify sectors, including restaurants and industrial process heating

2027–2032 | DEVELOP

Decarbonization Principles

To reach the proposed electrification targets in pursuit of the 2027–2045 SVCE decarbonization goal, five decarbonization principles were established. These principles are intended to help guide the SVCE Board of Directors in future decision making and prioritization as well as SVCE staff when making programmatic assessments and changes.

The decarbonization principles for 2027–2032 are as follows:

1. Build a long-term clean power portfolio by pragmatically balancing risks and costs and selectively investing in innovative solutions.
2. Support and partner with member agencies to catalyze emissions reductions and scale decarbonization at a lower cost.
3. Focus on the most cost-effective and market-ready solutions to increase demand, lower costs, and lead to widespread adoption.
4. Scale impact through knowledge sharing from the lessons learned from programs, research, and pilots.
5. Reach all customers through SVCE programs.

Decarbonization Priorities (2027–2032)

To operationalize the decarbonization principles over the next six-year period (2027–2032), staff identified several strategic priorities and actionable recommendations. The four "top priorities" for this time period are as follows:

1. Where least cost/best fit, integrate local resources and demand flexibility into portfolio planning.
2. Lower building electrification costs, especially heat pumps.
3. Increase access to affordable, reliable EV charging solutions.
4. Scale impact through knowledge sharing.

Table 3 below describes the four priorities, the biggest challenge to progress each area faces, and actionable strategic recommendations to move SVCE towards success.

Decarbonization Priorities	Challenge Statement	Recommendations (2027–2032)
Where least cost/best fit, integrate local resources and demand flexibility into	Rising costs to serve load, evolving regulations, and market uncertainty are straining the path to clean portfolio targets. In addition	1. Build a process to identify local energy projects that can be sited closer to demand and incorporate stakeholder input on location priorities.

portfolio planning	to prudent portfolio management, new solutions such as siting supply closer to demand and demand flexibility may lower portfolio costs.	2. Monitor the value of demand flexibility across multiple value streams. 3. Scale demand flexibility when it provides power supply benefits that outweigh the costs, while sharing clear learnings to inform policy and market design.
Lower building electrification costs, especially heat pumps	High upfront costs are the fundamental barrier to adoption. Reduced federal rebates and policy changes magnify this issue, while the forthcoming Bay Area Air District appliance regulations create both additional opportunities and challenges.	1. Take a multi-pronged approach that includes contractor engagement, permit reform, and targeted rebates to increase demand and drive down cost of electrification. 2. Support customers, contractors, and Member Agencies to adapt to the Bay Area Air District zero-NOx appliance standards. 3. Prepare to phase out HVAC incentives as market reaches maturity.
Increase access to affordable, reliable EV charging solutions	The rollback of federal investment and commitments of auto manufacturers will likely slow EV adoption and make the future of EV charging unclear. SVCE needs to continue to support adoption while avoiding high-risk investments.	1. Focus on stable, reliable, long-term charging solutions. 2. Advocate for policy changes that make charging more affordable for multifamily residents. 3. Monitor market changes and adapt programmatic support as needed.
Scale impact through knowledge sharing	The SVCE Board has shown bold leadership and commitment to building a clean energy future. SVCE must leverage lessons learned to transform its commitment to trying new approaches into an invaluable resource that can guide the clean energy transition.	1. Publish 2–3 key learnings for decarbonization each year. 2. Operationalize annual decarbonization reporting metrics. 3. Incorporate findings from data and analysis to continuously improve programs and refine planning approaches.

Table 3. A summary of four decarbonization priorities towards the 2027–2045 SVCE decarbonization goal, the main challenge each priority area faces, and strategic recommendations to prioritize between 2027–2032.

Outcomes

To help measure and gauge progress towards the decarbonization priorities, SVCE identified key outcomes for 2032. These outcomes reflect the anticipated results from successfully implementing the strategic recommendations described for each decarbonization priority. SVCE does not have direct control over these outcomes. Success will require participation of many actors; however, these are the outcomes SVCE is working toward to build the long-term feasibility of electrification and clean energy. Thus, measuring progress towards the outcomes, while maintaining an understanding of the agency's limits, is important to understanding our progress. The outcomes SVCE will reach to achieve by 2032 are as follows:

1. SVCE will have identified at least three priority locations for potential local generation development and begun implementing feasible projects.
2. SVCE will have identified pathways for incorporating demand flex into long-term portfolio planning.
3. Heat pump HVAC will outsell air conditioners with gas furnaces with no incentives, and average HPWH retrofit projects will cost 20% less than today.
4. There will be twice the number of EV charging stations available to residents at existing multifamily buildings.
5. SVCE will have published 10 decarbonization learnings and shared them with stakeholders on a statewide level.

Reporting Progress

To track progress towards the decarbonization goal and targets, SVCE is committed to tracking and reporting progress on a regular and consistent basis. Tracking and reporting this progress in relation to electrification targets will provide valuable context for understanding larger trends and their impacts over time, such as changes in federal, statewide, and local policy as well as broader changes in consumer demand.

To evaluate progress, guide decision making, and increase overall transparency, SVCE is committing to the following reporting practices:

1. Develop a standardized set of reporting metrics to evaluate progress towards the Decarbonization Priorities identified.
2. Report on decarbonization program performance annually using these reporting metrics.
3. Provide interim updates to the Decarbonization Roadmap every three years to gauge progress and adjust priorities or strategies, as needed, to reflect learnings or changes to the broader ecosystem SVCE operates within.
4. Update the Decarbonization Roadmap plan every six years to refine priorities, provide updates on electrification goals and targets, and recommend strategies for implementation.

Summary

The following is a summary of the decarbonization goal, electrification targets, decarbonization principles and priorities, and anticipated outcomes identified in this document.

2027–2045 SVCE Decarbonization Goal:
"Drive the SVCE region to fully electrify every building and vehicle by 2045 and power it with clean energy."

Electrification Targets:
(Note: the proposed targets below are subject to change upon further review and study)

	2025 Baseline - Electrified Equipment	2032 Target	2038 Target	2045 Target (100% Electrified)
Light-Duty Vehicles	75,000	132,000	200,000	451,500
Residential HVAC	29,000	75,000	130,000	271,000
Residential Cooking	9,700	40,000	110,000	281,500
Residential Water Heaters	4,000	35,000	85,000	252,000
Commercial HVAC	3,800	5,500	8,500	10,500
Commercial Water Heaters	100	600	2,200	6,500

Decarbonization Principles (2027–2032)

1. Build a long-term clean portfolio by pragmatically balancing risks and costs and selectively investing in innovative solutions.
2. Support and partner with member agencies to catalyze emissions reductions and scale decarbonization at a lower cost.
3. Focus on the most cost-effective and market-ready solutions to increase demand, drive down costs, and lead to widespread adoption.
4. Scale impact through knowledge sharing from the lessons learned from programs, research, and pilots.
5. Reach all customers through SVCE programs.

Decarbonization Priorities (2027–2032)

1. Where least cost/best fit integrate local resources and demand flexibility into portfolio planning
2. Lower building electrification costs, especially heat pumps
3. Increase access to affordable, reliable EV charging solutions
4. Scale impact through knowledge sharing

Outcomes (2027-2032)

1. SVCE will have identified at least three priority locations for potential local generation development and begun implementing feasible projects.
2. SVCE will have identified pathways for incorporating demand flex into long-term portfolio planning.
3. Heat pump HVAC will outsell air conditioners with gas furnaces with no incentives, and average HPWH retrofit projects will cost 20% less than today.
4. There will be twice the number of EV charging stations available to residents at existing multifamily buildings.
5. SVCE will have published 10 decarbonization learnings and shared them with stakeholders on a statewide level.

Operationalizing Recommendations

To help guide SVCE staff towards meeting the targets and priorities identified in this document, strategic recommendations have been identified across 10 work streams.

1. Power Supply
2. Member Agency
3. Single-family Residential
4. Multifamily Residential
5. Large Commercial & Industrial
6. Demand Flexibility
7. Small-to-Medium Business
8. Program Operations
9. Communications
10. Community/Public Buildings

Each page of recommendations per sector includes a bulleted list of progress or “wins” over the 2018–2026 period to contextualize the successes SVCE has achieved in each area. This is followed by “challenges” and “momentum” (forces that hinder or support market growth and adoption, respectively), a summary of focus by technology (where applicable), and several key strategic recommendations. Technology focus and recommendations are categorized based on the definitions below:

New - New focus area for SVCE
Expand - Expands an existing focus
Reduce - Reduces or phases-out an existing focus
Continue - Continues an existing focus

Power Supply

The SVCE power supply portfolio is the foundation that enables decarbonization as buildings and transportation electrify. We recognize that by achieving our electrification goals, we are necessarily altering our power supply needs. Simultaneously, SVCE is one actor in a broader market and regulatory framework. One way to potentially optimize future solar plus storage developments is to locate projects closer to where electricity is used (i.e. locally). As we collectively move toward economy-wide carbon neutrality, SVCE expects to see decreasing value from additional solar and batteries. One way to potentially optimize future solar plus storage developments is to locate projects closer to where electricity is used (i.e. locally). However, while local development can play a critical role in sustainability, these developments will be small and not enough and may also prove to be more costly. Focus will increasingly be on the development of a more diverse portfolio including "clean, firm" resources; those which reflect the dispatchable and reliable attributes of natural gas without the associated emissions. In addition to striving to provide 100% clean energy, SVCE is working to increase planning alignment between demand flexibility and generation.

Accomplishments (2018-2026)

- SVCE has signed $4.2 billion across 26 long-term Power Purchase Agreements for new and existing renewable and/or clean resources with 45% of SVCE's demand now met through these resources.
- Provided customers 100% clean energy, measured annually, nine out of 10 years of service including exceeding Renewable Portfolio Standard (RPS) requirements.[3]
- First long-duration, eight-hour energy storage project in the U.S. contracted and online to help expand the use of renewable energy generation and reduce dependence on natural gas generators.
- Contracted for the first new geothermal generation built in the CAISO balancing authority in 30 years and procured this resource prior to the issuance of statewide requirements, providing clean, firm generation to supplement variable renewable generation.
- Signed a Power Purchase Agreement (PPA) with the Hanford Hybrid Energy Center to help reduce local emissions by pairing new battery storage with an existing gas peaker plant to reduce hours of peaker runtime.
- Developed an integrated planning team across supply and demand-side operations to enhance forecasting and long-term strategic planning.

[3] SVCE measures its clean targets on an annual basis. SVCE defines clean resources to include RPS-eligible resources and carbon-free large hydroelectricity and nuclear energy.

Challenges

- Uncertain load growth and load shape due to data centers, building and transportation electrification, and other emerging loads make forecasting and planning challenging.
- Transmission, interconnection, siting, and permitting constraints lead to increased cost and time to build new assets and an overall lack of local energy projects.
- Integration of high levels of renewables has triggered new considerations for reliability planning and standards. Combined with potential changes to load shapes stemming from electrification, these changes will likely necessitate more clean, firm resources on the grid.

Momentum

- Adopted SVCE's Clean Energy Pathways, establishing a long-term procurement strategy targeting a power portfolio of 75% RPS-eligible and 100% clean by 2030, and 100% RPS-eligible and 100% clean by 2035 and beyond[4].

Strategic Recommendations

1. [New] Build a process to identify potential local energy projects that incorporate stakeholder input, particularly through partnerships with member agencies.
2. [Continue] Integrate supply and demand planning by evaluating resources needs across a range of futures.

[4] SVCE measures RPS on a retail sales basis, consistent with the state's RPS program. The agency's total clean target includes retail sales and additional clean energy to cover line losses of approximately 6%.

Member Agencies

SVCE was formed by the local communities it serves, born from a shared goal to reduce greenhouse gases across Santa Clara County. SVCE is governed by a Board of Directors made up of representatives from each of the communities it serves but has also invested in deepening relationships with each of the 13 Member Agencies. From supporting sustainability staff in their programs and climate action planning to providing customized education and training to building officials and permitting staff, SVCE has learned that one of the most impactful ways it can support its local communities is through building trusted relationships with Member Agency staff and functioning as an extension of their staffing capacity.

Accomplishments (2018-2026)

- Local code enhancements were adopted by all 13 Member Agencies with support from SVCE, strengthening building electrification and EV charging requirements for new construction and major retrofits.
- Success with code enhancements accelerated the advancement of statewide building codes including EV charging infrastructure requirements.
- SVCE awarded over $18M in grants across all 13 Member Agencies supporting resiliency and decarbonization demonstration projects.
- Provided training for member agency Building Officials on new technology and best practices, helping build local support for electrification and reduce permitting review time.

Challenges

- State legislation restricts innovative building codes by pausing all advancements on residential building codes until 2031 through AB 130.
- Elimination and restriction of Federal energy programs and grant funding has created increased budget uncertainty for local governments and limitations on staff capacity.
- Impending permit volume increase from Air District rule compliance will put additional burden on local authorities having jurisdiction (AHJs).

Momentum

- New construction codes are almost completely all-electric for residential and commercial buildings.
- Early adoption of Two-Way AC codes by several local jurisdictions supports potential for future statewide adoption.

Strategic Recommendations

1. [New] Provide guidance to Member Agencies on highest priority emissions reduction strategies to pursue in their Climate Action Plans (CAPs).
2. [Continue] Leverage building codes to eliminate fossil-gas fired equipment in new and existing homes.

3. [Continue] Provide tools and resources for building officials to administer permits with efficiency and expediency to reduce project costs and prepare for Air District rules implementation.
4. [Reduce] Provide grants to member agencies, when resources allow, to support demonstration projects and innovative approaches to community engagement and education.

Single-Family Residential

Santa Clara County's single-family housing stock represents one of the region's most significant opportunities for reducing building-related greenhouse gas emissions. Much of the area's housing was built decades ago and remains dependent on gas for space heating, water heating, and cooking.

Despite the challenges of high upfront costs and low contractor awareness of electric technologies, single-family homes were the focus of initial SVCE decarbonization programs. Over the past few years, the benefits of electrifying have become more recognized, as residents seek the health and comfort benefits of electric appliances and agencies, like SVCE, have more firmly quantified the positive bill impacts. With significant appliance burn-out policies on the horizon and new manufacturers and products regularly entering the market, SVCE will need to provide coordinated investments, policy support, workforce development, and customer engagement over the next few years to prepare the region for scaled adoption.

Accomplishments (2018-2026)

- 4,200 home rebates issued through SVCE rebate programs.
- Launched a turnkey whole-home electrification service including free upgrades to income-qualified customers.
- Santa Clara County experienced the highest EV sales rate in the nation (40% of new vehicle sales).

Challenges

- High upfront costs of replacing gas heating with electric heat pumps hinder consumer demand, especially for HPWHs.
- Insufficient funding to sustain statewide incentive programs hurts the market by creating instability and eroding trust with contractors.
- Changing EV policies at a state and federal level, bankruptcy of several major charging companies, and rollback of EV models by manufacturers implies a reduced market in coming years.

Momentum

- Heat pump HVAC experiencing strong market growth and increased demand due to growing need for air conditioning in older homes.
- Growing number of heat pump HVAC products entering market, including options to fill existing product gaps.

- Air District Zero-NOx rulemaking poised to drive significant adoption.
- New load management technologies, such as circuit-sharing devices and smart panels, allow homes to be electrified on their existing service and are gaining traction among contractors to avoid lengthy, expensive, and complex utility reviews.

Technology Focus

Water Heating	+	**Expand**		Induction	~	**Continue**
HP HVAC	<	**Reduce**		EVs & EVI	X	**Not a focus**

Strategic Recommendations

1. [Expand] Take a multi-pronged approach to driving down upfront costs of heat pump retrofits by focusing on contractor engagement, permit reform, and targeted rebates to increase demand and reduce friction.
2. [Expand] Support customers and contractors to adapt to the Bay Area Air District zero-NOx appliance standards.
3. [Reduce] Prepare to phase out HVAC incentives as market reaches maturity.

Multifamily Residential

Silicon Valley's multifamily housing sector plays a pivotal role in achieving regional decarbonization goals due to its scale, density, and potential to deliver emissions reductions across thousands of households simultaneously. One-third of all residential housing in SVCE's service area is multifamily housing, the vast majority of which is occupied by renters. Unlike single-family homes, multifamily properties require coordinated decision-making among owners, property managers, tenants, homeowners' associations, and service providers, making electrification as much an organizational challenge as a technical one.

Many existing buildings rely on aging central systems or individual gas-fired appliances that present opportunities for replacement with efficient electric technologies during planned capital improvement cycles. However, competing investment priorities, affordability considerations, tenant impacts, and infrastructure limitations often make electrification projects difficult to advance. Adding EV charging infrastructure in multifamily housing is also a significant challenge due to high capital costs, complex stakeholder coordination, and uncertainty in the rate of EV vehicle adoption and charging infrastructure utilization, yet expanding access is essential to support equitable EV adoption among renters. By aligning decarbonization investments with long-term asset management objectives, the region's multifamily housing sector can accelerate the transition to efficient electric technologies while improving building operations and delivering lasting benefits for property owners and tenants.

Accomplishments (2018-2026)

- 120 deed-restricted multifamily rental units have been electrified through the SVCE Multifamily Retrofits program, with 554 more units in progress. 544 Level 1 and Level 2 EV charging ports were installed for multifamily residents from the SVCE EVI programs, with 500+ additional in progress.

Challenges

- High upfront costs of electrification retrofits and split-incentives (when the party paying for the investment does not receive the financial and operational benefits) deter landlords from electrifying, increasing the need for continued incentives even for HP HVAC technology.
- Low EVI utilization discourages investment in charging infrastructure, while significant advances in charging technology create uncertainty in the future of EVI technology.
- Complexity and variation of EV charging solutions for multifamily properties have led to a reliance on third-party solutions with additional fees that can increase charging costs for renters.
- Changes in federal policy and manufacturer commitments make the short-term adoption trends for EVs unclear and the demand for EVI even more uncertain.

Momentum

- New HPWH solutions coming to market help fill technology gaps and increase flexibility for water heating solutions.
- Increasing private investment in fast public EV charging is rapidly expanding access without relying on public subsidies.
- Growth of available pre-owned EVs in the market provides more affordable options for all income levels.

Technology Focus

Water Heating	+	**Expand**		Induction	~	**Continue**
HP HVAC	~	**Continue**		EVs & EVI	~	**Continue**

Strategic Recommendations

1. [Continue] Focus on stable, reliable, long-term charging solutions that are less likely to become obsolete in the face of potential future EV technology advancement.
2. [Expand] Advocate for policy changes that help make EV charging and building electrification more affordable for multifamily residents by sharing benefits with building owners and reducing costs passed on to renters.
3. [Continue] Monitor market changes in EVs and EVI technology and adapt programmatic support as needed.

Large Commercial and Industrial

Representing one-third of SVCE's electricity load and 14% of SVCE territory emissions, establishing and maintaining relationships with large commercial and industrial customers has always been an integral part of SVCE's operations. With an inherent financial motivation to minimize energy consumption, many large commercial and industrial customers have sophisticated building monitoring and control systems as well as staff dedicated to tracking performance and utility bills, although this varies significantly customer to customer. Large commercial and industrial customers are also historically more likely to engage with utility demand response programs, having both the electricity load and the resources to capitalize on these types of opportunities.

In recent years there has been growing focus on the potential impacts of AI technologies and data centers to the electricity sector. As with any new technology or growth trend significant uncertainty surrounds the deployment of data centers, especially in California where high electricity prices and barriers to entry likely make it an attractive location for a smaller subset of AI use cases than throughout the country at large. SVCE staff is working diligently with our cities, regulators and customers to ensure that new build and costs to connect such facilities are timed reasonably according to feasibility and risk and no cost shifting occurs across customer classes.

Accomplishments (2018-2026)

- Launched the C&I Decarb Program and successfully enrolled 16 customers.
- Large tech companies in Silicon Valley have helped advance commercial decarb solutions including electric cooking equipment and advanced geothermal building systems.
- Developed innovative Eco-Invest program allowing customers to receive a discount on their rate in exchange for a commitment to stay with SVCE and invest savings directly into decarbonization measures at their facilities.
- Partnered with Google on first-of-its-kind 24/7 carbon free energy service, which is providing carbon-free energy on hourly basis to Google's Mountain View and Sunnyvale locations.

Challenges

- High variability in building system layout and interoperability make it very challenging to provide decarb guidance without performing detailed investigations.
- Large differences in customer resources, engagement, and motivation around pursuing energy efficiency and decarbonization projects require relationship building over time to better understand how SVCE can be helpful in these pursuits.
- Lack of decarb solutions for high-temperature process heating has made industrial decarb progress very slow.
- Data centers in our service territory are expected to grow, bringing large and highly uncertain demand for clean energy, reliability products, and back-up generation mainly from polluting diesel generators.

Momentum

- Growing number of commercial heat pump products coming to market.
- Impending Bay Area Air District Zero-NOx appliance standards for large boilers and furnaces will steer commercial customers to invest in electric heat pump solutions.

Technology Focus

Water Heating	+	**Expand**		EVs & EVI	X	**Not a focus**
HP HVAC	~	**Continue**		Process Heating	( )	**Explore**

Strategic Recommendations

1. [Expand] Create a commercial and industrial customer relationships role to better understand unique customer needs and identify strategic focus areas for SVCE to support commercial and industrial decarbonization.
2. [Expand] Support customers and contractors to adapt to the Bay Area Air District zero-NOx appliance standards.
3. [Expand] Grow efforts to understand data center load and provide products, services and programs to mitigate risk on other customers and reduce local pollutants.

Demand Flexibility

Demand flexibility is a customer's ability to shift their energy usage (i.e., demand) to a different period of the day through automation or behavioral changes, typically in response to a price signal delivered through a rate or program. Advancements in technology have opened the door to controlling devices that use energy, from household appliances to EVs to commercial and industrial equipment, holding the potential for these appliances and equipment to participate in demand flexibility programs or rates. The past several years have seen a significant increase in interest in demand flexibility from state regulators and other energy stakeholders because of the potential to more efficiently match electricity demand and supply through new technology. Demand flexibility could theoretically lower system wide grid operational costs, while simultaneously delivering customer savings and lowering greenhouse gas emissions. However, the economics, technology adoption, and customer willingness to participate remain uncertain.

Accomplishments (2018-2026)

Implemented multiple projects to test customer responsiveness to time-varying rates and program incentives, resulting in increased understanding of demand flexibility potential and financial viability:

- Virtual Power Plant (VPP) Options Analysis study performed in 2019.
- SVCE's ChargeWise Pilot managed EV charging program.
- Participated in PG&E's Hourly Flex Pricing Pilots.
- Conducted a Net Margin Analysis project evaluating the avoided costs that accrue to SVCE for different types of demand flexibility programs, including solar and storage in 2026.

Some of these efforts found that under current market conditions demand flexibility requires significant subsidies. For example, the Net Margin Analysis concluded that current load shifting programs deliver limited value, at times negative value, to SVCE's power portfolio, even though the system-wide benefits may be greater. While the abovementioned projects have provided valuable operational insights, broader deployment of demand flexibility programs is likely to require changes to market structures and regulatory frameworks.

Challenges

- Complex value proposition, because value is spread across transmission, distribution, generation, and customer benefits.
- Regulatory and compliance uncertainty with regard to value streams, rate requirements, funding, and demand flexibility performance.
- Unclear level of customer responsiveness to price signals.
- Concerns about customer privacy and data access.
- Unclear business case for service providers, who can enable the scaling of device responsiveness to price signals.

Momentum

- Increased building and transportation electrification expands the potential for demand flexibility.
- Compliance requirements for load serving entities in California require certain demand flexibility offerings.

Technology Focus

Batteries	**( )**	**Explore**
Electric Vehicles	**( )**	**Explore**
Others: Demand Response	**( )**	**Explore**

Strategic Recommendations

1. (Explore) Identify programs or rate schedules that incentivize load shifting when appropriate.
2. (Explore) Use SVCE learnings to support SVCE's policy and regulatory engagement.

Small-to-Medium Business

One of the core defining characteristics of cities and towns are the small and medium-sized businesses found there. This is especially true of restaurants and independently owned "mom and pop" businesses. But while important to the fabric of communities, these customers have been historically challenging to engage through utility programs due to limited time and resources. Finding the balance between assistance that is truly helpful without adding additional burden to these customers continues to be a challenge, particularly for thin-margin, high-turnover businesses like restaurants.

Accomplishments (2018-2026)

- Launched and ran the Business Rebates program which helped 13 small-to-medium businesses (SMBs) partially electrify their buildings.
- Statewide building code advances have made heat pumps the default requirement upon replacement of packaged rooftop HVAC units, the most ubiquitous commercial building HVAC system type.

Challenges

- Small business owners are notoriously busy, short on resources, and operating on thin margins, making engagement challenging and requiring significant administrative investment on a per-customer basis.
- Split-incentives reduce motivation for landlords and building owners to electrify and limit the decision-making power of tenants.

Momentum

- Packaged rooftop heat pump HVAC has reached cost parity with equivalent gas furnace systems and is well established in the contractor market.
- Bay Area Air District Zero-NOx rulemaking will accelerate HPWH adoption and further reduce installations of packaged rooftop HVAC with gas furnaces.

Technology Focus

Water Heating	+	**Expand**		Induction	~	**Continue**
HP HVAC	<	**Reduce**		EVs and EVI	X	**Not a focus**

Strategic Recommendations

1. [Reduce] Evaluate pivoting business incentives from a traditional residential-style rebate program structure to an open-enrollment grant program approach in order to reduce the administrative burden by shifting from actively promoting rebates to making them available upon demand.

2. [Continue] Explore targeted engagement and demonstration opportunities including food service electrification opportunities.
3. [Expand] Support small-business customers, building owners, and small commercial contractors to adapt to the Bay Area Air District zero-NOx appliance standards.

Program Operations

The systems and processes SVCE uses to deploy and manage our diverse building, transportation, and municipal programs paid for by the SVCE programs fund. Efficient operations including customer applications, application review, and payments are critical to scaling program enrollment to maximize our impact on our community.

Accomplishments (2018-2026)

- Increased active SVCE programs from 0 to 28.
- Implemented administrative enhancements including Salesforce to help streamline program management and bridge workflow between different program offerings.
- Added ability to implement rebate adders from member agencies through SVCE program portal, increasing benefits to customers and reducing admin burden.

Challenges

- Revenue volatility due to rates structuring and PCIA create budgeting and planning uncertainty year-to-year.
- Discrepancy between the need to scale programs to a greater number of customers in order to reach decarbonization goals while the SVCE program budget remains consistent.

Momentum

- AI is becoming increasingly integrated into tools and resources, enhancing data flow and processing capabilities.
- Program team and number of customer offerings have grown significantly, yielding more experience and lessons learned to streamline and refine program administration.

Strategic Recommendations

1. [New] Grow knowledge sharing resources to leverage institutional experience and resources to help make future investments more effective.
2. [Expand] Further reduce program costs by streamlining administrative processes, simplifying participation requirements where possible, and leveraging state-of-the are tools to enhance workflows.

Communications

Building awareness of electrification among residents and businesses who make significant purchasing decisions every day is instrumental in helping to achieve the region's carbon emissions reduction goals and create safer and healthier communities. It also requires a steady community engagement effort with key stakeholders that help to influence local policy decisions. As this plan is multifaceted in addressing multiple sectors to help get to a 100% clean energy future, the communications and marketing efforts of SVCE are instrumental in helping to achieve the goal of the 2026 Roadmap.

Accomplishments (2018-2026)

- Successfully implemented, maintained and enhanced eHub, an online customer resource center that helps provide electrification education and connects customers to SVCE programs.
- Engaged more than 5,645 customers with the Dream Home, a mobile, all-electric appliance showroom where customers can touch, see and feel the key electric appliances.
- Effectively engaging thousands of residential customers through email communications that promote electrification awareness, education and driving interest and uptake in SVCE programs.

Challenges

- In general, it is difficult to get people's attention in our modern digital age with access to information available 24/7. There is also deliberate misinformation or myths being promoted about electric technologies to overcome.
- Electrification is still a complicated and somewhat new topic that requires a significant change in behavior and purchasing decisions for customers, especially when there are higher upfront costs.
- AI and changes to social media algorithms are creating a more complex advertising environment and leading to greater distrust of public information.

Momentum

- More health data and studies are being released that help make the case for why going electric is an important decision for families and those with pre-existing conditions.
- Continuously building partnerships with local community-based organizations and non-profits to amplify income-qualified programs to the right audiences.
- Robust campaigns that integrate public relations, marketing and community engagement to enable customer interactions through every stage of awareness, consideration, purchasing and loyalty.

Strategic Recommendations

1. [Continue] Developing robust marketing campaigns that meet people where they are and focus on electrification education, SVCE services to assist customers, and demystifying the technologies.
2. [Expand] Increase customer testimonials with a focus on health – surveys show that customers trust information from family and friends; SVCE can leverage loyal customers to help be trusted messengers.
3. [Continue] Building relationships and working in partnership with CBOs and non-profits that can help facilitate connections to key audiences from low-income customers to contractor networks.

Community Buildings

Since SVCE's inception, Member Agencies have made meaningful progress towards decarbonization of local community buildings. Given the number of local residents who visit these buildings in different capacities, significant potential exists to leverage these buildings for engagement, education, and demonstration purposes. SVCE community grant programs take advantage of this opportunity by including demonstration and education components, and many Member Agency decarbonization projects include educational components to increase awareness of electrification and resiliency.

Accomplishments (2018-2026)

- Growing awareness in public agencies of the need for public buildings to decarbonize, and the positive impact these efforts have on the communities they serve.
- Expanded SVCE's Business Rebates program to allow community buildings and schools to receive incentives for building electrification projects.

Challenges

- Grant programs are time intensive to apply for, expensive to administer, and lose effectiveness when scaled down to a lower budget.
- Local government is often faced with limited resources and staffing constraints – even trying to leverage free tools and services can create bandwidth issues.
- Reduced Net Energy Metering (NEM) incentives are making investments in behind-the-meter solar less economical.

Momentum

- Successful examples of partially- or fully-electrified community buildings now exist throughout SVCE's service area.

Strategic Recommendations

1. [Expand] Conserve program budget by leveraging completed projects for additional promotion of education and demonstration opportunities.
2. [Reduce] Issue one competitive grant program every two years for public and community buildings, as budget allows.
3. [New] Explore opportunities to utilize Community Agency buildings to host solar with or without storage to help achieve clean energy goals while reducing cost and enhancing local resiliency.

APPENDIX

Section 1: GHG Inventory Methodology

Each year, SVCE conducts a greenhouse gas (GHG) emissions inventory for its service territory. The GHG inventory tracks energy- and transportation-related emissions throughout SVCE's service area and reports progress toward meeting interim GHG reduction targets. The inventory model aligns with the U.S. Community Protocol for Accounting and Reporting Greenhouse Gas Emissions and was developed using industry standards for estimating and accounting for emissions from energy and transportation.

Building emissions come from electricity consumption and gas consumption in buildings and industry. These are based on PG&E meter data across SVCE territory. Annual emission factors from SVCE, PG&E and grid emissions are used to calculate electricity emissions, while the remaining emission and conversion factors used in the inventory model are pulled from industry standard sources. Transportation emissions come from passenger and commercial vehicles ("onroad") as well as offroad equipment like industrial equipment and lawn and garden equipment.[1] Emissions from the onroad transportation sector are calculated using DMV data on electric vehicle (EV) penetration, vehicle miles traveled data from the Metropolitan Transportation Commission, and vehicle fuel efficiency data from the California Air Resources Board (CARB) EMFAC database. Emissions from the offroad sector are calculated using CARB's offroad models at the county-level and back-casted using the OFFROAD2025 model.

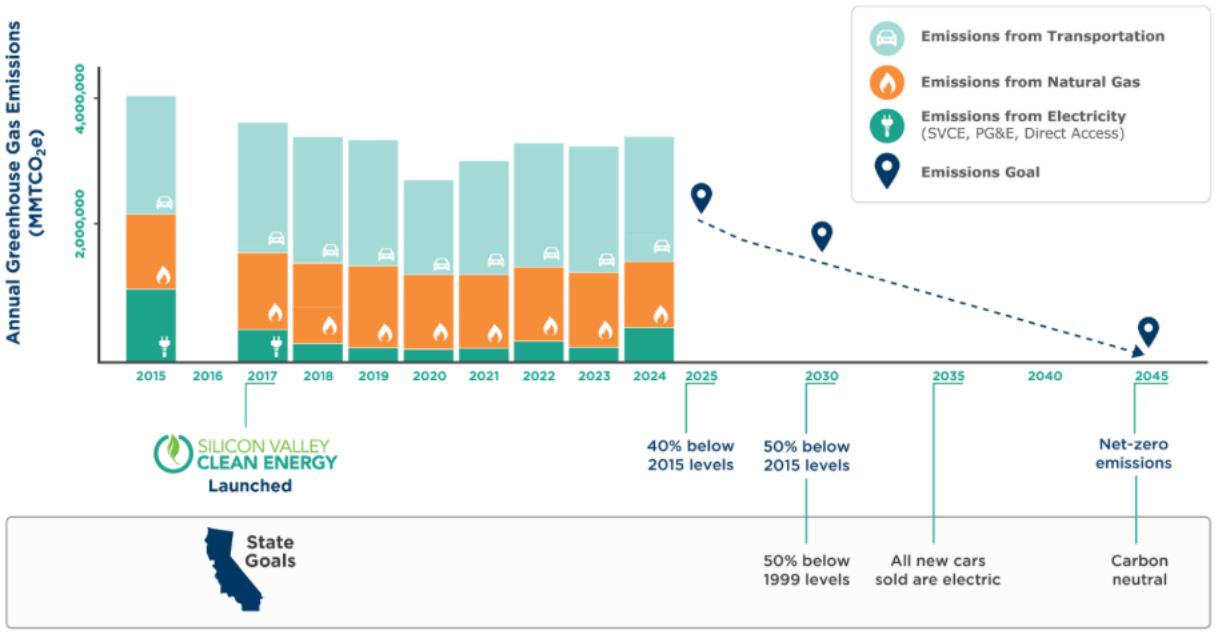


Figure 11. SVCE service area annual emissions from 2017 through 2024, including 2015 as a "baseline" or reference year and 2025 and 2030 interim GHG emissions goals established through SVCE's 2018 Decarbonization Roadmap.

Section 2: Electrification Forecast Modeling Methodology

Electrification forecast models were built by first estimating the anticipated level of electrification expected by 2045 for different technologies solely through natural market adoption, based on current market studies and estimated changes in consumer demand over time. This approach, illustrated in Figure 12 below, does not reflect the influence of future state and federal policy, regulation, or influence of SVCE and local jurisdictions. As reflected, residential space heating, water heating, and cooking appliances are anticipated to be less than halfway to the 2045 target of 100% electrification by 2045, while passenger vehicles are anticipated to be slightly over 60% electrified. Residential water heating sees the lowest natural market adoption of electrification due to high upfront costs stifling growth of already weak consumer demand.

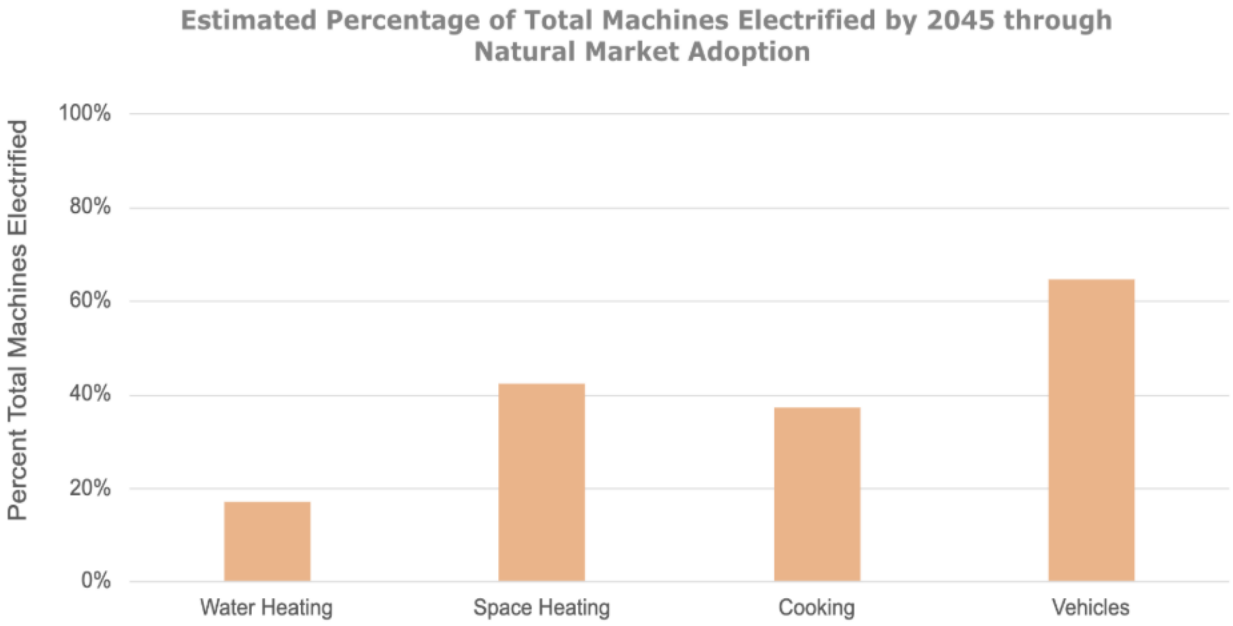


Figure 12. Estimated percentage of total machines expected to be electrified by 2045 through natural market adoption for three residential building appliances and passenger vehicles. To reach carbon neutrality goals, 100% of machines would need to be electrified by 2045.

Once long-term natural market adoption forecasts were established, additional layers were incorporated into the model to reflect the major "layers" or "electrification influences" which could contribute to supplemental electrification growth by 2045. These influences are described in Table 3 below, including data sources which informed their development. Models were peer reviewed and vetted by trusted thought-leaders in the electrification space throughout their development.

Electrification Influence	Description	Examples	Data Sources

Statewide Building Codes	New construction and major renovation building codes	Prescriptive requirements for heat pumps in new multifamily buildings increase adoption	Housing and Community Development (HCD) RHNA Data with SME assumptions for new construction compliance
Air District Rules	Bay Area Air District Zero-NOx rules 9-7 and 9-4	Sales ban on residential gas furnaces and water heaters increases electrification	Bay Area Air District Rules 9-4 and 9-6 with subject matter expert (SME) assumptions for starting compliance levels and annual compliance growth rates
Member Agency Code Enhancements	Local ordinances that amend or add to statewide building code	Heat pump HVAC requirement for existing air conditioning units with gas furnaces upon replacement (“2-Way AC" ordinance)	City of Mountain View reach code forecast; Electric Readiness and 2-Way AC ordinances with SME assumptions for starting compliance levels and annual compliance growth rates
SVCE Rebates and Incentives	Electric appliances directly influenced by SVCE programs	HPWH and HP HVAC rebates and incentives issued since 2019	SVCE 2025 programs impact data
SVCE Ecosystem Improvement	Support to improve compliance with building codes and Air District rules	Contractor training programs, customer education, permit streamlining initiatives, and rebates and incentives specifically supporting Air District compliance	SME assumptions; SVCE 2025 programs impact data
Innovation and Technology Improvements (HPWH only)	Additional market-driven innovation required to reach 2045 target	Lower-cost HPWH retrofit solutions; contractor installation efficiency improvements which lower upfront costs	-
National Market Changes (Light-duty EV only)	Additional policy-driven market changes required to reach 2045 target	Elimination of import tariffs on Chinese EVs	-

Table 3. Electrification forecast layers of influence on the rate of electrification as modeled, including descriptions, examples, and data sources for each layer.

Section 3: Detailed Strategic Recommendations

#	SECTOR	TYPE	RECOMMENDATION
1	Power Supply	New	Build a process to identify potential local energy projects that incorporate stakeholder input, particularly through partnerships with member agencies.
2	Power Supply	Continue	Integrate supply and demand planning by evaluating resources needs across a range of futures.
3	Member Agencies	New	Provide guidance to Member Agencies on highest priority emissions reduction strategies to pursue in their Climate Action Plans (CAPs).
4	Member Agencies	Continue	Leverage building codes to eliminate fossil-gas fired equipment in new and existing homes.
5	Member Agencies	Continue	Provide tools and resources for building officials to administer permits with efficiency and expediency to reduce project costs and prepare for Air District rules implementation.
6	Member Agencies	Reduce	Provide grants to member agencies, when resources allow, to support demonstration projects and innovative approaches to community engagement and education.
7	SF Residential	Expand	Take a multi-pronged approach to driving down upfront costs of heat pump retrofits by focusing on contractor engagement, permit reform, and targeted rebates to increase demand and reduce friction.
8	SF Residential	Expand	Support customers and contractors to adapt to the Bay Area Air District zero-NOx appliance standards.
9	SF Residential	Reduce	Prepare to phase out HVAC incentives as market reaches maturity.
10	MF Residential	Continue	Focus on stable, reliable, long-term charging solutions that are less likely to become obsolete in the face of potential future EV technology advancement.

11	MF Residential	Expand	Advocate for policy changes that help make EV charging and building electrification more affordable for multifamily residents by sharing benefits with building owners and reducing costs passed on to renters.
12	MF Residential	Continue	Monitor market changes in EVs and EVI technology and adapt programmatic support as needed.
13	Commercial & Industrial	Expand	Create a commercial and industrial customer relationships role to better understand unique customer needs and identify strategic focus areas for SVCE to support commercial and industrial decarbonization.
14	Commercial & Industrial	Expand	Support customers and contractors to adapt to the Bay Area Air District zero-NOx appliance standards.
15	Commercial & Industrial	Expand	Grow efforts to understand data center load and provide products, services and programs to mitigate risk on other customers and reduce local pollutants.
16	Demand Flex	Expand	Identify when electricity use is most cost-effective and develop programs to shift demand toward those times.
17	Demand Flex	Expand	Use SVCE learnings and data analysis to inform regulators and advocate in favor of policies and rules that are less likely to increase costs for SVCE in the short or long term.
18	SMB	Reduce	Evaluate pivoting business incentives from a traditional residential-style rebate program structure to an open-enrollment grant program approach in order to reduce the administrative burden by shifting from actively promoting rebates to making them available upon demand.
19	SMB	Continue	Explore targeted engagement and demonstration opportunities including food service electrification opportunities.
20	SMB	Expand	Support small-business customers, building owners, and small commercial contractors to adapt to the Bay Area Air District zero-NOx appliance standards.

21	Program Operations	New	Grow knowledge sharing resources to leverage institutional experience and resources to help make future investments more effective.
23	Program Operations	Expand	Further reduce program costs by streamlining administrative processes, simplifying participation requirements where possible, and leveraging state-of-the are tools to enhance workflows.
24	Communication	Continue	Developing robust marketing campaigns that meet people where they are and focus on electrification education, SVCE services to assist customers, and demystifying the technologies.
25	Communication	Expand	Increase customer testimonials with a focus on health – surveys show that customers trust information from family and friends; SVCE can leverage loyal customers to help be trusted messengers.
26	Communication	Continue	Building relationships and working in partnership with CBOs and non-profits that can help facilitate connections to key audiences from low-income customers to contractor networks.
27	Community Buildings	Expand	Conserve program budget by leveraging completed projects for additional promotion of education and demonstration opportunities.
28	Community Buildings	Reduce	Issue one competitive grant program every two years for public and community buildings, as budget allows.
29	Community Buildings	New	Explore opportunities to utilize Community Agency buildings to host solar with or without storage to help achieve clean energy goals while reducing cost and enhancing local resiliency.

SILICON VALLEY CLEAN ENERGY

Staff Report – Item 4

Item 4:	**Authorize the Chief Executive Officer to Execute a 20-Year Interconnection Process Enhancements Power Purchase Agreement with NextEra Energy Resources Development Tarantula Canyon, LLC for Up to 150 MW of Solar Photovoltaic Energy and a 150 MW Co-located, Four-Hour Battery Energy Storage System**
From:	Monica Padilla, CEO
Prepared by:	Kris Van Vactor, Director of Power Resources Britta Bradshaw, Power Resource Manager
Date:	10/14/2026

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy (SVCE) Board of Directors (Board) delegate authority to the Chief Executive Officer (CEO) to finalize and execute an Interconnection Process Enhancements Power Purchase Agreement ("IPE PPA"), and any non-substantive subsequent amendments and ancillary agreements, for co-located solar energy and battery energy storage system (BESS) with NextEra Energy Resources Development, LLC for Tarantula Canyon ("Agreement"), with the following provisions:

- 150 megawatt (MW) or approximately 440,000 megawatt hours (MWh) per year of renewable and clean energy;
- 150 MW or 600 MWh 4-hour lithium-ion BESS;
- 20-Year term PPA with expected commercial operation date (COD) of December 1, 2032;
- Total amount not-to-exceed (NTE) $1.2 Billion, subject to a subsequent Amended and Restated PPA

Execution of the IPE PPA supports SVCE's objective of bringing new clean energy projects online within the CAISO and can help SVCE meet SVCE Board-directed clean energy targets, California's Renewable Portfolio Standard (RPS) requirements for Portfolio Category Content One ("PCC1") resources and clean procurement mandates, and Resource Adequacy (RA) requirements, including CPUC procurement order requirements for new clean capacity. The Agreement is provided in substantive form (Attachment 1). An Amended and Restated PPA (A&R PPA) is anticipated to resolve uncertainty in pricing under the agreement, given the amount of lead time now necessary to sign and execute PPAs under the new interconnection process managed by the California Independent System Operator (CAISO). The CEO has the authority to execute an A&R PPA consistent with the previously Board-delegated authority under Resolution No. 2022-08 (found on SVCE's website here: SVCE Resolution 2022-08). Should the amendments exceed such authority, the A&R PPA will be brought to the Board for consideration.

BACKGROUND

Solicitation and CAISO Queue Cluster 16 Background

In July 2026, Silicon Valley Clean Energy (SVCE) issued a Request for Offers (RFO) for long-term clean resources that would be in CAISO's Queue Cluster 16 (QC16) Process for reliability study and interconnection of new resources. The goal of the RFO was to secure a diverse set of renewable energy and clean capacity to meet SVCE's RPS and clean energy objectives, while also complying with California's RPS and clean mandates.

This RFO was launched with consideration of CAISO's Interconnection Process Enhancements process, in which load serving entities can assign Commercial Interest Points (CIPs) to prioritize their preferred projects applying for interconnection. These CIPs are critical to projects' abilities to achieve interconnection.

SVCE intends to award all of its allocated CIPs, across multiple projects, in order to support projects in applying for interconnection, to ensure a robust pipeline of projects coming online. In exchange for awarding these points, SVCE requires exclusivity on the corresponding portion of the project.

The Tarantula Canyon Agreement was selected resulting from this RFO and, subject to Board approval, will sign an Interconnection Process Enhancements Power Purchase Agreement ("IPE PPA"). This IPE PPA is designed to step up (or down) in its obligations as the project moves through the CAISO interconnection queue. Upon the Seller's completion of interconnection studies and execution of an Interconnection Agreement with the transmission provider, Seller is required to offer final pricing and terms to SVCE, at which point, subject to SVCE's approval and continued interest, an A&R PPA will be negotiated and brought to the Board for approval.

SVCE's Clean Energy Goals

As a load serving entity (LSE), SVCE is subject to clean energy and RPS targets under Senate Bill 100 ("SB 100") which set a goal of achieving a 60% RPS by 2030 and a 100% clean energy grid by 2045 with interim targets of 90% by 2035 and 95% by 2040 as provided for under Senate Bill 1020. Additionally, SVCE's Board set a 100% clean energy target on an annual basis and directed staff to achieve a 75% RPS in 2030-2034 (with a 10% margin of error) as approved by the Board in the November 13, 2024 SVCE Board of Directors Meeting, Item 4.

Clean resources were also sought to meet obligations as ordered in the California Public Utilities Commission (CPUC) issuing Decisions (D.) 21-06-035, (D.) 23-02-040, and (D.) 26-02-057 (together, the CPUC Procurement Orders)—requiring CPUC-jurisdictional LSEs, such as SVCE, to procure and/or develop a collective 21,500 MW of new capacity by 2032 (as may be extended to 2035 through permitted delays). SVCE's total share of the CPUC Procurement Orders is 452 MW, which was determined based on SVCE's load ratio share of the CPUC's jurisdictional load in the Pacific Gas and Electric transmission access area. SVCE has made significant progress towards meeting its obligations under (D.) 21-06-035, (D.) and 23-02-040 (together, the Mid-Term Reliability Orders, or "MTR Orders"), but an open position still exists under the newer (D.) 26-02-057.

In support of SVCE's goals and mandates, SVCE has 26 long-term contracts for clean energy, capacity and/or reliability products. Currently, seventeen resources are online and estimated to meet approximately 58% of SVCE's total load in 2026 with the following RPS mix: Solar: 26%, Geothermal: 11%, Wind: 13%.

In 2036, when all resources are on-line, SVCE will have achieved a 68.3% RPS from long-term resources and 50.1% of its peak capacity will be met from clean resources including paired and stand-alone storage. Tables 1 and 2 summarize the PPAs executed to date to meet RPS, resource adequacy and/or MTR requirements.

Table 1: Board Authorized Clean Energy Contracts - Online

	Seller	Project Name	Technology	Generation MW	Storage MW	Storage MWh	Term (years)	SVCE Board Approval	Online Date
1	MN8	Slate	Solar + Storage	93	46.5	186	17	Oct-18	Jan-22
2	Ormat	Casa Diablo	Geothermal	7.5			15	Feb-20	Jul-22
3	Atlantica	Coso	Geothermal	43.8			15	Mar-20	Jan-22
4	Leeward	Rabbitbrush	Solar + Storage	40	8	20	15	Apr-20	Oct-22
5	NextEra	Yellow Pine	Solar + Storage	50	26	104	20	May-20	Jul-23
6	AES	Mountain View	Wind	33.3			20	Apr-21	Jul-22
7	Clearway	Victory Pass	Solar + Storage	100	25	100	15	May-21	Mar-24
8	Terra-Gen	Cameron Crest	Wind	77.7			15	May-21	Jan-23
9	AES	Baldy Mesa (RA-only)	Storage	0	75	300	10	Sep-22	Jun-24
10	Middle River Power	Hanford	Thermal + BESS	99.4	131.4	131.4	12	Apr-23	Aug-25
11	SB Energy	Angela	Solar + Storage	20	10	40	15	Mar-21	May-26
12	Pattern	SunZia South	Wind	70.2			15	Nov-23	May-26
13	Pattern	SunZia North	Wind	29.8			15	Nov-23	May-26
14	Pattern	SunZia South Incremental	Wind	17.54			10	May-25	May-26
15	Pattern	SunZia North Incremental	Wind	7.46			10	May-25	May-26
16	Rev Renewables	Tumbleweed	Long Duration Storage	0	15.9375	127.5	15	Feb-22	Jun-26
17	Avantus	Aratina	Solar + Storage	80	50	200	20	Jun-20	Jul-26

Table 2: Board Authorized Clean Energy Contracts - In Development

	Seller	Project Name	Technology	Generation MW	Storage MW	Storage MWh	Term (years)	SVCE Board Approval	Status
1	Origis	San Luis West	Solar + Storage	62.5	15.625	62.5	15	Apr-21	Pre-construction
2	Ormat	Geothermal Portfolio	Geothermal	16.75			20	Jun-22	Pre-construction
3	OME	Fish Lake	Geothermal	1.82			20	Jun-22	Pre-construction
4	NextEra	Grace	Solar	120			15	Aug-23	Pre-construction
5	NextEra	Yellow Pine III	Storage	0	24	96	15	Aug-23	Pre-construction
6	NextEra	Yellow Pine III	Long Duration Storage	0	9	72	15	Apr-25	Pre-construction
7	VCI Energy	Garden Green Solar	Solar + Storage	50	50	200	10	Oct-24	Pre-construction
8	Intersect Power	Darden III	Solar + Storage	91.48	91.48	365.92	15	Sep-25	Construction
9	Hydrostor	Willow Rock	Long Duration Storage (Compressed Air)	0	5.7	45.6	20	Jan-26	Construction

ANALYSIS & DISCUSSION

Tarantula Canyon is a 250 MW solar and 250 MW storage new-build resource in Nye County, Nevada. NextEra Energy Resources Development LLC ("NextEra") is the parent company and developer of Tarantula Canyon.

SVCE will be one of two or more off-takers of Tarantula Canyon, with a share of 150 MW of battery energy storage and 150 MW of solar energy, and approximately 440,000 MWh of PCC1 RPS energy and renewable energy certificates (RECs) annually, which will account for approximately eight to nine percent of SVCE's retail sales and count towards annual and long-term RPS requirements.

The resource is offered at a fixed price in dollars per MWh for solar generation and dollars per kilowatt-month ($/kW-mo) for storage capacity, under a twenty-year term with two separate expected online dates for the

solar and storage portion. The expected COD of the solar resource is December 1, 2032, and the expected COD of the storage portion is June 1, 2035. The project is applying for Full Capacity Deliverability Status (FCDS) from CAISO and would be able to provide resource adequacy attributes to help SVCE meet its annual compliance obligation.

Table 3 is a summary of the key features of the Tarantula Canyon PPA.

Table 3: Summary of Tarantula Canyon Agreement

Counterparty	Tarantula Canyon
Parent Company	NextEra Energy Resources Development, LLC
Product	New build solar PV PCC1 RPS Energy and lithium-ion 4-hour battery storage
Need and/or Compliance Obligation	SVCE's 100% Clean energy goal and RPS target SB100, SB350 and B1020 MTR Order and RA starting in 2028
Expected Delivery Term	20 years, indicative start date of December 1, 2032
Contract Capacity	150 MW solar, 150 MW, 4-hour storage (total capacity to be contracted to SVCE at point of interconnection is 150 MW)
Location	Nye, NV
Percentage of Retail Load Served/RPS	8-9%

RPS Compliance & Integrated Resource Plan

SB100 sets annual RPS targets starting in 2020 growing to 60% in 2030 and further sets a 100% clean energy goal by 2045. SVCE's board-approved IRP further sets an RPS target of 75% by 2030. The Tarantula Canyon Agreement provides an estimated average of 441,831 MWh of RPS eligible energy, bringing SVCE's expected RPS in 2033 to 70.3%.

SB350, passed in 2016, requires Load Serving Entities (LSE) such as SVCE to acquire a minimum of 65% of the state-mandated RPS requirement through long-term PPAs (10 years or greater) starting with Compliance Period No. 4 "CP4" (2021-2024). Tarantula Canyon is expected to come online in 2032, helping meet long-term obligations beyond CP6 (2028-2030). With the inclusion of Tarantula Canyon, SVCE's **long-term RPS** is 70.3% in 2033, which is above 2033's California's mandated **long-term RPS** requirement of 39%. This represents SVCE's position, assuming all contracts are operational based on the online dates specified in the PPAs and that the resources perform consistent with the generation profiles provided in the PPAs as well. Table 4 shows SVCE's progress towards meeting its RPS and clean goals.

Table 4: Impact to SVCE RPS and Clean Energy Targets

Calendar Year	SB 100 RPS Target	Board RPS Target	Expected SB 100[1] Position (without Tarantula Canyon)	SB 100[1] Position with Tarantula Canyon	Clean Position (expected, without Tarantula Canyon)	Clean Position with Tarantula Canyon
2032	60%	75%	64.7%	65.5%	64.9%	65.7%
2033	60%	75%	61.0%	70.3%	61.2%	70.5%
2034	60%	75%	59.9%	69.1%	60.1%	69.3%
2035	60%	100%	61.4%	70.5%	61.6%	70.7%
2036	60%	100%	59.3%	68.3%	59.5%	68.5%
2037	60%	100%	51.5%	60.4%	51.7%	60.6%
2038	60%	100%	43.9%	52.7%	44.1%	52.9%
2039	60%	100%	33.1%	41.8%	33.3%	42.0%
2040	60%	100%	30.5%	39.0%	30.6%	39.2%

CPUC Procurement Orders & Resource Adequacy Capacity

SVCE has made significant progress towards meeting its allocation in all tranches of procurement mandates per the MTR Orders, but a position still remains under the CPUC's newest procurement order, (D.) 26-02-057. Under (D.) 26-02-057, SVCE has a need for new resources coming online in 2029-2032 (as may be extended through 2035 subject to permitted delays). The Tarantula Canyon Agreement is expected to achieve deliverability in 2035 and can help to meet SVCE's obligation.

SVCE has an obligation to procure sufficient capacity to meet grid reliability as prescribed by the CPUC's RA Program. Resources such as Tarantula Canyon, which pair solar and storage, provide a profile that is beneficial to SVCE's portfolio under the state's Slice of Day RA program.

Clean Energy and Capacity

SVCE works towards a 100% clean energy goal measured annually. This will be achieved through a mix of RPS-eligible resources, including wind, solar, and geothermal combined with non-RPS eligible, but carbon-free resources such as large hydroelectricity and nuclear energy. Strategically, resources that can deliver clean energy in all hours of the day, such as geothermal, will best help SVCE balance its objectives; however, such resources are scarce. Solar plus storage, whether paired at the same site or virtually co-located, helps achieve a more sustainable grid by pushing out solar generation into later hours of the day, when demand peaks. These types of resources are necessary to meet current retail product needs, including GreenStart, GreenPrime, and GreenPrime Direct, in addition to helping us build a pathway to 24/7 clean energy.

SVCE does not have a clean capacity goal. Currently, short-term natural gas RA-only capacity contracts account for the vast majority of SVCE's RA portfolio. In 2026, 46.88% of SVCE's requirements were from thermal RA-only contracts.

In 2026, 41.81% of our peak capacity obligation was met through clean resources and storage. By 2036, 50.1% of SVCE's peak capacity will be met from clean resources, including the Tarantula Canyon Agreement. In isolating Taratula Canyon's RA impact, the peak capacity contribution from Solar will increase by 1.01% and peak capacity contribution from storage will increase by 4.69%.

[1] RPS figures provided in this table represent SB 100, which provides an overall RPS target. SB 350 targets are not included in the table; SB 350 applies a requirement that 65% of the SB 100 RPS target be met by long-term resources.

Given the complementary solar and storage generation profile, the PPA will help balance clean energy throughout the day. By charging the battery when solar energy is abundant, and discharging when there are fewer clean resources generating, co-located solar and storage facilities can provide clean energy in more hours, and help reduce solar curtailment in hours when solar energy is over-abundant.

PPA Project Selection Policy
On April 9, 2025, the Board adopted the PPA Project Selection Policy ("Policy") which set evaluation criteria for new PPAs. The Tarantula Canyon PPA Agreement meets many of the Policy requirements including overall portfolio value to SVCE and payment of prevailing wages.

Project Development Status
Tarantula Canyon is a new-build project at an early stage.

Impact of Federal Regulatory Uncertainty
Other federal tax incentives for renewable energy projects, such as the Production Tax Credit (PTC), will also see changes under federal policy. However, Tarantula Canyon is situated on land managed by the Federal Bureau of Land Management, which is expected to have a better chance of maintaining its tax benefits.

ALTERNATIVE

While the Tarantula Canyon Agreement has a strong value compared to other resources evaluated as part of the RFO, and can be beneficial to meeting overall RPS goals, clean energy, and MTR goals, the Board may decide not to approve the resource and instead seek to support different projects proposed to be included in the CAISO's Queue Cluster 16 process, and/or to procure short-term clean resources. Staff does not recommend this alternative, as Tarantula Canyon is a competitive project resulting from SVCE's CAISO Queue Cluster 16 RFO. SVCE has a strong interest in awarding Commercial Interest Points to competitive projects to support a robust pipeline of projects available within CAISO.

STRATEGIC PLAN

IPE PPA may help SVCE meet the current board directed clean targets and California RPS requirement, consistent with goals and objective as outlines in SVCE's Strategic Plan, in particular, Goal #4: Acquire power supply resources in a cost-effective manner to meet legislative and regulatory obligations, Board directives and customer specific products.

FISCAL IMPACT

Under the Agreement SVCE is obligated to assign Commercial Interest Points to the Tarantula Canyon project to support the interconnection process. The Agreement includes the current expected prices for the energy and storage, which will be finalized in the subsequent A&R PPA. This is expected to result in cost to SVCE starting in Fiscal Year (FY) 2032, which will be included in the budget at that time. Staff's spending authority over the life of the PPA will be limited to the amount recommended of $1,200,000,000 for Tarantula Canyon, LLC.

ATTACHMENT

1. Tarantula Canyon Power Purchase Agreement – redacted version

INTERCONNECTION PROCESS ENHANCEMENT OFFTAKE AGREEMENT

COVER SHEET

Seller: NextEra Energy Resources Development, **LLC**, a Delaware limited liability company ("**Seller**")

Buyer: Silicon Valley Clean Energy Authority, a California joint powers authority ("**Buyer**")

Description of Facility: A 150 MW_{AC} solar photovoltaic renewable energy generating facility (the "**Generating Facility**"), and a 150 MW_{AC} / 600 MWh-$_{AC}$ co-located battery energy storage facility as further described below (the "**Storage Facility**"), located in Nye County, Nevada, interconnecting to the CAISO Grid at CAISO Project Name [redacted] as further described in Exhibit A. The Generating Facility and the Storage Facility are referred to herein as the "**Facility**."

Milestones:

Milestone	Date for Completion
Evidence of Site Control	[redacted]
Seller's receipt of Cluster Study and Facilities Study Interconnection Study Results for Seller's Interconnection Facilities	[redacted]
Executed Interconnection Agreement	[redacted]
CEC Pre-Certification Obtained (Generating Facility)	[redacted]
Obtain Federal and State Discretionary Permits	[redacted]
Network Upgrades Completed	[redacted]
Procure Major Equipment	[redacted]
Expected Construction Start Date	[redacted]
Initial Synchronization	[redacted]
Expected Commercial Operation Date	[redacted]
Full Capacity Deliverability Status or Partial Capacity Deliverability Status Obtained (Storage Facility)	[redacted]

Delivery Term: The period for Product delivery will be for twenty (20) Contract Years.

Expected Energy:

Contract Year	Expected Energy
1	[redacted] MWh
2 - 20	*Annual degradation of* [redacted] *per Contract Year*

Guaranteed Capacity: 150 MW

Storage Contract Capacity: 150 MW for four (4) hours

Storage Contract Output: 600 MWh

Guaranteed Efficiency Rate:

Contract Year	Guaranteed Efficiency Rate
1	[redacted]
2 - 20	*Annual degradation of* [redacted] *per Contract Year*

Contract Price

The Renewable Rate shall be:

Contract Year	Renewable Rate
1 – 20	The "**Renewable Rate**" shall be [redacted]/MWh, as may be updated pursuant to Section 2.6.

The Storage Rate shall be:

Contract Year	Storage Rate
1 – 20	The "**Storage Rate**" shall be [redacted]/kW-mo., as may be updated pursuant to Section 2.6.

Delivery Point: Facility PNode

Product:

- ☑ Generating Facility Energy
- ☑ Discharging Energy
- ☑ Green Attributes (Portfolio Content Category 1) (for the Generating Facility)
- ☑ Storage Capacity
- ☑ Capacity Attributes (select options below as applicable)
  - ☑ Energy Only Status (for the Generating Facility)
  - ☑ Full Capacity Deliverability Status (for the Storage Facility)

☑ Ancillary Services

Scheduling Coordinator: Buyer or Buyer's agent

Development Security and Performance Security

[redacted]

TABLE OF CONTENTS

Page

ARTICLE 1 DEFINITIONS 2

1.1 Contract Definitions 2
1.2 Rules of Interpretation 25

ARTICLE 2 TERM; CONDITIONS PRECEDENT 26

2.1 Contract Term. 26
2.2 Conditions Precedent 26
2.3 Development; Construction; Progress Reports 28
2.4 Remedial Action Plan 28
2.5 Seller Exclusivity 29
2.6 Seller Obligation to Provide Proposed Amendment Following Interconnection Milestone 29
2.7 Early Termination; Seller Post-Termination Obligations 31
2.8 Seller Right of First Offer 33

ARTICLE 3 PURCHASE AND SALE 33

3.1 Purchase and Sale of Product 33
3.2 Sale of Green Attributes. 34
3.3 Imbalance Energy. 34
3.4 Ownership of Renewable Energy Incentives. 34
3.5 Future Environmental Attributes. 34
3.6 Test Energy. 35
3.7 Capacity Attributes. 35
3.8 Resource Adequacy Failure 35
3.9 CEC Certification and Verification. 36
3.10 CPUC Mid-Term Reliability Requirements. 36
3.11 Non-Modifiable Standard Terms and Conditions. 36
3.12 Compliance Expenditure Cap. 37

ARTICLE 4 OBLIGATIONS AND DELIVERIES 38

4.1 Delivery 38
4.2 Title and Risk of Loss. 39
4.3 Forecasting 39
4.4 Dispatch Down/Curtailment. 41
4.5 Charging Energy Management 42
4.6 Reduction in Delivery Obligation 43
4.7 Guaranteed Energy Production 44
4.8 Storage Availability 44
4.9 Storage Capacity Tests 44
4.10 Interconnection Capacity 45
4.11 Station Use 45
4.12 Facility Operations and Maintenance 45
4.13 WREGIS 45

ARTICLE 5 TAXES 47

5.1 Allocation of Taxes and Charges. 47
5.2 Cooperation. 47

ARTICLE 6 MAINTENANCE OF THE FACILITY 47

6.1 Maintenance of the Facility. 47
6.2 Maintenance of Health and Safety. 47
6.3 Shared Facilities 48

ARTICLE 7 METERING 48

7.1 Metering. 48
7.2 Meter Verification. 49

ARTICLE 8 INVOICING AND PAYMENT; CREDIT 49

8.1 Invoicing. 49
8.2 Payment 49
8.3 Books and Records. 50
8.4 Payment Adjustments; Billing Errors. 50
8.5 Billing Disputes. 50
8.6 Netting of Payments. 51
8.7 Seller's Initial Development Security and Development Security. 51
8.8 Seller's Performance Security 52
8.9 First Priority Security Interest in Cash or Cash Equivalent Collateral 52
8.10 Seller Financial Statements. 53

ARTICLE 9 NOTICES 53

9.1 Addresses for the Delivery of Notices 53
9.2 Acceptable Means of Delivering Notice 53

ARTICLE 10 FORCE MAJEURE 53

10.1 Definition 53
10.2 No Liability If a Force Majeure Event Occurs 54
10.3 Notice 55
10.4 Termination Following Force Majeure Event 55

ARTICLE 11 DEFAULTS; REMEDIES; TERMINATION 55

11.1 Events of Default 55
11.2 Remedies; Declaration of Early Termination Date. 58
11.3 Termination Payment 59
11.4 Notice of Payment of Termination Payment 59
11.5 Disputes With Respect to Termination Payment 59
11.6 Rights And Remedies Are Cumulative 59
11.7 Seller Pre-COD Liability Limitations 60

ARTICLE 12 LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES 60

12.1 No Consequential Damages. 60
12.2 Waiver and Exclusion of Other Damages. 60

ARTICLE 13 REPRESENTATIONS AND WARRANTIES; AUTHORITY 61

13.1 Seller's Representations and Warranties. 61
13.2 Buyer's Representations and Warranties 62
13.3 General Covenants 63
13.4 Prevailing Wage 63
13.5 Additional Seller Commitments 64

ARTICLE 14 ASSIGNMENT 64

14.1 General Prohibition on Assignments 64
14.2 Collateral Assignment 64
14.3 Permitted Assignments by Seller 66
14.4 Buyer Limited Assignment Right. 67

ARTICLE 15 RESERVED 67

ARTICLE 16 DISPUTE RESOLUTION 67

16.1 Governing Law. 67
16.2 Dispute Resolution. 67

ARTICLE 17 INDEMNIFICATION 68

17.1 Indemnification 68
17.2 Notice of Claim. 68
17.3 Failure to Provide Notice. 68
17.4 Defense of Claims 68
17.5 Subrogation of Rights 69
17.6 Rights and Remedies are Cumulative 69

ARTICLE 18 INSURANCE 69

18.1 Insurance 69

ARTICLE 19 CONFIDENTIAL INFORMATION 70

19.1 Definition of Confidential Information 70
19.2 Duty to Maintain Confidentiality 71
19.3 Irreparable Injury; Remedies 71
19.4 Permitted Disclosure 71
19.5 Press Releases 72

ARTICLE 20 MISCELLANEOUS 72

20.1 Entire Agreement; Integration; Exhibits 72
20.2 Amendments 72
20.3 No Waiver 72
20.4 No Agency, Partnership, Joint Venture or Lease 72
20.5 Severability 73
20.6 Mobile-Sierra 73
20.7 Counterparts; Electronic Signatures. 73
20.8 Electronic Delivery 73
20.9 Binding Effect 73
20.10 No Recourse to Members of Buyer. 73
20.11 Forward Contract 74

20.12 Further Assurances..... 74

Exhibits:

Exhibit A Facility Description
Exhibit B Facility Construction and Commercial Operation
Exhibit C Compensation
Exhibit D Scheduling Coordinator Responsibilities
Exhibit E Progress Reporting Form
Exhibit F-1 Form of Average Expected Energy Report
Exhibit F-2 Form of Monthly Delivery Forecast
Exhibit G Guaranteed Energy Production Damages Calculation
Exhibit H Form of Commercial Operation Date Certificate
Exhibit I Form of Installed Capacity Certificate
Exhibit J Form of Construction Start Date Certificate
Exhibit K Form of Letter of Credit
Exhibit L Form of Guaranty
Exhibit M Form of Replacement RA Notice
Exhibit N Notices
Exhibit O Storage Capacity Tests
Exhibit P Storage Facility Availability
Exhibit Q Operating Restrictions
Exhibit R Metering Diagram
Exhibit S Additional Seller Commitments

INTERCONNECTION PROCESS ENHANCEMENT OFFTAKE AGREEMENT

This Interconnection Process Enhancement Offtake Agreement ("**Agreement**") is entered into as of the last dated signature on the signature page hereto (the "**Effective Date**"), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a "**Party**" and jointly as the "**Parties**." All capitalized terms used in this Agreement are used with the meanings ascribed to them in Article 1 to this Agreement.

RECITALS

WHEREAS, Seller intends to develop, design, permit, construct, own, and operate the Facility;

WHEREAS, the Facility does not currently have an interconnection agreement and Seller is participating in the CAISO Cluster 16 Generator Interconnection Process ("**Cluster 16**") and seeking Full Capacity Deliverability Status for the Storage Facility in the amount of the Storage Contract Capacity and seeking Energy-Only Deliverability Status for the Generating Facility in the amount of the Guaranteed Capacity; such that the maximum instantaneous amount of Energy (i.e., on an aggregate basis from both of the Generating Facility and the Storage Facility, simultaneously) that will permitted to be delivered from the Facility to the Delivery Point under the Interconnection Agreement for the Facility will be at least 150 MW (the "**Designated Interconnection Capacity Amount**");

WHEREAS, the Parties intend for this Agreement to provide a framework for (a) development coordination during the interconnection study process, (b) Seller to provide, and Buyer to evaluate, commercial terms for a potential long-term power purchase agreement following achievement of certain interconnection milestones, and (c) Buyer to obtain certain exclusivity and offtake rights during such process;

WHEREAS, the Parties intend that Buyer shall have a right of first offer and related exclusivity rights with respect to the Product associated with the Facility, as more fully set forth herein;

WHEREAS, Buyer shall allocate 150 MW of Commercial Interest Points to the Facility in the CAISO Cluster 16 IPE process; and

WHEREAS, the Parties acknowledge that this Agreement is intended to serve as an interim development and offtake arrangement and that, except for the obligations expressly set forth in this Agreement, no binding obligation to purchase or sell the Product at a fixed price or for a fixed delivery term shall arise unless and until (i) the Parties enter into an Amended and Restated PPA in accordance with this Agreement and (ii) such Amended and Restated PPA has received all required approvals of Buyer, including Board Approval.

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

ARTICLE 1
DEFINITIONS

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

"**AC**" means alternating current.

"**Accepted Compliance Costs**" has the meaning set forth in Section 3.12.

"**Adjusted Energy Production**" has the meaning set forth in Exhibit G.

"**Administrative NQC Reduction**" means a reduction in the maximum achievable Net Qualifying Capacity of the Facility due to a reduction that has been generally applied to resources materially similar to the Facility in terms of generating technology, resource duration and/or operational characteristics (including those characteristics specified in the CPUC Master Resource Database), including any methodology that incorporates fleet averages or other average outage rates.

"**Affiliate**" means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of "Permitted Transferee" and "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person. Notwithstanding the foregoing, with respect to Seller, Affiliate shall include NextEra Energy Partners, LP ("**NEP**"), NextEra Energy Operating Partners, LP ("**NEOP**"), and NextEra Energy Capital Holdings, Inc. ("**NEECH**"), and their respective direct or indirect subsidiaries, including any project company that is a subsidiary thereof that is assigned Seller's rights, interests and obligations under this Agreement for the purpose of owning and operating the Facility.

"**Agreement**" has the meaning set forth in the Preamble and includes any Exhibits, schedules and any written supplements hereto, the Cover Sheet, and any designated collateral, credit support or similar arrangement between the Parties.

"**Amended and Restated PPA**" shall have the meaning set forth in Section 2.6.

"**Ancillary Services**" means all ancillary services, products, functionalities, and grid-support attributes recognized by CAISO from time to time, including without limitation, Regulation Up, Regulation Down, Spinning Reserve, Non-Spinning Reserve, voltage support, frequency response, and any successor or similar services, that the Facility is capable of providing when operated in accordance with the terms and conditions of this Agreement, the Interconnection Agreement, applicable Law, the Operating Restrictions, and Prudent Operating Practice, whether or not such services are actively procured or compensated by CAISO at the relevant time.

"**Approved Forecast Vendor**" means (a) the EIRP Forecast, or (b) any other vendor reasonably acceptable to both Buyer and Seller for the purposes of providing or verifying the forecasts under Section 4.3(d).

"**Availability Adjustment**" has the meaning set forth in Exhibit P.

"**Available Generating Capacity**" means the capacity of the Generating Facility, expressed in whole MW, that is mechanically available to generate energy.

"**Available Storage Capacity**" means the Storage Capacity that is mechanically available to charge and discharge Energy and to provide Ancillary Services.

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

"**Board Approval**" means approval by Buyer's governing board, in its sole and absolute discretion.

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

"**Buyer**" has the meaning set forth on the Cover Sheet.

"**Buyer Bid Curtailment**" means the occurrence of both of the following:

(a) the CAISO provides notice or instruction to a Party or the Scheduling Coordinator for the Generating Facility, requiring the Party to deliver less Generating Facility Energy from the Generating Facility than the full amount of energy forecasted in accordance with Section 4.3, including forecasts from an Approved Forecast Vendor, to be produced from the Generating Facility for a period of time; and

(b) for the same time period as referenced in (a), the notice or instruction referenced in (a) results from Buyer or the SC for the Generating Facility or the Storage Facility, as applicable, as the result of a Buyer instruction or lack of instruction to such SC:

(i) not having submitted a Self-Schedule or Energy Supply Bid for the MW subject to the reduction;

(ii) having submitted an Energy Supply Bid and the MW subject to the reduction were not awarded a schedule in connection with such Energy Supply Bid;

(iii) having submitted a Self-Schedule for less than the full amount of energy forecasted to be generated by or delivered from the Generating Facility; or

(iv) having submitted a Self-Schedule, Energy Supply Bid, or bid for Ancillary Services for the Storage Facility.

If the Generating Facility is subject to a Planned Outage, Forced Facility Outage, Force Majeure Event and/or a Curtailment Period during the same time period as referenced in (a), then the calculation of Deemed Delivered Energy during such period shall not include any Generating Facility Energy that was not generated or stored due to such Planned Outage, Forced Facility Outage, Force Majeure Event or Curtailment Period.

"**Buyer Curtailment Order**" means the instruction from Buyer to Seller to reduce Generating Facility Energy from the Generating Facility by the amount, and for the period of time set forth in such instruction, for reasons unrelated to a Planned Outage, Forced Facility Outage, Force Majeure Event affecting the Facility and/or Curtailment Order.

"**Buyer Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during which Seller reduces Generating Facility Energy from the Generating Facility pursuant to or as a result of (a) Buyer Bid Curtailment, (b) a Buyer Curtailment Order, or (c) a Buyer Event of Default hereunder which directly causes Seller to be unable to deliver Generating Facility Energy to the Delivery Point; *provided*, the duration of any Buyer Curtailment Period shall be inclusive of the time required for the Generating Facility to ramp down and ramp up.

"**Buyer Default**" means an Event of Default of Buyer.

"**Buyer's WREGIS Account**" has the meaning set forth in Section 4.13(a).

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

"**CAISO Grid**" has the same meaning as "CAISO Controlled Grid" as defined in the CAISO Tariff.

"**CAISO Metered Entity**" has the meaning set forth in the CAISO Tariff.

"**CAISO Operating Order**" means the Operating Instruction or Dispatch Instruction as defined in the CAISO Tariff.

"**CAISO Tariff**" means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures (as such term is defined in Appendix A to the CAISO Tariff), 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; provided that if there is a conflict between the BPMs, the CAISO Operating Agreement or the Operating Procedures (as such term is defined in Appendix A to the CAISO Tariff), on the one hand, and the CAISO Tariff, on the other hand, the CAISO Tariff will control.

"**California Renewables Portfolio Standard**" or "**RPS**" means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, *inter alia*, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

"**Capacity Attribute**" means any current or future defined characteristic, certificate, tag, credit, or accounting construct associated with the amount of power that the Facility can generate and deliver to the Delivery Point at a particular moment and that can be purchased and sold under CAISO market rules, including Resource Adequacy Benefits.

"**Capacity Damages**" has the meaning set forth in Exhibit B.

"**CEC**" means the California Energy Commission, or any successor agency performing similar statutory functions.

"**CEC Certification and Verification**" means that the CEC has certified (or, with respect to periods before the date that is one hundred eighty (180) days following the Commercial Operation Date, that the CEC has pre-certified) that the Generating Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Generating Facility Energy delivered to the Delivery Point qualifies as generation from an Eligible Renewable Energy Resource.

"**CEC Precertification**" means that the CEC has issued a precertification for the Generating Facility indicating that the planned operations of the Generating Facility would comply with applicable CEC requirements for CEC Certification and Verification.

"**CEQA**" has the meaning set forth in Section 13.1(h).

"**Change in Compliance Law**" has the meaning set forth in Section 3.12.

"**Change of Control**" means, except in connection with public market transactions of equity interests or capital stock of Seller's Ultimate Parent, any circumstance in which Ultimate Parent ceases to own, directly or indirectly through one or more intermediate entities, more than fifty percent (50%) of the outstanding equity interests in Seller; provided that in calculating ownership percentages for all purposes of the foregoing:

(a) any ownership interest in Seller held by Ultimate Parent indirectly through one or more intermediate entities shall not be counted towards Ultimate Parent's ownership interest in Seller unless Ultimate Parent directly or indirectly owns more than fifty percent (50%) of the outstanding equity interests in each such intermediate entity; and

(b) ownership interests in Seller owned directly or indirectly by any Lender (including any cash equity or tax equity provider) or assignee or transferee thereof shall be excluded from the total outstanding equity interests in Seller.

"**Charging Energy**" means the as-available energy produced by the Generating Facility and/or grid energy, net of Station Use, delivered to the Storage Facility pursuant to a Charging

Notice as measured by the Storage Facility Meter in accordance with CAISO metering requirements and Prudent Operating Practices, as such meter readings are adjusted pursuant to CAISO requirements for any applicable Electrical Losses.

"**Charging Notice**" means the operating instruction, and any subsequent updates, given by Buyer to Seller, directing the Storage Facility to charge with Charging Energy at a specific MW rate to a specified Stored Energy Level, provided that any such operating instruction shall be in accordance with the Operating Restrictions. For the avoidance of doubt, (i) any Buyer request to initiate a Storage Capacity Test consistent with Section 4.9 shall not be considered a Charging Notice, and (ii) any Charging Notice shall not constitute a Buyer Bid Curtailment (except for curtailments resulting from the circumstances specified in clause (b)(iv) of the definition of Buyer Bid Curtailment), Buyer Curtailment Order, or Curtailment Order.

"**Claim**" has the meaning set forth in Section 17.2(a).

"**Cluster 16**" has the meaning set forth in the Recitals.

"**COD Certificate**" has the meaning set forth in Exhibit B.

"**COD Delay Damages**" means an amount equal to [redacted]

"**Collateral Assignment Agreement**" has the meaning set forth in Section 14.2.

"**Commercial Interest Points**" has the meaning set forth in pending CAISO Tariff Appendix KK of the CAISO Tariff for "commercial interest points" allocated to Load Serving Entities for allocation to Interconnection Customers.

"**Commercial Operation**" has the meaning set forth in Exhibit B.

"**Commercial Operation Date**" or "**COD**" has the meaning set forth in Exhibit B.

"**Compliance Actions**" has the meaning set forth in Section 3.12.

"**Compliance Expenditure Cap**" has the meaning set forth in Section 3.12.

"**Confidential Information**" has the meaning set forth in Section 19.1.

"**Construction Delay Damages**" means an amount equal to [redacted]

"**Construction Start**" has the meaning set forth in Exhibit B.

"**Construction Start Date**" has the meaning set forth in Exhibit B.

"**Contract Capacity**" means the sum of (a) the Guaranteed Capacity as set forth on the Cover Sheet on the Effective Date and (b) the Storage Contract Capacity as set forth on the Cover Sheet on the Effective Date.

"**Contract Price**" has the meaning set forth on the Cover Sheet. For clarity, the Contract Price is each of the Renewable Rate and the Storage Rate.

"**Contract Term**" has the meaning set forth in Section 2.1.

"**Contract Year**" means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Commercial Operation Date and the last Contract Year shall end at midnight at the end of the day prior to the anniversary of the Commercial Operation Date.

"**Costs**" means, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Non-Defaulting Party either in terminating any arrangement pursuant to which it has hedged or financed its obligations or entering into new arrangements which replace this Agreement; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with terminating this Agreement.

"**Cover Sheet**" means the cover sheet to this Agreement, which is incorporated into this Agreement.

"**CPUC**" means the California Public Utilities Commission or any successor agency performing similar statutory functions.

"**Credit Rating**" means, with respect to any entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P, Fitch or Moody's.

"**Curtailment Order**" means any of the following:

(a) CAISO orders, directs, alerts, or provides notice to a Party, including a CAISO Operating Order, to curtail deliveries of Generating Facility Energy and/or Facility Energy for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO's electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by the Participating Transmission Owner for reasons including, but not limited to, (i) any situation that affects normal function of the electric system including, but not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Participating Transmission Owner's electric system integrity or the integrity of other systems to which the Participating Transmission Owner is connected, or (iii) in response to an Energy oversupply or potential Energy oversupply, and Buyer or the SC for the Facility submitted a Self-Schedule for the MWh curtailed corresponding to the MWhs in the VER forecast for the Generating Facility during the relevant time period;

(c) a curtailment ordered by CAISO or the Participating Transmission Owner due to scheduled or unscheduled maintenance on the Participating Transmission Owner's transmission

facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Generating Facility Energy to the Storage Facility and/or Facility Energy to the Delivery Point; or

(d) a curtailment in accordance with the obligations applicable to the Facility under the Interconnection Agreement with the Participating Transmission Owner or distribution operator.

For clarification, any notice, order, or instruction from the CAISO to curtail or reduce Generating Facility Energy that results from Buyer or the SC for the Storage Facility, as the result of a Buyer instruction or lack of instruction to the SC, having submitted a Self-Schedule, Energy Supply Bid, or bid for Ancillary Services for the Storage Facility, is a Buyer Bid Curtailment not a Curtailment Order.

"**Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation from the Generating Facility pursuant to a Curtailment Order; provided that the Curtailment Period shall be inclusive of the time required for the Facility to ramp down and ramp up.

"**Cycle Equivalent(s)**" means a quantity of Discharging Energy (in MWh) equal to the Storage Contract Output. A combination of Partial Cycles with total MWh of Discharging Energy equal to the Storage Contract Output is also one (1) Cycle Equivalent.

"**Damage Payment**" means [redacted]

"**Day-Ahead Forecast**" has the meaning set forth in Section 4.3(c).

"**Day-Ahead Market**" has the meaning set forth in the CAISO Tariff.

"**Day-Ahead Schedule**" has the meaning set forth in the CAISO Tariff.

"**Designated Interconnection Capacity Amount**" has the meaning set forth in the Recitals.

"**Deemed Delivered Energy**" means the amount of energy expressed in MWh that the Generating Facility would have produced and delivered to the Storage Facility or the Delivery Point, but that is not produced by the Generating Facility during a Buyer Curtailment Period, which amount shall be calculated using the CAISO VER forecast or an industry-standard methodology agreed to by Buyer and Seller that utilizes meteorological conditions on Site as input for the period of time during such Buyer-directed curtailments. For all purposes under this Agreement, including compensation under Exhibit C, Deemed Delivered Energy shall be reduced in any Settlement Interval by the amount of any Charging Energy that was not able to be delivered to the Storage Facility during such Settlement Interval due to the unavailability of the Storage Facility due to a Forced Facility Outage.

"**Deemed Delivered RA**" means for each hour of the Relevant Day in the applicable Showing Month the amount of Net Qualifying Capacity expressed in MW that the Facility would have delivered to the Delivery Point, but for (i) a Force Majeure Event, and (ii) Planned Outages

permitted by the terms of this Agreement to the extent such Planned Outages reduce the maximum achievable Net Qualifying Capacity of the Facility.

"**Defaulting Party**" has the meaning set forth in Section 11.1(a).

"**Deficient Month**" has the meaning set forth in Section 4.13(e).

"**Delivered RA**" means for each hour of the Relevant Day in the applicable Showing Month the sum of (a) the Net Qualifying Capacity of the Facility for such month able to be shown on Buyer's monthly or annual Resource Adequacy Plan to the CAISO and CPUC and counted as Resource Adequacy Capacity by both the CAISO and CPUC, and (b) Deemed Delivered RA and (c) Replacement RA.

"**Delivery Point**" has the meaning set forth on the Cover Sheet.

"**Delivery Term**" has the meaning set forth on the Cover Sheet.

"**Development Cure Period**" has the meaning set forth in Exhibit B.

"**Development Security**" means (i) cash or (ii) a Letter of Credit in the amount set forth on the Cover Sheet.

"**Discharging Energy**" means all energy delivered to the Delivery Point from the Storage Facility, net of Station Use, as measured by the Storage Facility Meter in accordance with CAISO metering requirements and Prudent Operating Practices, adjusted pursuant to CAISO requirements for any applicable Electrical Losses. For the avoidance of doubt, all Discharging Energy will have originally been delivered to the Storage Facility as Charging Energy.

"**Discharging Notice**" means the operating instruction, and any subsequent updates, given by Buyer to Seller, directing the Storage Facility to discharge Discharging Energy at a specific MW rate to a specified Stored Energy Level, provided that any such operating instruction or updates shall be in accordance with the Operating Restrictions. For the avoidance of doubt, any Discharging Notice shall not constitute a Curtailment Order. A Discharging Notice shall constitute a Buyer Bid Curtailment under the circumstances specified in clause (b)(iv) of the definition of Buyer Bid Curtailment.

"**Early Termination Date**" has the meaning set forth in Section 11.2(a).

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

"**Efficiency Rate**" means the measured round-trip efficiency rate of the Storage Facility, expressed as a percentage, calculated pursuant to a Storage Capacity Test in accordance with Exhibit O.

"**EIRP Forecast**" means the current CAISO forecast for intermittent resources using relevant Generating Facility availability, weather, historical and other pertinent data for the applicable period of time.

"**Electrical Losses**" means all transmission or transformation losses between (i) the Generating Facility Meter and the Delivery Point, (ii) the Storage Facility Meter and the Delivery Point, and (iii) the Facility Meter and the Delivery Point, calculated in accordance with CAISO approved methodologies applicable to revenue metering.

"**Eligible Intermittent Resource Protocol**" or "**EIRP**" has the meaning set forth in the CAISO Tariff or a successor CAISO program for intermittent resources.

"**Eligible Renewable Energy Resource**" has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

"**Energy-Only Deliverability Status**" has the meaning as such term is defined in the CAISO Tariff.

"**Energy Supply Bid**" has the meaning set forth in the CAISO Tariff.

"**Event of Default**" has the meaning set forth in Section 11.1.

"**Excess MWh**" has the meaning set forth in Exhibit C.

"**Executed Interconnection Agreement Milestone**" means the date for completion of execution of the Interconnection Agreement by Seller (or Seller's Affiliate) and the PTO as set forth on the Cover Sheet.

"**Expected Commercial Operation Date**" is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Commercial Operation.

"**Expected Construction Start Date**" is the date set forth on the Cover Sheet by which Seller reasonably expects to achieve Construction Start.

"**Expected Energy**" means the total quantity of energy that Seller expects to be able to deliver to Buyer as Generating Facility Energy delivered to the Delivery Point (excludes Discharging Energy) or to the Storage Facility as Charging Energy during each Contract Year in the quantity specified on the Cover Sheet.

"**Facility**" means the Generating Facility and the Storage Facility.

"**Facility Energy**" means the sum of Generating Facility Energy and Discharging Energy during any Settlement Interval or Settlement Period, net Station Use, as measured by the Facility Meter in accordance with CAISO metering requirements and Prudent Operating Practices, adjusted pursuant to CAISO requirements for any applicable Electrical Losses.

"**Facility Meter**" means the bi-directional revenue quality meter or meters (with a 0.3 accuracy class) as shown in Exhibit R, along with a compatible data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, the amount of Facility Energy.

"**FERC**" means the Federal Energy Regulatory Commission or any successor government agency.

"**Fitch**" means Fitch Ratings Ltd., or its successor.

"**Force Majeure Event**" has the meaning set forth in Section 10.1.

"**Forced Facility Outage**" means an unexpected failure of one or more components of the Facility that prevents Seller from Generating Facility Energy, receiving Charging Energy or making Facility Energy available at the Delivery Point and that is not the result of a Force Majeure Event.

"**Full Capacity Deliverability Status**" has the meaning as such term is defined in the CAISO Tariff.

"**Full Capacity Deliverability Status Finding**" means a written confirmation from the CAISO that the Facility is eligible for Full Capacity Deliverability Status.

"**Future Environmental Attributes**" shall mean any and all generation attributes and storage attributes (other than Green Attributes or Renewable Energy Incentives) under the RPS regulations or under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now, or in the future, to the generation of electrical energy, or the storage or discharge of electrical energy, by the Facility and its displacement of conventional energy generation. Future Environmental Attributes do not include investment tax credits or production tax credits associated with the construction or operation of the Facility, or other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation.

"**Gains**" means, with respect to any Non-Defaulting Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining the economic benefit to a Non-Defaulting Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term, and include the value of Green Attributes and Capacity Attributes.

"**Generating Facility**" means the solar photovoltaic generating facility described on the Cover Sheet and in Exhibit A, located at the Site and including mechanical equipment and associated facilities and equipment required to deliver (i) Generating Facility Energy to the

Delivery Point, and (ii) Charging Energy to the Storage Facility; provided, that the "Generating Facility" does not include the Storage Facility or the Shared Facilities.

"**Generating Facility Energy**" means the energy, net of Electrical Losses and Station Use, that is measured by the Generating Facility Meter in accordance with CAISO metering requirements and Prudent Operating Practices.

"**Generating Facility Meter**" means the bi-directional revenue quality meter or meters (with a 0.3 accuracy class) as shown in Exhibit R, along with a compatible data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, the amount of Generating Facility Energy generated by the Generating Facility including for the purpose of invoicing in accordance with Section 8.1.

"**Governmental Authority**" means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; *provided*, *however*, that "Governmental Authority" for purposes of this Agreement shall not in any event include Buyer.

"**Green Attributes**" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility and its displacement of conventional energy generation. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating or air quality permits. If the Facility is a biomass or landfill gas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Facility.

"**Green Tag Reporting Rights**" means the right of a purchaser of renewable energy to report ownership of accumulated "green tags" in compliance with and to the extent permitted by

applicable Law and include, without limitation, rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

"**Guaranteed Capacity**" means the total generating capacity of the Generating Facility, as measured in MW at the Delivery Point, set forth on the Cover Sheet, as the same may be reduced pursuant to Section 5(b) of Exhibit B.

"**Guaranteed Commercial Operation Date**" or "**Guaranteed COD**" has the meaning set forth in Exhibit B.

"**Guaranteed Construction Start Date**" has the meaning set forth in Exhibit B.

"**Guaranteed Efficiency Rate**" means the guaranteed Efficiency Rate of the Storage Facility throughout the Delivery Term, as set forth on the Cover Sheet.

"**Guaranteed Energy Production**" means an amount of Adjusted Energy Production equal to [redacted]

"**Guaranteed RA Amount**" [redacted]

"**Guaranteed Storage Availability**" has the meaning set forth in Section 4.8.

"**Guarantor**" means, with respect to Seller, (a) [redacted] (b) an Affiliate of Seller with an Investment Grade Credit Rating, or (c) any Person reasonably acceptable to Buyer, that (i) has an Investment Grade Credit Rating, (ii) has a tangible net worth of [redacted] (iii) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction, and (iv) executes and delivers a Guaranty for the benefit of Buyer.

"**Guaranty**" means a guaranty from a Guarantor provided for the benefit of Buyer substantially in the form either (i) attached as Exhibit L, or (ii) as previously agreed to by Buyer and an affiliate of Seller.

"**Imbalance Energy**" means the amount of energy in MWh, in any given Settlement Period or Settlement Interval, by which the amounts of Generating Facility Energy, Charging Energy, or Discharging Energy deviates from the amount of Scheduled Energy.

"**Indemnifiable Loss(es)**" has the meaning set forth in Section 17.1.

"**Initial Development Security**" means (i) cash or (ii) a Letter of Credit in the amount set forth on the Cover Sheet.

"**Initial Synchronization**" means the initial delivery of Generating Facility Energy or Discharging Energy, as applicable, to the Delivery Point.

"**Installed Battery Capacity**" means the maximum dependable operating capability of the Storage Facility to discharge electric energy, not to exceed the Storage Contract Capacity, as measured in MW(ac) at the Delivery Point, that achieves Commercial Operation, and may be adjusted for ambient conditions on the date of the performance test with Buyer's consent, and as evidenced by a certificate substantially in the form attached as Exhibit I hereto.

"**Installed Generating Capacity**" means the actual generating capacity of the Generating Facility, not to exceed the Guaranteed Capacity, as measured in MW(ac) at the Delivery Point, that achieves Commercial Operation, as may be adjusted for ambient conditions on the date of the performance test with Buyer's consent, and as evidenced by a certificate substantially in the form attached as Exhibit I hereto.

"**Interconnection Agreement**" means that certain Large Generator Interconnection Agreement that Seller reasonably expects to execute pursuant to the CAISO Cluster 16 Generator Interconnection Process among Seller or Seller's Affiliate, the CAISO, and the Participating Transmission Owner, pursuant to which the Facility will be interconnected with the Transmission System, and pursuant to which the Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

"**Interconnection Facilities**" means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the Transmission System in accordance with the Interconnection Agreement.

"**Interconnection Point**" has the meaning set forth in Exhibit A.

"**Interest Rate**" has the meaning set forth in Section 8.2.

"**Interim Deliverability Status**" has the meaning set forth in the CAISO Tariff.

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

"**Investment Grade Credit Rating**" means [redacted]

"**ITC**" means the investment tax credit established pursuant to Section 48 of the United States Internal Revenue Code of 1986.

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

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

"**Law**" means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

"**Lender**" means, collectively, any Person (i) providing senior or subordinated construction, interim, back leverage or long-term debt, or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt (including back-leverage debt), public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any Person providing financing or refinancing for the Facility, and any trustee or agent or similar representative acting on their behalf, (ii) providing Interest Rate or commodity protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations or (iii) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

"**Letter(s) of Credit**" means one or more irrevocable, standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch, having assets [redacted] in a form substantially similar to the letter of credit either (i) attached as Exhibit L, or (ii) as previously agreed to by Buyer and an affiliate of Seller.

"**Licensed Professional Engineer**" means an independent, professional engineer selected by Seller and reasonably acceptable to Buyer, licensed in the State of California.

"**Limited Assignee**" has the meaning set forth in Section 14.3.

"**Locational Marginal Price**" or "**LMP**" has the meaning set forth in the CAISO Tariff.

"**Losses**" means, with respect to any Non-Defaulting Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining economic loss to a Non-Defaulting Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term, as applicable, and must include the value of Green Attributes, Capacity Attributes, and Renewable Energy Incentives.

"**Lost Output**" has the meaning set forth in Section 4.7.

"**Major Equipment**" means the primary equipment and components required for the design, construction, commission, and operation of the Facility, including solar modules, inverters, tracker systems, transformers, switchgear, medium-voltage collection equipment, battery cells, battery racks, battery inverters/power conversion systems, energy management hardware systems, SCADA/communications systems, and all other equipment with materially similar cost, lead time, or criticality to Facility operations.

"**Major Subcontractor**" means any first-tier subcontractor of Seller with which Seller has an agreement having an aggregate value in excess of Five Million Dollars ($5,000,000) for performance of any part of the construction of the Facility at the Site.

"**Master File**" has the meaning set forth in the CAISO Tariff.

"**Master Resource Database**" refers to the CPUC's official database of resources eligible to sell RA that includes their key attributes and in which resources must be fully represented to be eligible for use in the CPUC's 24-hour slice RA showing. The Master Resource Database is further described in CPUC Decision D.23-04-010 as may be updated from time to time.

"**Maximum Charging Power**" has the meaning set forth in in Exhibit A.

"**Maximum Discharging Power**" has the meaning set forth in in Exhibit A.

"**Maximum Generating Facility Capacity**" has the meaning set forth in in Exhibit A.

"**Milestones**" means the development activities for significant permitting, interconnection, financing and construction milestones set forth on the Cover Sheet.

"**Minimum Efficiency Rate**" means seventy-five percent (75%).

"**Monthly Delivery Forecast**" has the meaning set forth in Section 4.3(b).

"**Monthly Storage Availability**" has the meaning set forth in Exhibit P.

"**Moody's**" means Moody's Investors Service, Inc., or its successors.

"**MW**" means megawatts in alternating current, unless expressly stated in terms of direct current.

"**MWh**" means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.

"**Negative LMP**" means, in any Settlement Period or Settlement Interval, the Day-Ahead Market or Real-Time Market at the Facility's PNode is less than Zero dollars ($0).

"**NERC**" means the North American Electric Reliability Corporation or any successor entity performing similar functions.

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

"**Network Upgrades**" has the meaning set forth in the CAISO Tariff.

"**Non-Defaulting Party**" has the meaning set forth in Section 11.2.

"**Notice**" shall, unless otherwise specified in this Agreement, mean written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, or electronic messaging (email).

"**Notice of Claim**" has the meaning set forth in Section 17.2.

"**Notification Deadline**" has the meaning set forth in Section 3.8(c).

"**On-Peak Hour**" means any hour from hour-ending 0700 to hour-ending 2200 (**i.e.**, 6:00 AM to 9:59 PM) on Monday through Saturday, Pacific Prevailing Time, excluding North American Electric Reliability Council (NERC) holidays.

"**Operating Restrictions**" means those rules, requirements, and procedures set forth on Exhibit Q.

"**Partial Cycle**" means a quantity of Discharging Energy (in MWh) that is less than one hundred percent (100%) of the Storage Contract Output.

"**Partial Capacity Deliverability Status**" has the meaning set forth in the CAISO Tariff.

"**Participating Transmission Owner**" or "**PTO**" means an entity that owns, operates and maintains transmission or distribution lines and associated facilities or has entitlements to use certain transmission or distribution lines and associated facilities where the Facility is interconnected. For purposes of this Agreement, the Participating Transmission Owner is set forth in Exhibit A.

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

"**PCC1 Eligibility**" has the meaning set forth in Section 3.12.

"**Performance Measurement Period**" means [redacted]

"**Performance Security**" means (i) cash or (ii) a Letter of Credit or (iii) a Guaranty in the amount set forth on the Cover Sheet.

"**Permitted Transferee**" means [redacted]

"**Person**" means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust,

incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

"**Planned Outage**" has the meaning set forth in Section 4.6(a).

"**PNode**" has the meaning set forth in the CAISO Tariff.

"**Portfolio Content Category 1**" or "**PCC1**" means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

"**Product**" has the meaning set forth on the Cover Sheet.

"**Production Tax Credits**" or "**PTCs**" means production tax credit under Section 45 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from energy resources for which Seller, as the owner of the Generating Facility is eligible.

"**Progress Report**" means a progress report including the items set forth in Exhibit E.

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

"**PTC Amount**" means the amount, on a dollar per MWh basis, equal to the Production Tax Credits that Seller would have earned in respect of energy from the Generating Facility at the time, grossed up on an after tax basis at the then-highest marginal combined federal and state corporate tax rate, but failed to earn as a result of Buyer Bid Curtailment or Buyer Curtailment Order, which amount will be calculated by reference to the amount of Deemed Delivered Energy and the portion of the Installed Capacity of the Facility's equipment that is eligible to receive Production Tax Credits at the time of determination. The Parties to consider in any Amended and Restated PPA the inclusion of a provision similar to the following: "non-binding estimates of the

PTC Amount for calendar years [*e.g., 2027 through 2037*] are set forth in paragraph (e) of Exhibit C, which estimates shall be updated and become binding in accordance with such paragraph (e)."

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

"**RA Deficiency Amount**" means the liquidated damages payment that Seller shall pay to Buyer for an applicable RA Shortfall Month equal to the product of (i) the RA Shortfall Amount, and (ii) the Replacement Price.

"**RA Eligibility**" has the meaning set forth in Section 3.12.

"**RA Shortfall Amount**" [redacted]

"**RA Shortfall Month**" means, for purposes of calculating an RA Deficiency Amount under Section 3.8(b), any month commencing after the Commercial Operation Date during which there is an RA Shortfall Amount.

"**RA Substitute Capacity**" has the meaning set forth in the CAISO Tariff.

"**Real-Time Forecast**" means any Notice of any change to the Available Generating Capacity, Available Storage Capacity, or hourly expected energy delivered by or on behalf of Seller pursuant to Section 4.3(d).

"**Real-Time Market**" has the meaning set forth in the CAISO Tariff.

"**Real-Time Price**" means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff. If there is more than one applicable Real-Time Price for the same period of time, Real-Time Price shall mean the price associated with the smallest time interval.

"**Recurring Certificate Transfers**" has the meaning set forth in Section 4.13(a).

"**Relevant Day**" means the peak day(s) of the month, or such other time period, as established by the CPUC for purposes of determining compliance with Resource Adequacy Requirements.

"**Reliability Decisions**" has the meaning set forth in Section 3.10.

"**Remedial Action Plan**" has the meaning in Section 2.4.

"**Renewable Energy Credit**" has the meaning set forth in California Public Utilities Code Section 399.12(h), as may be amended from time to time or as further defined or supplemented by Law.

"**Renewable Energy Incentives**" means: (a) all Tax Credits and other federal, state, or local Tax credits or other Tax benefits associated with the construction, ownership, or production of electricity from the Facility (including Production Tax Credits, ITCs, and other credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to the Facility; and (c) any other form of incentive relating in any way to the Facility that is not a Green Attribute or a Future Environmental Attribute.

"**Renewable Rate**" has the meaning set forth on the Cover Sheet.

"**Replacement Price**" means (a) the price at which Buyer, acting in a commercially reasonable manner, purchases a replacement for the Capacity Attributes not delivered by Seller, plus costs reasonably incurred by Buyer in purchasing such replacement Capacity Attributes, or at Buyer's option, (b) the market price for such replacement Capacity Attributes not delivered as determined by Buyer in a commercially reasonable manner; provided, however, Buyer shall not be required to utilize or change its utilization of its owned or controlled assets or market positions to minimize Seller's liability.

"**Replacement RA**" means Resource Adequacy Benefits, if any, equivalent to those that would have been provided by the Facility with respect to the applicable Showing Month in all respects, including, as applicable, Resource Category and Flexible Capacity Category, and any successor criteria applicable to the Facility, unless Buyer consents to accept Replacement RA from another facility that provides non-equivalent Resource Adequacy Benefits; provided that any Replacement RA capacity must be communicated by Seller to Buyer with Replacement RA product information in a Notice to Buyer no later than the Notification Deadline.

"**Resource Adequacy Benefits**" means the rights and privileges attached to the Facility that satisfy any entity's resource adequacy obligations, as those obligations are set forth in any Resource Adequacy Rulings and includes any local, zonal or otherwise locational attributes associated with the Facility, in addition to flex attributes.

"**Resource Adequacy Rulings**" means CPUC Decisions ("D") D.04-10-035, D.05-10-042, D.06-02-007, D.06-04-040, D.06-06-064, D.06-07-031, D.06-12-037, D.07-06-029, D.08-06-031, D.09-06-028, D.10-06-036, D.11-06-022, D.12-06-025, D.13-06-024, D.14-06-050, D.15-06-063, D.16-06-045, D.17-06-027, D.18-06-030, D.18-06-031, D.19-06-026, D.20-06-002, D.20-06-028, D.20-06-031, D.20-12-006, D.21-06-029, D.21-07-014, D.22-03-034, D.22-06-050, D.23-04-010, D.23-06-029, D.24-06-004, D.24-12-003, D.25-06-048, Resolution Nos. E-4017, E-4195, and E-4907 and any other existing or subsequent ruling or decision, or any other resource adequacy Law, however described, as such rulings, decisions, or resource adequacy Laws may be amended or modified from time to time throughout the Contract Term.

"**Restricted Maintenance Period**" has the meaning set forth in Section 4.6(a).

"**Round-Trip Efficiency Factor**" means (a) if the Efficiency Rate is greater than or equal to the Minimum Efficiency Rate, one hundred percent (100%), or (b) if the Efficiency Rate is less than the Minimum Efficiency Rate, zero percent (0%).

"**S&P**" means the Standard & Poor's Financial Services, LLC (a subsidiary of S&P Global Inc.) or its successor.

"**Schedule**" has the meaning set forth in the CAISO Tariff, and "**Scheduled**" has a corollary meaning.

"**Scheduled Energy**" means the Generating Facility Energy, Charging Energy, and Discharging Energy that clears under the applicable CAISO market based on the final Day-Ahead Schedule, FMM Schedule (as defined in the CAISO Tariff), or any other financially binding Schedule, market instruction or dispatch for the Facility for a given period of time implemented in accordance with the CAISO Tariff.

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

"**Security Interest**" has the meaning set forth in Section 8.8.

"**Self-Schedule**" has the meaning set forth in the CAISO Tariff.

"**Seller**" has the meaning set forth on the Cover Sheet.

"**Seller's WREGIS Account**" has the meaning set forth in Section 4.13(a).

"**Settlement Amount**" means the Non-Defaulting Party's Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party's Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party's Gains exceed its Costs and Losses, then the Settlement Amount shall [redacted] The Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages; *provided*, that the Parties agree that the value of Green Attributes, Capacity Attributes, and Renewable Energy Incentives are direct damages to be accounted for as specified in the definitions of Losses and Gains.

"**Settlement Interval**" has the meaning set forth in the CAISO Tariff.

"**Settlement Period**" has the meaning set forth in the CAISO Tariff.

"**Shared Facilities**" means the gen-tie lines, transformers, substations, or other equipment, permits, contract rights, and other assets and property (real or personal), in each case, as necessary to enable delivery of energy from the Facility (which is excluded from Shared Facilities) to the point of interconnection, including the Interconnection Agreement itself, that are used in common with third parties.

"**Showing Month**" means the calendar month of the Delivery Term that is the subject of the Compliance Showing, as set forth in the Resource Adequacy Rulings and outlined in the CAISO Tariff. For illustrative purposes only, pursuant to the CAISO Tariff and Resource Adequacy Rulings in effect as of the Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

"**Site**" means the real property on which the Facility is or will be located, as further described in Exhibit A.

"**Site Control**" means that Seller: (a) owns or has the option to purchase the Site, including through an ownership interest in an Affiliate that owns the Site; (b) is the lessee or has the option to lease the Site; (c) is the holder of an easement or an option for an easement, right-of-way grant, or similar instrument with respect to the Site; or (d) has rights through ownership, lease, right-of-way grant or similar instrument, as the managing partner or other entity authorized to act in all manners relating to the control and operation of the Site.

"**SP-15**" means the Existing Zone Generation Trading Hub for Existing Zone region SP-15 as set forth in the CAISO Tariff.

"**Station Use**" means energy (including produced or discharged by the Facility) that is used within the Facility to power the lights, motors, cooling equipment, control systems and other electrical loads that are necessary for operation of the Facility except during periods in which the Storage Facility is charging or discharging pursuant to a Charging Notice or Discharging Notice.

"**STC**" means those certain standard contract terms and conditions that "may not be modified" per CPUC Decision ("D") 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.

"**Storage Capacity**" means (a) the maximum dependable operating capability of the Storage Facility to discharge electric energy that can be sustained for four (4) consecutive hours and (b) any other products that may be developed or evolve from time to time during the Term that the Storage Facility is able to provide as the Facility is configured on the Commercial Operation Date and that relate to the maximum dependable operating capability of the Storage Facility to charge and discharge electric energy.

"**Storage Capacity Test**" means any test or retest of the Storage Contract Capacity of the Storage Facility and/or Efficiency Rate conducted in accordance with the testing procedures, requirements and protocols set forth in Section 4.9 and Exhibit O.

"**Storage Contract Capacity**" means the total capacity (in MW) of the Storage Facility initially equal to the amount set forth on the Cover Sheet, as the same may be reduced pursuant to Section 5(b) of Exhibit B and subsequently adjusted from time to time pursuant to Section 4.9 and Exhibit O to reflect the results of the most recently performed Storage Capacity Test; provided that for all purposes under this Agreement the Storage Contract Capacity shall never exceed the amount of capacity initially set forth on the Cover Sheet, as may have been reduced pursuant to Section 5(b) of Exhibit B.

"**Storage Contract Output**" means the total output (in MWh) of the Storage Facility initially equal to the amount set forth on the Cover Sheet, as the same may be reduced pursuant to Section 5(b) of Exhibit B and subsequently adjusted from time to time pursuant to Section 4.9 and Exhibit O to reflect the results of the most recently performed Storage Capacity Test; provided that for all purposes under this Agreement the Storage Contract Output shall never exceed the amount of capacity initially set forth on the Cover Sheet, as may have been reduced pursuant to Section 5(b) of Exhibit B.

"**Storage Facility**" means the energy storage facility described on the Cover Sheet and in Exhibit A (including the operational requirements of the energy storage facility), located at the Site and including mechanical equipment and associated facilities and equipment required to deliver Storage Product (but excluding any Shared Facilities), and as such storage facility may be expanded or otherwise modified from time to time in accordance with the terms of this Agreement.

"**Storage Facility Meter**" means the bi-directional revenue quality meter or meters (with a 0.3 accuracy class) as shown in Exhibit R, along with a compatible data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, the amount of Charging Energy and the amount of Discharging Energy.

"**Storage Product**" means (a) Discharging Energy, (b) Capacity Attributes, if any, (c) Storage Capacity, and (d) Ancillary Services (as defined in the CAISO Tariff), if any, in each case arising from or relating to the Storage Facility.

"**Storage Rate**" has the meaning set forth on the Cover Sheet.

"**Stored Energy Level**" means, at a particular time, the amount of electric energy in the Storage Facility available to be discharged as Discharging Energy, expressed in MWh.

"**System Emergency**" means any condition that requires, as determined and declared by CAISO or the PTO, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability.

"**Tax**" or "**Taxes**" means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term, including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

"**Tax Credits**" means Production Tax Credits, ITCs, State of Nevada Renewable Energy Tax Abatement, and any other state, local or federal production or other tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production, sale or storage of renewable energy from, or the operation or the ownership of, the Facility or any part thereof.

"**Terminated Transaction**" has the meaning set forth in Section 11.2(a).

"**Termination Payment**" has the meaning set forth in Section 11.3.

"**Test Energy**" means Generating Facility Energy delivered (a) commencing on the later of (i) the first date that the CAISO informs Seller in writing that Seller may deliver Generating Facility Energy to the CAISO and (ii) the first date that the PTO informs Seller in writing that Seller has conditional or temporary permission to parallel and (b) ending upon the occurrence of the Commercial Operation Date.

"**Test Energy Rate**" has the meaning set forth in Section 3.6.

"**Third-Party Independent Evaluator**" means a qualified professional experienced in the appraisal of facilities similar to the Facility, with selection mutually agreed by the Parties or absent such agreement, a qualified professional experienced in the appraisal of facilities similar to the Facility with selection mutually agreed by two independent evaluators, with each independent evaluator selected by each of the Parties.

"**Transmission Provider**" means any entity or entities transmitting or transporting the Facility Energy on behalf of Seller or Buyer to or from the Delivery Point.

"**Transmission System**" means the transmission facilities operated by the CAISO, now or hereafter in existence, which provide energy transmission service within the CAISO grid from the Delivery Point.

"**Ultimate Parent**" means NextEra Energy, Inc., NextEra Energy Resources, LLC, NEP, NEOP, or NEECH, and includes any combination thereof.

"**Uninstructed Imbalance Energy**" has the meaning set forth in the CAISO Tariff.

"**Variable Energy Resource**" or "**VER**" has the meaning set forth in the CAISO Tariff.

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

"**WREGIS Certificate Deficit**" has the meaning set forth in Section 4.13(e).

"**WREGIS Certificates**" has the same meaning as "Certificate" as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for complying with the California Renewables Portfolio Standard.

"**WREGIS Operating Rules**" means those operating rules and requirements adopted by WREGIS as of October 2022, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.



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

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

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

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

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

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

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

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

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

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

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

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

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

(m) notwithstanding anything to the contrary in this Agreement (including the Cover Sheet and all Exhibits), any reference to a "Renewable Power Purchase Agreement," "Power Purchase Agreement," or similar term shall be deemed to refer to the Amended and Restated PPA to be executed by the Parties pursuant to Section 2.6. Until such Amended and Restated PPA has been executed and delivered by both Parties, any such references shall be interpreted solely as forward-looking placeholders describing the form of agreement that may be entered into by the Parties and shall not create, or be deemed to create, any binding obligation with respect to price, delivery term, commercial operation date, or other material commercial terms, except to the extent expressly provided in this Agreement.

ARTICLE 2
TERM; CONDITIONS PRECEDENT

2.1 **Contract Term**.

(a) The term of this Agreement shall commence on the Effective Date and shall remain in full force and effect until the earliest of (i) execution and delivery by both Parties of an Amended and Restated PPA pursuant to Section 2.6, (ii) termination of this Agreement pursuant to Section 2.7 or any other express termination right set forth herein, or (iii) the date that is nine (9) years after the Effective Date ("**Contract Term**"); *provided*, *however*, that subject to Buyer's obligations in Section 3.6, Buyer's obligations to pay for or accept any Product are subject to Seller's completion of the conditions precedent pursuant to Section 2.2.

(b) Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. The confidentiality obligations of the Parties under Article 19 and all indemnity and audit rights shall remain in full force and effect for two (2) years following the termination of this Agreement.

2.2 **Conditions Precedent**.

The Delivery Term shall not commence until Seller completes each of the following conditions:

(a) Seller has delivered to Buyer (i) a completion certificate from a Licensed Professional Engineer substantially in the form of Exhibit H and (ii) a certificate from a Licensed Professional Engineer substantially in the form of Exhibit I setting forth the Installed Battery Capacity on the Commercial Operation Date;

(b) A Participating Generator Agreement and a Meter Service Agreement between Seller and CAISO shall have been executed and delivered and be in full force and effect, and a copy of each such agreement delivered to Buyer;

(c) An Interconnection Agreement between Seller (or Seller's Affiliate) and the PTO shall have been executed and delivered and be in full force and effect and a copy of the Interconnection Agreement delivered to Buyer;

(d) Seller has completed CAISO certification of the Facility, and provided a copy of the CAISO certification to Buyer;

(e) Seller has provided Buyer with a copy of written notice from the CAISO that the Facility has achieved Full Capacity Deliverability Status

(f) Seller has established a functional web-based communication system in accordance with Exhibit D to allow Buyer sufficient access to Facility to perform Scheduling Coordinator Responsibilities as defined in Exhibit D and to forecast generation from, bid, and schedule the Facility in the CAISO markets;

(g) Copies of executed agreements demonstrating Site Control shall have been delivered to Buyer; provided Seller will be permitted to redact any confidential information contained therein;

(h) Seller has delivered to Buyer an attestation certificate from an officer of Seller certifying to the satisfaction of the following conditions:

(i) All applicable regulatory authorizations, approvals and permits required for operation of the Facility have been obtained and all conditions thereof that are capable of being satisfied on the Commercial Operation Date have been satisfied and shall be in full force and effect, including the satisfaction of all required inspections by the Office of the State Fire Marshal, or applicable fire authority;

(ii) Seller has received CEC Precertification of the Generating Facility (and reasonably expects to receive final CEC Certification and Verification for the Generating Facility in no more than one hundred eighty (180) days from the Commercial Operation Date);

(iii) Seller has completed all necessary documentation and approvals to authorize Buyer as Scheduling Coordinator with the CAISO;

(iv) Seller (with the reasonable participation of Buyer) has completed all applicable WREGIS registration requirements that are reasonably capable of being completed prior to the Commercial Operation Date under WREGIS rules, including (as applicable) the completion and submittal of all applicable registration forms and supporting documentation, which may include applicable interconnection agreements, informational surveys related to the Facility, QRE service agreements, and other appropriate documentation required to effect Facility registration with WREGIS and to enable Renewable Energy Credit transfers related to the Generating Facility within the WREGIS system;

(v) Seller has complied with the Prevailing Wage Requirement set forth in Section 13.4, and provided reasonably requested documentation demonstrating such compliance;

(vi) Insurance requirements for the Facility pursuant to Article 18 have been met, with evidence provided in writing to Buyer;-

(vii) Seller has reviewed Exhibit A and to the best knowledge of Seller such Exhibit is true and correct and Seller has provided all known updates; and

(viii) Seller has satisfied obligations set forth in Exhibit S that are reasonably capable of being completed prior to the Commercial Operation Date, and provided reasonably requested documentation demonstrating such compliance.

(i) Seller has delivered the Performance Security to Buyer in accordance with Section 8.8; and

(j) Seller has paid Buyer for all amounts owing under this Agreement, if any, including Construction Delay Damages and COD Delay Damages.

Within five (5) Business Days after Seller delivers Notice and supporting documentation demonstrating satisfaction of the foregoing conditions, Buyer shall notify Seller in writing that Buyer either (a) confirms that such conditions have been satisfied, or (b) reasonably believes that one or more conditions have not been satisfied, specifying the basis for such belief in reasonable detail. If Buyer provides notice pursuant to clause (b), the Delivery Term shall not commence until Seller has cured the identified deficiency and Buyer has confirmed satisfaction of the applicable condition(s) in accordance with this paragraph. Buyer shall be deemed to have confirmed satisfaction of the foregoing conditions if Buyer does not provide notice of any deficiencies within such five (5) Business Day period. Upon Buyer's confirmation, or deemed confirmation, of satisfaction of the foregoing conditions, the Delivery Term and Commercial Operation Date shall be deemed to have commenced on the date Seller delivered such Notice to Buyer.

2.3 **Development; Construction; Progress Reports**. Within fifteen (15) days after the close of (a) each calendar quarter from the first calendar quarter following the Effective Date until the Expected Construction Start Date, and (b) each calendar month thereafter until the Commercial Operation Date, Seller shall provide to Buyer a Progress Report; provided, that if Seller misses the Guaranteed Construction Start Date or Guaranteed Commercial Operation Date, Seller shall provide updated Progress Reports to Buyer on a weekly basis, or as otherwise agreed. The form of the Progress Report is set forth in Exhibit E. Seller agrees to regularly scheduled telephonic or video-conferenced meetings between representatives of Buyer and Seller to review the Progress Reports and discuss Seller's construction progress. Seller shall also provide Buyer with any reasonably requested documentation (subject to confidentiality restrictions) directly related to the achievement of Milestones within ten (10) Business Days of receipt of such request from Buyer. For the avoidance of doubt, as between Seller and Buyer, Seller is solely responsible for the design and construction of the Facility, including the location of the Site, obtaining all permits and approvals to build the Facility, the Facility layout, and the selection and procurement of the equipment comprising the Facility.

2.4 **Remedial Action Plan**. If Seller misses any one (1) Milestone by more than thirty (30) days, except as the result of Force Majeure Event or Buyer Default, Seller shall submit to Buyer, within ten (10) Business Days of such missed Milestone completion date, a remedial action

plan ("**Remedial Action Plan**"), which will describe in detail any delays (actual or anticipated) beyond the scheduled Milestone dates, including the cause of the delay, if known (e.g., governmental approvals, financing, property acquisition, design activities, equipment procurement, project construction, interconnection, or any other factor), Seller's detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the date sixty (60) days after the Guaranteed Commercial Operation Date; *provided*, that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans with respect to any subsequent Milestones in accordance with the terms of this Agreement. Subject to the provisions of Exhibit B, so long as Seller complies with its obligations under this Section 2.4, Seller shall not be considered in default of its obligations under this Agreement solely as a result of missing any Milestone, other than the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date.

2.5 **Seller Exclusivity**. Seller shall negotiate exclusively with Buyer for the sale of product associated with the Guaranteed Capacity and Storage Contract Capacity of the Facility (i.e., the Contract Capacity), including any portion thereof, and shall not discuss or negotiate any potential agreement, in any form, for the right to any product derived from, attributed to, or produced by the Contract Capacity, or any portion thereof, with any third party, except as provided pursuant to this Agreement ("**Seller Exclusivity**"). The Seller Exclusivity obligation commences on the Effective Date and, except as expressly provided in this Agreement, continues through the termination of this Agreement.

2.6 **Seller Obligation to Provide Proposed Amendment Following Interconnection Milestone**. As of the Effective Date, Seller grants Buyer an exclusive right of first offer to any product derived from, attributed to, or produced by the Contract Capacity, or any portion thereof.

(a) Seller shall provide written notice to Buyer within [redacted] of the earlier of (i) Seller's (or its Affiliate's) execution of an Interconnection Agreement for all or part of the Designated Interconnection Capacity Amount, and (ii) all or a portion of the Designated Interconnection Capacity Amount having received a deliverability allocation from the CAISO Transmission Plan Deliverability allocation process for Cluster 16 or any successor process (either, an "**Interconnection Milestone**"). Within [redacted] of such notice of Interconnection Milestone, Seller must provide Buyer with at least one binding written offer to sell Product from the Generating Facility and the Storage Facility, each in the amount of such Designated Interconnection Capacity Amount to Buyer (the "**Offer**"); provided, however, that if the Interconnection Milestone is achieved for less than one hundred percent (100%) of the Storage Contract Capacity but at least in amount of 50 MW, Seller's obligation to make an Offer to Buyer shall apply only in the amount of such portion of the Storage Contract Capacity that has achieved the Interconnection Milestone. For avoidance of doubt, if the Interconnection Milestone is achieved for less than 50 MW of Storage Contract Capacity, Seller shall have no obligation to make an Offer to Buyer.

(b) Seller's Offer shall include, as applicable, an updated Renewable Rate, Storage Rate, and updated Expected Construction Start Date, Expected Commercial Operation Date and other Milestone dates based on the CAISO/Participating Transmission Owner interconnection schedule, and any other new or different (which for clarification purposes includes changed) terms and conditions from those in this Agreement proposed by Seller in its

commercially reasonable discretion, including without limitation those necessary in Seller's reasonable discretion to finance, construct, operate or maintain the Facility. The Offer shall include Seller's proposed contract language for any additional or different terms and conditions and shall be presented to Buyer in the form of a proposed contract amendment to this Agreement or an amended and restated version of this Agreement (collectively, the "**Amended and Restated PPA**").

(c) Buyer shall deliver a written notice to Seller within [redacted] of Buyer's receipt of the Offer to either (i) reject the Offer in its entirety, (ii) accept the Offer in its entirety (subject to Board Approval), or (iii) accept the Offer subject to additional modifications, including additional terms and conditions (subject to Board Approval) ("**Buyer's Notice**"). Buyer may accept or reject the Offer with respect to all or any portion of the Contract Capacity achieving the Interconnection Milestone, provided that (A) the amount accepted by Buyer with respect to each of the Generating Facility and Storage Facility shall be at least 50 MW each, and (B) Buyer shall accept the same amount of capacity for each of the Generating Facility and Storage Facility. Buyer's failure to deliver Buyer's written notice within such time period will be deemed a rejection of the Offer. If Buyer accepts the Offer pursuant to the foregoing clauses (ii) or (iii) (and in the case of an acceptance pursuant to clause (iii), Seller does not reject Buyer's additional modifications by written notice to Buyer within [redacted] of receipt of Buyer's written notice), the acceptance shall be subject to negotiation (to the extent necessary), finalization, Board Approval, and execution of the Amended and Restated PPA by both Parties within [redacted] after Buyer's acceptance of the Offer. Such time period shall be extended automatically if the Parties are continuing to negotiate, finalize agreements, or obtain required approvals in good faith with respect to the Offer.

(d) In the event that (i) Buyer rejects or is deemed to reject the Offer, (ii) Buyer accepts the Offer subject to additional modifications (and subject to Board Approval) and Seller rejects such additional modifications by written notice to Buyer within [redacted] of receipt of Buyer's written notice, or (iii) the Parties fail to execute an Amended and Restated PPA within [redacted] after Buyer's acceptance of the Offer (subject to an automatic extension if the Parties are continuing to negotiate in good faith), Seller may, in its commercially reasonable discretion, market, sell, or enter into transaction with third parties for a portion or all of the Product related to the Contract Capacity that has achieved the Interconnection Milestone on terms and conditions that are materially no more favorable than the Offer provided to Buyer ("**Suspension of Seller Exclusivity**"). For the avoidance of doubt, in the case Buyer accepts the Offer in accordance with the requirements of this Section 2.6 as to a portion of the Contract Capacity (subject to Board Approval), Suspension of Seller Exclusivity shall apply to the portion of the Contract Capacity not accepted by Buyer in Buyer's written notice.

(e) In order to facilitate robust negotiation, there shall be no limit on the number of Offers that Seller can provide to Buyer. Upon Seller providing subsequent Offer(s) following a rejection of the first Offer, Seller Exclusivity is reinstated and in effect through the earlier of (i) execution of the Amended and Restated PPA if the Parties mutually agree on terms, (ii) renewed Suspension of Seller Exclusivity, or (iii) termination of this Agreement.

2.7 **Early Termination; Seller Post-Termination Obligations**

(a) Effective upon written notice from either Party, which shall be effective upon receipt by the other Party, this Agreement shall terminate upon the occurrence of one or more of the following events:

(i) If the Facility is not studied or otherwise does not advance to the Cluster Study stage in the Cluster 16 process, provided that such termination shall only be effective with respect to the affected portion of the Contract Capacity;

(ii) If the Facility advances to the Cluster Study stage in the Cluster 16 process, but does not advance to the Facilities Study stage in the Cluster 16 process, provided that such termination shall only be effective with respect to the affected portion of the Contract Capacity;

(iii) If the Facility advances to the Facility Study stage in the Cluster 16 process, but Seller withdraws the Contract Capacity from the interconnection study, voluntarily fails to proceed in the study process for any reason, or Seller or its Affiliate do not enter into an Interconnection Agreement with respect to the Facility, provided that such termination shall only be effective with respect to the affected portion of the Contract Capacity;

(iv) If the Parties fail to execute an Amended and Restated PPA within twenty four (24) months from date of the deliverability allocation from the CAISO Transmission Plan Deliverability allocation process for Cluster 16 or any successor process as to the Facility from the CAISO Transmission Plan Deliverability allocation process for Cluster 16 or successor process, provided that such termination shall only be effective with respect to the affected portion of the Contract Capacity;

(v) If Seller executes a binding agreement to sell Product from all or a portion of the Contract Capacity to a third party in violation of this Agreement; provided that, for the avoidance of doubt, this Agreement shall only terminate with respect to that portion of the Contract Capacity contracted with such third party;

(vi) If Seller executes a binding agreement to sell Product from all or a portion of the Contract Capacity to a third party during a period of Suspension of Seller Exclusivity without violating this Agreement, for the avoidance of doubt, this Agreement shall only terminate with respect to that portion of the Contract Capacity contracted with such third party;

(vii) If the Storage Facility does not achieve a deliverability allocation of Full Capacity Deliverability Status or Partial Capacity Deliverability Status of at least 50 MW from the CAISO by [redacted] unless the Buyer and Seller agree to proceed with energy only status, provided that such termination shall only be effective with respect to the affected portion of the Contract Capacity; and

(viii) If Seller provides Buyer an attestation that the Facility has been withdrawn from the CAISO Cluster 16 Study Process as no longer being commercially feasible, together with reasonable supporting documentation demonstrating such conclusion.

(b) Upon termination of this Agreement (or any portion thereof) pursuant to the foregoing Early Termination provisions, Buyer shall be entitled to retain the following amounts from the Initial Development Security:

(i) If the Agreement is terminated pursuant to Section 2.7(a)(i) or (ii), [redacted]

(ii) If the Agreement is terminated pursuant to Section 2.7(a)(iii), [redacted]

(iii) If the Agreement is terminated pursuant to Section 2.7(a)(iv) or Section 2.7(a)(v), [redacted]

(iv) If the Agreement is terminated pursuant to Section 2.7(a)(vi) – (vii), [redacted]

(v) If the Agreement is terminated pursuant to Section 2.7(a)(viii), [redacted]

(c) Within [redacted] of written notice of termination pursuant to Section 2.7(a)(i-viii), as applicable, Buyer shall return any portion of the Initial Development Security then due to Seller, if any, subject to any amounts drawn in accordance with this Agreement. Subject to Buyer's obligation to return the Initial Development Security as provided herein, this Agreement shall terminate for the affected portion of the Contract Capacity, and neither Party shall have any further liability or obligation under this Agreement, except under any provisions of this Agreement that expressly survive termination.

(d) If Buyer fails to fully and timely allocate its Commercial Interest Points in the amount of 150 MW to the Facility in the Cluster 16 process, Seller shall have the right to terminate this Agreement upon Notice to Buyer, which shall be effective [redacted] after receipt by Buyer. If the Agreement is terminated pursuant to this Section 2.7(d), Buyer shall promptly return the Initial Development Security to Seller, and neither Party shall have any further liability or obligation under this Agreement.

(e) Notwithstanding any other provision of this Agreement, Seller's liability with respect to this Agreement prior to the entry into an Amended and Restated PPA shall not exceed [redacted]

2.8 **Seller Right of First Offer**. If the Agreement is terminated under Section 2.7(a)(iv), Seller shall not enter into any Non-Merchant Agreement to sell any Product produced by Contract Capacity to any third party within [redacted] after the date of a deliverability allocation from the CAISO Transmission Plan Deliverability allocation process for Cluster 16 or any successor process (including a determination not to award deliverability) as to the Facility from the CAISO Transmission Plan Deliverability allocation process for Cluster 16 or successor process without first having provided written notice to Buyer of an offer to purchase such Product (a "**ROFO Offer**"). Buyer shall have [redacted] to consider and respond to such ROFO Offer (the "**ROFO Exercise Period**"). If Buyer provides notice to Seller accepting the ROFO Offer within the ROFO Exercise Period, then (a) the Parties shall negotiate in good faith to enter into a binding agreement (the "**Final Agreement**"), within [redacted] after Seller's receipt of Buyer's notice of acceptance (the "**ROFO Negotiation Period**"), for purchase and sale of such Product in accordance with the price and non-price commercial terms of the ROFO Offer and otherwise substantially in the form of this Agreement, and (b) within [redacted] thereafter the Parties shall obtain approvals from their respective governing bodies and execute the Final Agreement. If Buyer does not provide notice accepting the ROFO Offer within the ROFO Exercise Period, or if the Parties fail to enter into the Final Agreement within the ROFO Negotiation Period, or if the Parties fail to obtain approval for and execute the Final Agreement within [redacted] thereafter, then Seller shall have the right to enter into any Non-Merchant Agreement on terms and conditions that are materially no more favorable than the ROFO Offer provided to Buyer. "**Non-Merchant Agreement**" means any agreement to sell any Product from the Facility, each as applicable, for a delivery term that is longer than six (6) months.

ARTICLE 3
PURCHASE AND SALE

3.1 **Purchase and Sale of Product**. Subject to the terms and conditions of this Agreement, during the Delivery Term, Buyer will purchase all of the Product produced by or associated with the Facility at the Contract Price and in accordance with Exhibit C, and Seller shall supply and deliver to Buyer all of the Product produced by or associated with the Facility; *provided*, *however*, that prior to the occurrence of the Commercial Operation Date, Buyer shall pay Seller for Generating Facility Energy at the Test Energy Rate. At its sole discretion, Buyer may during the Delivery Term resell or use for another purpose all or a portion of the Product, provided that no such resale or use shall relieve Buyer of any obligations hereunder or modify any of Seller's obligations hereunder. During the Delivery Term, Buyer will have exclusive rights to offer, bid, or otherwise submit the Product, or any component thereof, from the Facility after the Delivery Point for resale into the market or to any third party, and retain and receive any and all related revenues. Without limiting the foregoing, Buyer shall have the exclusive right to, and shall retain and receive for its sole benefit, all revenues, payments, credits, certificates, attributes, products, services, benefits, and other market-based value associated with or arising from the Facility, the Product, or Buyer's Scheduling Coordinator activities, whether now existing or developed after the Effective Date, regardless of whether such product, service, attribute, payment, credit, benefit, or revenue stream is characterized as energy, capacity, reliability, reserve,

flexibility, ramping, balancing, congestion management, uncertainty management, resource sufficiency, ancillary services, transmission-related value, deliverability-related value, or any other market construct; provided that Renewable Energy Incentives expressly allocated to Seller pursuant to Section 3.4 shall remain the property of Seller. Subject to Buyer's obligation to purchase Product in accordance with this Section 3.1 and Exhibit C, Buyer has no obligation to purchase from Seller any Generating Facility Energy that is not or cannot be delivered to the Delivery Point and/or Storage Facility as a result of an outage of the Facility, a Force Majeure Event, or a Curtailment Order.

3.2 **Sale of Green Attributes**. During the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all Green Attributes attributable to the Generating Facility Energy generated by the Generating Facility.

3.3 **Imbalance Energy**. Buyer and Seller recognize that in any given Settlement Period there may be Imbalance Energy. To the extent there is any Imbalance Energy, any payments or charges related to such Imbalance Energy shall be accounted for pursuant to Exhibit D.

3.4 **Ownership of Renewable Energy Incentives**. Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller's sole expense, in Seller's efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.5 **Future Environmental Attributes**.

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes sold under this Agreement are restricted to Green Attributes; however, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. Subject to the final sentence of this Section 3.5(a), and Section 3.5(b), in such event, Buyer shall bear all costs and risks associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller's receipt of Notice from Buyer of Buyer's intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation to bear any costs, losses or liabilities, or alter the Facility, unless the Parties have agreed on all necessary terms and conditions relating to such alteration and Buyer has agreed to reimburse Seller for all costs, losses, and liabilities associated with such alteration.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.5(a), the Parties agree to negotiate in good faith with respect to the development of further agreements and documentation necessary to effectuate the transfer of such Future Environmental Attributes, including agreement with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) appropriate allocation of any additional costs to Buyer, as set

forth above (in any event subject to Section 3.12); *provided*, that the Parties acknowledge and agree such terms are not intended to alter the other material terms of this Agreement.

3.6 **Test Energy**. No less than [redacted] prior to the first day on which Test Energy is expected to be available from the Generating Facility, Seller shall notify Buyer of the availability of the Test Energy. If Buyer notifies Seller within such fourteen (14) day period that Buyer wants to purchase such Test Energy, then (a) if and to the extent the Generating Facility generates Test Energy, Seller shall sell, and Buyer shall purchase from Seller, all Test Energy and any associated Product of the Generating Facility on an as-available basis, and (b) as full compensation for such Test Energy and associated Product, Buyer shall pay Seller an amount equal to [redacted] for the Facility Energy, provided that Seller shall be responsible for all Uninstructed Imbalance Energy charges, and penalties and sanctions pursuant to Exhibit D (the "**Test Energy Rate**"). The conditions precedent in Section 2.2 are not applicable to the Parties' obligations under this Section 3.6.

3.7 **Capacity Attributes**. Seller shall have achieved Full Capacity Deliverability Status or Partial Deliverability Status for the Storage Facility no later than the commencement of the Delivery Term. As between Buyer and Seller, Seller shall be responsible for the cost and installation of any Network Upgrades associated with obtaining such Full Capacity Deliverability Status.

(a) Throughout the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all the Capacity Attributes from the Facility associated with the Guaranteed Capacity and the Storage Contract Capacity.

(b) Throughout the Delivery Term, Seller shall use commercially reasonable efforts to maintain eligibility for Full Capacity Deliverability Status or Interim Deliverability Status for the Facility from the CAISO and shall perform all actions necessary to ensure that the Facility qualifies to provide Resource Adequacy Benefits to Seller. Throughout the Delivery Term, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits to Buyer.

(c) For the duration of the Delivery Term, Seller shall take all commercially reasonable administrative actions, including complying with all applicable registration and reporting requirements, and executing all documents or instruments necessary to enable Buyer to use all of the Capacity Attributes committed by Seller to Buyer pursuant to this Agreement.

3.8 **Resource Adequacy Failure**.

(a) RA Deficiency Determination. For each RA Shortfall Month, Seller shall pay to Buyer the RA Deficiency Amount as liquidated damages, as the sole remedy for the Capacity Attributes Seller failed to convey to Buyer.

(b) RA Deficiency Amount Calculation. For each RA Shortfall Month, Seller shall pay to Buyer the RA Deficiency Amount; *provided* that Seller may, as an alternative to paying RA Deficiency Amounts, provide Replacement RA in accordance with Section 3.8(c) below.

(c) Replacement RA. Seller may provide Replacement RA, provided that any Replacement RA capacity is communicated by Seller to Buyer with Replacement RA product

information in a written notice substantially in the form of Exhibit M [redacted] (the "**Notification Deadline**").

(d) RA Substitute Capacity. Seller shall provide RA Substitute Capacity in accordance with applicable CAISO requirements in connection with Facility outages. Seller acknowledges and agrees that any failure by Seller to provide such RA Substitute Capacity may result in CAISO rejecting or cancelling Seller's request for CAISO to approve such Facility outage. If Seller fails to provide RA Substitute Capacity, then Buyer may elect not to include the Facility (or, if applicable, the portion of the Facility) in its RA Plan, and such RA failure shall constitute an RA Shortfall Amount; Seller's sole liability to Buyer for such failure to provide RA Substitute Capacity shall be payment of the RA Deficiency Amount for the resulting Facility RA Shortfall pursuant to this Section 3.8.

3.9 **CEC Certification and Verification**. Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Generating Facility throughout the Delivery Term applicable to the Generating Facility, including compliance with all applicable requirements for certified facilities set forth in the current version of the *RPS Eligibility Guidebook* (or its successor). Seller shall obtain CEC Precertification by the Commercial Operation Date. Within thirty (30) days after the Commercial Operation Date, Seller shall apply with the CEC for final CEC Certification and Verification. Within one hundred eighty (180) days after the Commercial Operation Date, Seller shall obtain and maintain throughout the remainder of the Delivery Term the final CEC Certification and Verification. Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller's application for CEC Certification and Verification for the Generating Facility.

3.10 **CPUC Mid-Term Reliability Requirements**.

The Parties acknowledge that Buyer is entering into this Agreement, in part, to satisfy procurement obligations under orders arising out of both the R.20-05-003 and R.25-06-019 proceedings, and specified in CPUC Decisions D.21-06-035, D23-02-040, and D.26-02-057, which may be updated, supplemented or modified from time to time, and any other existing or future compliance program administered by any regulatory agency to which Buyer is subject (collectively, the "**Reliability Decisions**"). Seller represents and warrants to Buyer that:

(a) The Product includes the exclusive right to claim the Capacity Attributes of the Facility as an incremental resource for purposes of the Reliability Decisions;

(b) Seller has not and will not sell, assign or transfer the right to claim procurement of the Capacity Attributes of the Facility as an incremental resource for purposes of the Reliability Decisions to any other person or entity during the Delivery Term; and

(c) Seller will provide additional information and documentation to Buyer if necessary to enable Buyer to demonstrate that the Product meets the procurement mandates set forth in the Reliability Decisions.

3.11 **Non-Modifiable Standard Terms and Conditions**.

(a) Tracking of RECs in WREGIS. Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. [STC REC-2, Non-Modifiable. CPUC Decision D.11-01-025].

(b) Transfer of Renewable Energy Credits. Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC REC-1, Non-Modifiable. CPUC Decision D.11-01-025].

(c) Eligibility. Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC 6, Non-Modifiable. (Source: CPUC Decision ("D") D.07-11-025, Attachment A.) D.08-04-009].

(d) With respect to the immediately preceding paragraphs, (i) the reference in Section 3.11(a) to "first delivery under the contract" has the same meaning as "first delivery of Generating Facility Energy under this Agreement", (ii) the references in Section 3.11(c) to "Project" have the same meaning as "Generating Facility", (iii) the reference in Section 3.11(c)(ii) to "the Project's output" has the same meaning as "Generating Facility Energy net of any storage losses if required by Law", and (iv) each reference in the last sentences of Section 3.11(b) and Section 3.11(c) to "commercially reasonable efforts" means efforts consistent with and subject to Section 3.12 below.

3.12 **Compliance Expenditure Cap**.

(a) Seller shall ensure that (i) the Generating Facility Energy and associated RECs qualify as Portfolio Content Category 1 throughout the Delivery Term, and with respect to any Test Energy, and (ii) that the Storage Facility maintains eligibility to deliver Resource Adequacy Benefits throughout the Delivery Term. If any change in Law occurs after the Effective Date that affects (A) the Generating Facility Energy's (and associated RECs') qualification as Portfolio Content Category 1, including the Generating Facility's CEC certification ("**PCC1 Eligibility**"), or (B) the Storage Facility's eligibility to qualify for or maintain Resource Adequacy Benefits ("**RA Eligibility**", and together with PCC1 Eligibility, a "**Change in Compliance Law**"), then Seller shall use commercially reasonable efforts to comply with such Change in Compliance Law, subject to the following sentence. Notwithstanding anything to the contrary, the Parties agree

that the maximum out-of-pocket costs and expenses ("**Compliance Costs**") Seller shall be required to bear during the term of this Agreement to comply with all such obligations shall be capped [redacted] in the aggregate for all Changes in Compliance Law (whether arising from changes affecting PCC1 Eligibility, RA Eligibility, or otherwise), and not on a per-category stacked basis (the "**Compliance Expenditure Cap**"). [redacted]

(b) Any actions required for Seller to comply with its obligations set forth in the immediately preceding paragraph, the Compliance Costs of which are permitted to be included in the Compliance Expenditure Cap, shall be referred to collectively as the "**Compliance Actions**."

(c) If Seller reasonably anticipates the need to incur Compliance Costs in excess of the Compliance Expenditure Cap in order to take any Compliance Action Seller shall provide Notice to Buyer of such anticipated Compliance Costs.

(d) Buyer will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the Compliance Costs that exceed the Compliance Expenditure Cap (such Buyer-agreed upon costs, the "**Accepted Compliance Costs**"), or (2) waive Seller's obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller.

(e) If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by the Parties and Buyer shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller.

(f) If Buyer does not pay the Compliance Costs in excess of the Compliance Expenditure Cap, or if it is not possible for Seller to achieve compliance with a Change in Compliance Law through the payment or incurrence of costs, then in each case (i) Seller shall be excused from the corresponding Compliance Actions under this Agreement, and (ii) Buyer shall continue to pay Seller under this Agreement without any reduction in revenues that otherwise would result from the Change in Compliance Law.

ARTICLE 4
OBLIGATIONS AND DELIVERIES

4.1 **Delivery**.

(a) Energy. Subject to the provisions of this Agreement, commencing on the first day of the Delivery Term through the end of the Contract Term, Seller shall supply and deliver Product to Buyer at the Delivery Point, and Buyer shall take delivery of the Product at the Delivery Point in accordance with the terms of this Agreement. Seller will be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Facility Energy to the Delivery Point, including without limitation, Station Use, Electrical Losses, any

costs associated with delivering the Charging Energy from the Generating Facility to the Storage Facility, and any operation and maintenance charges imposed by the Transmission Provider directly relating to the Facility's operations. Buyer shall be responsible for all costs, charges and penalties, if any, imposed in connection with the delivery of Facility Energy at and after the Delivery Point, including without limitation transmission costs and transmission line losses and imbalance charges. The Generating Facility Energy, Charging Energy, and Discharging Energy will be scheduled to the CAISO by Buyer (or Buyer's designated Scheduling Coordinator) in accordance with Exhibit D.

(b) Green Attributes. All Green Attributes associated with the Facility during the Delivery Term are exclusively dedicated to and vested in Buyer. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

4.2 **Title and Risk of Loss**.

(a) Energy. Title to and risk of loss related to the Generating Facility Energy and Discharging Energy, shall pass and transfer from Seller to Buyer at the Delivery Point. Seller warrants that all Product delivered to Buyer is free and clear of all liens, security interests, claims and encumbrances of any kind.

(b) Green Attributes. Title to and risk of loss related to the Green Attributes transferred to Buyer shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS.

4.3 **Forecasting**. Seller shall provide the forecasts described below at its sole expense and in a format reasonably acceptable to Buyer (or Buyer's designee). Seller shall use reasonable efforts to provide forecasts that are accurate and, to the extent not inconsistent with the requirements of this Agreement, shall prepare such forecasts, or cause such forecasts to be prepared, in accordance with Prudent Operating Practices.

(a) Annual Forecast. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) at the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of each month's average-day expected Generating Facility Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit F-1, or as reasonably requested by Buyer.

(b) Monthly Forecast. No less than thirty (30) days before the Commercial Operation Date, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of (i) the hourly expected Generating Facility Energy, (ii) Available Generating Capacity, and (iii) Available Storage Capacity for each day of the following month in a form substantially similar to the table found in Exhibit F-2 ("**Monthly Delivery Forecast**").

(c) Day-Ahead Forecast. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, or as otherwise specified by Buyer consistent

with Prudent Operating Practice, Seller shall provide Buyer and the SC (if applicable) with a non-binding forecast of (i) Generating Facility Energy, (ii) Available Generating Capacity, and (iii) Available Storage Capacity, in each case, for each hour of the immediately succeeding day ("**Day-Ahead Forecast**"). A Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include non-binding forecasts for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller's best estimate of the hourly expected Generating Facility Energy, Available Generating Capacity, and Available Storage Capacity. Except as otherwise agreed, Seller shall provide the Day-Ahead Forecast in the form of a CSV file or other mutually agreed file format delivered to Buyer's SC and Buyer's File Transfer Protocol (FTP) site in accordance with Exhibit D and Exhibit N. If Seller fails to provide a Day-Ahead Forecast as required herein for any period, then for such unscheduled delivery period only Buyer and the SC (if applicable) shall rely on any Real-Time Forecast provided in accordance with Section 4.3(d) or the Monthly Delivery Forecast or Buyer's best estimate based on information reasonably available to Buyer.

(d) Real-Time Forecasts. During the Delivery Term, Seller shall notify Buyer and the SC (if applicable) of any changes from the Day-Ahead Forecast of (i) (one (1) MWh or more in hourly expected Generating Facility Energy (ii) one (1) MW or more in Available Generating Capacity, and (iii) one (1) MW or more in Available Storage Capacity, in each case, whether due to Forced Facility Outage, Force Majeure or other cause, as soon as reasonably possible, but no later than one (1) hour prior to the deadline for submitting Schedules to the CAISO in accordance with the rules for participation in the Real-Time Market. If the Available Generating Capacity, Available Storage Capacity, or hourly expected Generating Facility Energy changes by at least one (1) MW or one (1) MWh, as applicable, as of a time that is less than one (1) hour prior to the Real-Time Market deadline, but before such deadline, then Seller must notify Buyer as soon as reasonably possible. Such Real-Time Forecasts of energy shall be provided by an Approved Forecast Vendor and shall contain information regarding the beginning date and time of the event resulting in the change in hourly expected Generating Facility Energy, Available Generating Capacity, or Available Storage Capacity, as applicable, the expected end date and time of such event, and any other information required by the CAISO or reasonably requested by Buyer. These Real-Time Forecasts shall be communicated in a method reasonably acceptable to Buyer and the SC (if applicable); *provided* that Buyer or its SC specifies the method no later than five (5) Business Days prior to the effective date of such requirement. In the event Buyer fails to provide Notice of an acceptable method for communications under this Section 4.3(d), then Seller shall send such communications by telephone and email to Buyer and the SC (if applicable). Unless excused by a Force Majeure Event, if Seller fails to provide the forecast required in this Section 4.3(d), Seller may be subject to additional costs, charges, and/or penalties pursuant to Exhibit D.

(e) Forced Facility Outages. Notwithstanding anything to the contrary herein, Seller shall notify the SC of Forced Facility Outages promptly but no later than the time periods required by the CAISO Tariff and the CAISO's outage management rules and Seller shall keep the SC informed of any developments that will affect either the duration of the outage or the availability of the Facility during or after the end of the outage.

(f) CAISO Tariff Requirements. Seller shall comply with all applicable CAISO Tariff requirements, procedures, protocols, rules and testing as necessary for Buyer to submit Bids for the electric energy generated, charged and discharged by the Facility. In addition,

to the extent such obligations are applicable to the Facility, Seller will comply with all applicable obligations for Variable Energy Resources under the CAISO Tariff and the Eligible Intermittent Resource Protocol, including providing appropriate operational data and meteorological data, and will fully cooperate with Buyer and CAISO, in providing all data, information, and authorizations required thereunder.

4.4 **Dispatch Down/Curtailment**.

(a) General. Seller agrees to reduce the amount of Generating Facility Energy and/or Facility Energy produced by the Facility, by the amount and for the period set forth in any Curtailment Order, Buyer Curtailment Order, or notice received from CAISO in respect of a Buyer Bid Curtailment, provided that Seller is not required to reduce such amount to the extent it is inconsistent with the limitations of the Facility set out in the Operating Restrictions.

(b) Failure to Comply. If Seller fails to comply with a Curtailment Order, then, for each MWh of Generating Facility Energy delivered as Charging Energy to the Storage Facility and Facility Energy that is delivered by the Facility to the Delivery Point in contradiction of the Curtailment Order, Seller shall pay Buyer for each such MWh at an amount equal to the sum of (A) + (B) + (C), where: (A) is the amount, if any, paid to Seller by Buyer for delivery of such excess MWh and (B) is the sum, for all Settlement Intervals with a Negative LMP during the Curtailment Period, of the absolute value of the product of such excess MWh in each Settlement Interval and the Negative LMP for such Settlement Interval, and (C) is any penalties assessed by the CAISO or other charges assessed by the CAISO resulting from Seller's failure to comply with the Curtailment Order.

(c) Seller Equipment Required for Curtailment Instruction Communications. Seller shall acquire, install, and maintain such facilities, communications links and other equipment, and implement such protocols and practices, as necessary to respond and follow instructions, including an electronic signal conveying real time and intra-day instructions, to operate the Facility as reasonably directed by the Buyer in accordance with this Agreement or a Governmental Authority, including to implement a Buyer Curtailment Order, Buyer Bid Curtailment, or Curtailment Order in accordance with the then-current methodology used to transmit such instructions as it may change from time to time. If at any time during the Delivery Term Seller's facilities, communications links or other equipment, protocols or practices are not in compliance with then-current methodologies, Seller shall take the steps necessary to become compliant as soon as reasonably possible. Seller shall be liable pursuant to Section 4.4(b) and Exhibit D for failure to comply with a Buyer Curtailment Order, Buyer Bid Curtailment, or Curtailment Order, during the time that Seller's facilities, communications links or other equipment, protocols or practices are not in compliance with then-current methodologies. For the avoidance of doubt, a Buyer Curtailment Order, Buyer Bid Curtailment, or Curtailment Order communication via such systems and facilities shall have the same force and effect on Seller as any other form of communication.

(d) Demonstration of AGC Functionality. Within thirty (30) days of the Commercial Operation Date, Seller shall have demonstrated to Buyer's reasonable satisfaction the ability of the Facility's communication systems and automatic generation control (AGC) interface to operate the Facility as necessary to respond and follow instructions, including an electronic

signal conveying real time and intra-day instructions, directed by the Buyer in accordance with the Agreement and the CAISO. If Seller has not satisfied this requirement within thirty (30) days of the Commercial Operation Date, then notwithstanding any other provision of this Agreement, the Availability Adjustment shall be deemed to be zero for all purposes under this Agreement from such date until such time as Seller has fully satisfied its obligations under this provision.

4.5 **Charging Energy Management**.

(a) Upon receipt of a valid Charging Notice, Seller shall take any and all action necessary to deliver the Charging Energy from the Generating Facility to the Storage Facility in order to deliver the Storage Product in accordance with the terms of this Agreement (including the Operating Restrictions), including maintenance, repair or replacement of equipment in Seller's possession or control used to deliver the Charging Energy from the Generating Facility to the Storage Facility.

(b) Buyer will have the right to charge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by providing Charging Notices to Seller electronically, provided, that Buyer's right to issue Charging Notices is subject to Prudent Operating Practice and the requirements and limitations set forth in this Agreement, including the Operating Restrictions and the provisions of Section 4.5(a). Each Charging Notice issued in accordance with this Agreement will be effective unless and until Buyer modifies such Charging Notice by providing Seller with an updated Charging Notice.

(c) Seller shall not charge the Storage Facility during the Term other than pursuant to a valid Charging Notice, or in connection with a Storage Capacity Test, or pursuant to a notice from CAISO, the PTO, Transmission Provider, or any other Governmental Authority. If, during the Contract Term, Seller (a) charges the Storage Facility to a Stored Energy Level greater than the Stored Energy Level provided for in the Charging Notice or (b) charges the Storage Facility in violation of the first sentence of this Section 4.5(c), then (x) Seller shall be responsible for all energy costs associated with such charging of the Storage Facility, (y) Buyer shall not be required to pay for the charging of such energy (i.e., Charging Energy), and (z) Buyer shall be entitled to discharge such energy and entitled to all of the benefits (including Storage Product) associated with such discharge.

(d) Buyer will have the right to discharge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by providing Discharging Notices to Seller electronically, and subject to the requirements and limitations set forth in this Agreement, including the Operating Restrictions. Each Discharging Notice issued in accordance with this Agreement will be effective unless and until Buyer modifies such Discharging Notice by providing Seller with an updated Discharging Notice.

(e) Notwithstanding anything in this Agreement to the contrary, during any Settlement Interval, CAISO Operating Orders, and Curtailment Orders applicable to such Settlement Interval shall have priority over any Charging Notices and Discharging Notices applicable to such Settlement Interval, and Seller shall have no liability for violation of this Section4.5 or any Charging Notice or Discharging Notice if and to the extent such violation is caused by Seller's compliance with any CAISO Operating Order, Curtailment Order or other

instruction or direction from a Governmental Authority or the PTO or the Transmission Provider. Buyer shall have the right, but not the obligation, to provide Seller with updated Charging Notices and Discharging Notices during any CAISO Operating Order, or Curtailment Order consistent with the Operational Procedures.

(f) The Storage Facility is capable of receiving Charging Energy from the Generating Facility and in the form of grid energy; *provided*, that if Buyer elects to provide Charging Energy from a source other than the Generating Facility, including grid energy (i) Buyer will be responsible for all costs relating to the charging of the Storage Facility from a source other than the Generating Facility, including the cost of energy used to charge the Storage Facility.

(g) The Facility will be able to provide the full suite of Ancillary Services in CAISO markets (to the extent any such services are available in the CAISO markets as of the Effective Date) and Seller will dispatch the Facility in response to signals from the Buyer or Buyer's Scheduling Coordinator, subject to the Operating Restrictions. These Ancillary Services include Frequency Regulation, Spinning Reserve, Ramp Support, Frequency Response, Voltage Control, VAR Dispatch, and Power Factor Correction. Upon Buyer's reasonable request, Seller shall submit the Facility for additional CAISO Certification so that the Facility may provide additional Ancillary Services that the Facility is, at the relevant time, actually physically capable of providing without modification of the Facility, provided that Buyer has agreed to reimburse Seller for any costs Seller incurs in connection with conducting such additional CAISO Certification.

4.6 **Reduction in Delivery Obligation**. For the avoidance of doubt, and in no way limiting Section 3.1 or Exhibit G:

(a) Facility Maintenance. Subject to providing Buyer [redacted] Notice, Seller shall be permitted to reduce deliveries of Product during any period of scheduled maintenance on the Facility, *provided* that [redacted] (the "**Restricted Maintenance Period**") Seller shall not schedule non-emergency maintenance that reduces the energy generation or storage capability of the Facility by [redacted]

[redacted] Replacement and Augmentation of Batteries. [redacted]

[redacted]

(c) Forced Facility Outage. Seller shall be permitted to reduce deliveries of Product except Capacity Attributes during any Forced Facility Outage. Seller shall provide Buyer with Notice and expected duration (if known) of any Forced Facility Outage.

(d) System Emergencies and other Interconnection Events. Seller shall be permitted to reduce deliveries of Product except Capacity Attributes during any period of System Emergency, or upon Notice of a Curtailment Order pursuant to the terms of this Agreement, the Interconnection Agreement or applicable tariff.

(e) Force Majeure Event. Seller shall be permitted to reduce deliveries of Product during any Force Majeure Event.

(f) Health and Safety. Seller shall be permitted to reduce deliveries of Product except Capacity Attributes as necessary to maintain health and safety pursuant to Section 6.2.

4.7 **Guaranteed Energy Production**. Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production in each Performance Measurement Period. Seller shall be excused from achieving the Guaranteed Energy Production during any Performance Measurement Period only to the extent of any Force Majeure Events, System Emergency, Storage Capacity Tests, Buyer Default, and Curtailment Periods. For purposes of determining whether Seller has achieved the Guaranteed Energy Production, in addition to the Generating Facility Energy for the applicable Performance Measurement Period, Seller shall be deemed to have delivered to Buyer (1) any Deemed Delivered Energy and (2) energy in the amount it could reasonably have delivered to Buyer but was prevented from delivering to Buyer by reason of any Force Majeure Events, System Emergency, Storage Capacity Tests, Buyer Default or other failure to perform, and Curtailment Periods ("**Lost Output**"). If Seller fails to achieve the Guaranteed Energy Production amount in any Performance Measurement Period, Seller shall pay Buyer damages calculated in accordance with Exhibit G.

4.8 **Storage Availability**.

(a) During the Delivery Term, the Storage Facility shall maintain a Monthly Storage Availability of [redacted] (the "**Guaranteed Storage Availability**"), which Monthly Storage Availability shall be calculated in accordance with Exhibit P.

(b) If, the Monthly Storage Availability during any month is less than the Guaranteed Storage Availability, then Buyer's payment for the Storage Product shall be calculated by reference to the Availability Adjustment (as determined in accordance with Exhibit P).

4.9 **Storage Capacity Tests**.

(a) Prior to the Commercial Operation Date, Seller shall schedule and complete a Storage Capacity Test in accordance with **Exhibit O**. Thereafter, Seller and Buyer shall have the right to run additional Storage Capacity Tests in accordance with Exhibit O.

(b) Buyer shall have the right to send one or more representative(s) to witness all Storage Capacity Tests. Buyer shall be responsible for all costs, expenses and fees payable or reimbursable to its representative(s) witnessing any Storage Capacity Test. Except as otherwise specified in Exhibit O, all other costs or revenues associated with any Storage Capacity Test shall be borne by, or accrue to, Seller, as applicable.

(c) Following each Storage Capacity Test, Seller shall submit a testing report in accordance with Exhibit O. The Storage Contract Capacity and Efficiency Rate determined pursuant to a Storage Capacity Test shall become the new Storage Contract Capacity and/or Efficiency Rate, at the beginning of the day of the completed test for all purposes under this Agreement, including compensation under Exhibit C; provided that the Storage Contract Capacity under this Agreement shall never exceed the amount of capacity initially set forth on the Cover Sheet, as may have been reduced pursuant to Section 5(b) of Exhibit B.

4.10 **Interconnection Capacity**. Seller shall ensure that throughout the Delivery Term (a) the Facility will have an Interconnection Agreement providing for interconnection capacity available or allocable to the Facility that is no less than the Guaranteed Capacity and (b) Seller shall have sufficient interconnection capacity and rights under such Interconnection Agreement to interconnect the Facility with the CAISO-Controlled Grid, to fulfill Seller's obligations under the Agreement, including with respect to Resource Adequacy, and to allow Buyer's dispatch rights of the Facility to be fully reflected in the CAISO's market optimization and not result in CAISO market awards that are not physically feasible, subject to the Generation Facility and the Storage Facility sharing the interconnection capacity in the amount of the Designated Interconnection Capacity Amount. Seller shall indemnify, defend and hold harmless Buyer from and against any penalties, imbalance energy charges, Resource Adequacy penalties, replacement costs, sanctions, or other costs, charges, liabilities or damages arising from Seller's failure to provide or maintain the interconnection capacity and rights required under this Section 4.10 or arising from any third-party use of such interconnection capacity that interferes with Seller's performance under this Agreement.

4.11 **Station Use**. Seller will be responsible for procuring and paying for, or reimbursing Buyer for (to the extent Buyer pays for any Station Use), all Station Use. Seller shall indemnify and hold harmless Buyer from any and all costs, penalties, charges or other adverse consequences that result from energy supplied for Station Use by any means other than retail service from the applicable utility, and shall take any additional measures to ensure Station Use is supplied by the applicable utility's retail service if necessary to avoid any such costs, penalties, charges or other adverse consequences.

4.12 **Facility Operations and Maintenance**. Buyer shall at all times during the Delivery Term retain dispatch control of the Storage Facility and be responsible for dispatching and coordinating charging of the Storage Facility, in each case through the issuance of Charging Notices and Discharging Notices. Seller shall at all times during the Delivery Term retain all other aspects of operation and maintenance of the Storage Facility in accordance with Prudent Operating Practice and applicable Law and adhering to all operational data, interconnection and telemetry requirements applicable to the Storage Facility.

4.13 **WREGIS**. Seller shall, at its sole expense, but subject to Section 3.12, take all

actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Generating Facility Energy less any storage losses if required by law are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer's sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. In addition:

(a) Prior to the Commercial Operation Date, Seller shall register the Generating Facility with WREGIS and establish an account with WREGIS ("**Seller's WREGIS Account**"), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using "**Recurring Certificate Transfers**" (as described in the WREGIS Operating Rules) from Seller's WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of a designee that Buyer identifies by Notice to Seller ("**Buyer's WREGIS Account**"). Seller shall be responsible for all expenses associated with registering the Generating Facility with WREGIS, establishing and maintaining Seller's WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller's WREGIS Account to Buyer's WREGIS Account.

(b) Seller shall cause Recurring Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Generating Facility Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate.

(c) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Generating Facility Energy for such calendar month as evidenced by the Generating Facility's metered data.

(d) Due to the delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2, notwithstanding that the WREGIS Certificates for such month may not have yet been formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.13. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A "**WREGIS Certificate Deficit**" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Generating Facility Energy for the same calendar month ("**Deficient Month**") caused by an error or omission of Seller. If any WREGIS Certificate Deficit is caused, or the result of any action or inaction by Seller, then the amount of Generating Facility Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for purposes of calculating Buyer's payment to Seller under Article 8 and the Guaranteed Energy Production for the applicable Contract Year; provided, however, that such adjustment shall not apply to the extent that Seller resolves the WREGIS Certificate Deficit within sixty (60) days after the Deficient Month. Without limiting Seller's obligations under this Section 4.13, if a WREGIS Certificate Deficit is caused solely by

an error or omission of WREGIS, the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(f) If (i) WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.13 after the Effective Date, the Parties promptly shall modify this Section 4.13 as reasonably required to cause and enable Seller to transfer to Buyer's WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Generating Facility Energy less any storage losses if required by law in the same calendar month.

ARTICLE 5
TAXES

5.1 **Allocation of Taxes and Charges**. Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and making available of Product to Buyer, that are imposed on Product prior to its delivery to Buyer at the Delivery Point. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of Product that are imposed on Product at and after its delivery to Buyer at the Delivery Point (other than withholding or other Taxes imposed on Seller's income, revenue, receipts or employees), if any. If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. In the event any sale of Product hereunder is exempt from or not subject to any particular Tax, Buyer shall provide Seller with all necessary documentation within thirty (30) days after the Effective Date to evidence such exemption or exclusion. If Buyer does not provide such documentation, then Buyer shall indemnify, defend, and hold Seller harmless from any liability with respect to Taxes from which Buyer claims it is exempt.

5.2 **Cooperation**. Each Party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the Parties to minimize all Taxes, so long as no Party is materially adversely affected by such efforts. The Parties shall cooperate to minimize Tax exposure; *provided*, *however*, that neither Party shall be obligated to incur any financial or operational burden to reduce Taxes for which the other Party is responsible hereunder without receiving due compensation therefor from the other Party. All Product delivered by Seller to Buyer hereunder shall be a sale made at wholesale, with Buyer reselling such Product.

ARTICLE 6
MAINTENANCE OF THE FACILITY

6.1 **Maintenance of the Facility**. Seller shall comply with Law and Prudent Operating Practice relating to the operation and maintenance of the Facility and the generation and sale of Product.

6.2 **Maintenance of Health and Safety**. Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person's property, Seller shall take prompt, reasonable action to prevent such damage or injury and shall give Notice to Buyer's emergency contact identified on

Exhibit N of such condition. Such action may include, to the extent reasonably necessary, disconnecting and removing all or a portion of the Facility, or suspending the supply of energy or Discharging Energy to Buyer.

6.3 **Shared Facilities**.

(a) The Parties acknowledge and agree that certain of the Shared Facilities and Interconnection Facilities, and Seller's rights and obligations under the Interconnection Agreement, may be subject to certain shared facilities or co-tenancy agreements to be entered into among Seller, the Participating Transmission Owner, Seller's Affiliates, or third parties pursuant to which certain Interconnection Facilities may be subject to joint ownership and shared maintenance and operation arrangements; *provided* that such agreements (i) shall permit Seller to perform or satisfy, and shall not purport to limit, its obligations hereunder and (ii) provide for separate metering and separate CAISO resource IDs for each of the Generating Facility and Storage Facility in accordance with Section 7.1.

(b) The Facility will comprise only a portion of a larger energy complex (the "**Complex**") being developed by Seller or its Affiliates. This Agreement is only applicable to the Facility, and not the remainder of the Complex or the remainder of the Complex's output. The Facility will share an interconnection queue with the remainder of the Complex (such arrangement, a "**Shared Interconnection Queue**"). If the MW amount of Full Capacity Deliverability Status or Partial Capacity Deliverability Status awarded by the CAISO to the Shared Interconnection Queue is less than the Commercial Interest Points that have been allocated by both Buyer and such other offtaker(s) to the projects under the Shared Interconnection Queue, then the amount of such deliverability award shall be allocated to Buyer and such other offtaker(s) in the same proportion in which Commercial Interest Points were allocated by each of them to projects under the Shared Interconnection Queue (e.g., if the proportion of the initial exclusive capacity was 75% and 25% between Buyer and such offtaker(s), respectively, then the proportional share shall remain 75% and 25% for Buyer and such offtaker(s) after such capacity reduction).

ARTICLE 7
METERING

7.1 **Metering**. Seller shall measure the amount of Facility Energy using the Facility Meter, the amount of Generating Facility Energy using the Generating Facility Meter, and the Charging Energy and Discharging Energy using the Storage Facility Meter; all of which will be subject to adjustment in accordance with applicable CAISO meter requirements and Prudent Operating Practices, including to account for Electrical Losses and Station Use. All meters will be operated by Seller pursuant to applicable CAISO-approved calculation methodologies and installed and maintained at Seller's sole expense. Subject to meeting any applicable CAISO requirements, the meters shall be programmed to adjust for Electrical Losses and Station Use in a manner subject to Buyer's prior written approval, not to be unreasonably withheld. Seller shall obtain and maintain at its sole expense a single CAISO resource ID dedicated exclusively to the Generating Facility and a single CAISO resource ID dedicated exclusively to the Storage Facility. Seller shall not obtain additional CAISO resource IDs for the Generating Facility, the Storage Facility, or the Facility without the prior written consent of Buyer, which shall not be unreasonably withheld. In addition, upon the reasonable request of Buyer, Seller shall obtain one or more

additional CAISO resource IDs, provided that any out-of-pocket costs associated with obtaining such additional CAISO resource IDs incurred by Seller shall be reimbursed by Buyer. Metering will be consistent with the Metering Diagram set forth as Exhibit R, a final version of which shall be provided to Buyer at least thirty (30) days before the Commercial Operation Date. Each meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the CAISO meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Seller and Buyer shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Market Results Interface – Settlements (MRI-S) (or its successor) or directly from the CAISO meter(s) at the Facility.

7.2 **Meter Verification**. Annually, or if Seller has reason to believe there may be a meter malfunction, or upon Buyer's reasonable request, Seller shall test the meter. The tests shall be conducted by independent third parties qualified to conduct such tests. Buyer shall be notified seven (7) days in advance of such tests and have a right to be present during such tests. If a meter is inaccurate it shall be promptly repaired or replaced.

ARTICLE 8
INVOICING AND PAYMENT; CREDIT

8.1 **Invoicing**. Seller shall make good faith efforts to deliver an invoice to Buyer for Product within ten (10) days after, but not prior to, the end of each month of the Delivery Term. Each invoice shall reflect (a) records of metered data, including CAISO metering and transaction data sufficient to document and verify the amount of Product delivered by the Facility for any Settlement Period during the preceding month, including the amount of Generating Facility Energy produced by the Generating Facility as read by the Generating Facility Meter, the amount of Charging Energy charged by the Storage Facility and the amount of Discharging Energy delivered from the Storage Facility to the Delivery Point, in each case, as read by the Storage Facility Meter, the amount of Replacement RA delivered to Buyer (if any), the calculation of Generating Facility Energy, Deemed Delivered Energy and Adjusted Energy Production, the LMP prices at the Delivery Point for each Settlement Period, and the Contract Price applicable to such Product in accordance with Exhibit C; (b) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount, the Parties to consider in any Amended and Restated PPA the inclusion of a provision similar to the following: "including any Seller records reasonably necessary to verify the PTC Amounts, if applicable"; and (c) be in a format reasonably specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement. Buyer shall, and shall cause its Scheduling Coordinator to, provide Seller with all reasonable access (including, in real time, to the maximum extent reasonably possible) to any records, including invoices or settlement data from the CAISO, forecast data and other information, all as may be necessary from time to time for Seller to prepare and verify the accuracy of all invoices.

8.2 **Payment**. Buyer shall make payment to Seller for Product by wire transfer or ACH payment to the bank account designated by Seller in Exhibit N, which may be updated by Seller by Notice hereunder; *provided*, *however*, that changes to the invoices, payment, and wire transfer

information set forth in Exhibit N must be made in writing and delivered via certified mail or by a regularly scheduled next Business Day delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, and shall include contact information for an authorized person who is available by telephone to verify the authenticity of such requested changes. Buyer shall pay undisputed invoice amounts within thirty (30) days after receipt of the invoice. If such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one Party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on the prime rate published on the date of the invoice in The Wall Street Journal, or, if The Wall Street Journal is not published on that day, the next succeeding date of publication, plus [redacted] (the "**Interest Rate**"). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 **Books and Records**. To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least two (2) years or as otherwise required by Law. Upon ten (10) Business Days' Notice to the other Party, either Party shall be granted reasonable access to the accounting books and records within the possession or control of the other Party pertaining to all invoices generated pursuant to this Agreement. Seller acknowledges that in accordance with California Government Code Section 8546.7, Seller may be subject to audit by the California State Auditor with regard to Seller's performance of this Agreement because the compensation under this Agreement exceeds $10,000.

8.4 **Payment Adjustments; Billing Errors**. Payment adjustments shall be made if Buyer or Seller discovers there have been good faith inaccuracies in invoicing that are not otherwise disputed under Section 8.5 or an adjustment to an amount previously invoiced or paid is required due to an adjustment or correction by CAISO, with the Parties to consider in any Amended and Restated PPA the inclusion of a provision similar to the following "or with respect to any differences between the invoiced PTC Amounts and realized tax rates"; *provided*, *however*, that there shall be no adjustments to prior invoices based upon meter inaccuracies. If the required adjustment is in favor of Buyer, Buyer's next monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer's next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until settled in full, in accordance with Section 8.2, accruing from the date on which the adjusted amount should have been due.

8.5 **Billing Disputes**. A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment

shall be made within five (5) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned via adjustments in accordance with Section 8.4. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 **Netting of Payments**. The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts owed by each Party to the other Party for the purchase and sale of Product during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Exhibits B and P, interest, and payments or credits, shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

8.7 **Seller's Initial Development Security and Development Security**.

[redacted]To secure its obligations under this Agreement, Seller shall deliver the Initial Development Security to Buyer [redacted]

(b) To secure its obligations under this Agreement, Seller shall deliver the Development Security to Buyer [redacted]

[redacted]

8.8 **Seller's Performance Security**. To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before Commercial Operation Date. If the Performance Security is not in the form of cash or Letter of Credit, it shall be substantially in the form of Guaranty set forth in Exhibit L. Seller shall maintain the Performance Security in full force and effect until the following have occurred: (i) the Delivery Term has expired or terminated early; and (ii) all payment obligations of the Seller then due and payable under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). [redacted] If the Performance Security is a Letter of Credit and the issuer of such Letter of Credit (A) fails to maintain the minimum Credit Rating set forth in the definition of Letter of Credit, (B) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the end of the Delivery Term, or (C) fails to honor Buyer's properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit that meets the requirements set forth in the definition of Performance Security. Seller may at its option exchange one permitted form of Development Security or Performance Security for another permitted form of Development Security or Performance Security, as applicable.

8.9 **First Priority Security Interest in Cash or Cash Equivalent Collateral**. To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest ("**Security Interest**") in, and lien on (and right to net against), and assignment of the Development Security, Performance Security, to the extent provided in the form of cash, and any other cash collateral and cash equivalent collateral posted pursuant to Sections 8.7 and 8.8 and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer's Security Interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence and continuation of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to the final sentence of this Section 8.9):

(a) Exercise any of its rights and remedies with respect to the Development Security and Performance Security, including any such rights and remedies under Law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security; and

(c) Liquidate all Development Security or Performance Security (as applicable) then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement (Seller remains liable for any amounts owing to Buyer after such application), subject to Buyer's obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

8.10 **Seller Financial Statements**. In the event a Guaranty is provided as Performance Security in lieu of cash or a Letter of Credit, Seller shall provide to Buyer, or cause the Guarantor to provide to Buyer, unaudited quarterly and annual audited financial statements of the Guarantor's ultimate parent (including a balance sheet and statements of income and cash flows), all prepared in accordance with generally accepted accounting principles in the United States, consistently applied, and as posted on the website of the Guarantor's ultimate parent or the Securities Exchange Commission.

ARTICLE 9
NOTICES

9.1 **Addresses for the Delivery of Notices**. Except as provided in Exhibit D, any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the address set forth on Exhibit N or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 **Acceptable Means of Delivering Notice**. Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including electronic mail or other electronic means) and if concurrently with the transmittal of such electronic communication the sending Party provides a copy of such electronic Notice by hand delivery or express courier, at the time indicated by the time stamp upon delivery without any bounce back or rejection; or (d) if delivered in person, upon receipt by the receiving Party. Notwithstanding the foregoing, Notices of outages or other scheduling or dispatch information or requests, may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission.

ARTICLE 10
FORCE MAJEURE

10.1 **Definition**.

(a) "**Force Majeure Event**" means any extraordinary act or event occurring after the Effective Date that was not anticipated as of the Effective Date that materially delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement,

or from complying with all or a portion of the conditions under this Agreement, if such act or event, despite the exercise of due diligence, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance, or such Party's employees, agents, contractors, or such contractor's subcontractors.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of due diligence, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, or such Party's employees, agents, contractors, or such contractor's subcontractors, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic, or pandemic; quarantine; landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance; or strikes or other labor difficulties caused or suffered by a Party or any third party, except as set forth below.

(c) Notwithstanding the foregoing, the term "**Force Majeure Event**" does not include (i) economic conditions that render a Party's performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including an increase in component costs for any reason, including foreign or domestic tariffs, Buyer's ability to buy electric energy at a lower price, or Seller's ability to sell the Product, or any component thereof, at a higher price, than under this Agreement); (ii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event; (iv) a Curtailment Order; (v) Seller's inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) any equipment failure except if such equipment failure is caused by a Force Majeure Event; (vii) the lack of wind, sun or other fuel source of an inherently intermittent nature; (viii) reductions in generation from the Generating Facility, or Storage Capacity in the Storage Facility, resulting from ordinary wear and tear, deferred maintenance or operator error; and (ix) any delay in providing, or cancellation of, interconnection service by a Transmission Provider, except to the extent such delay or cancellation is the result of an event claimed by the Transmission Provider that would otherwise constitute a Force Majeure Event.

10.2 **No Liability If a Force Majeure Event Occurs**. Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to remove such inability. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. Neither Party shall be considered in breach or default of this Agreement if and to the extent that any failure or delay in the Party's performance of one or more of its obligations hereunder is caused by a Force Majeure Event. Notwithstanding the foregoing, the occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of a Party to make any payments due hereunder, (b) suspend or excuse the

obligation of Seller to achieve the Guaranteed Construction Start Date, or Guaranteed Commercial Operation Date beyond the extensions provided in Exhibit B, (c) limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(i) or Section 11.1(b)(ii) and receive a Damage Payment upon exercise of Buyer's default rights pursuant to Section 11.2.

10.3 **Notice**. Within two (2) Business Days of obtaining knowledge of the commencement of Force Majeure Event, the claiming Party shall provide the other Party with oral notice of the Force Majeure Event, and within two (2) weeks of the commencement of a Force Majeure Event the claiming Party shall provide the other Party with notice in the form of a letter describing in detail the occurrence giving rise to the Force Majeure Event, including the nature, cause, estimated date of commencement thereof, and the anticipated extent of any delay or interruption in performance; *provided* that the failure of the claiming Party to notify the other Party within such two- (2-) Business Day period will not preclude the claiming Party from claiming a Force Majeure hereunder but for any Force Majeure notification provided after the two- (2-) Business Day period, the Force Majeure will be deemed to have commenced as of the date of such Notice. Upon written request from Buyer, Seller shall provide documentation demonstrating to Buyer's reasonable satisfaction that each day of the claimed delay was the result of a Force Majeure Event and did not result from Seller's actions or failure to exercise due diligence or take reasonable actions. The claiming party shall promptly notify the other Party in writing of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected Party. The suspension of performance due to a claim of a Force Majeure Event must be of no greater scope and of no longer duration than is required by the Force Majeure Event.

10.4 **Termination Following Force Majeure Event**. If a Force Majeure Event has occurred after the Commercial Operation Date that has caused either Party to be wholly or partially unable to perform its obligations hereunder, and the impacted Party has claimed and received relief from performance of its obligations for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon written Notice to the other Party. Upon any such termination, neither Party shall have any liability to the other Party, save and except for those obligations specified in Section 2.1(b), and Buyer shall promptly return to Seller any Performance Security then held by Buyer, less any amounts drawn in accordance with this Agreement.

ARTICLE 11
DEFAULTS; REMEDIES; TERMINATION

11.1 **Events of Default**. An "**Event of Default**" shall mean,

(a) with respect to a Party (the "**Defaulting Party**") that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within ten (10) Business Days after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not

to exceed an additional sixty (60) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) days period despite exercising commercially reasonable efforts);

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default set forth in this Section 11.1), and such failure is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional sixty (60) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) days period despite exercising commercially reasonable efforts);

(iv) such Party becomes Bankrupt;

(v) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Article 14; or

(vi) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) The failure of Seller to achieve Construction Start [redacted]

(ii) The failure of Seller to achieve Commercial Operation [redacted]



(xi) failure by Seller to satisfy the collateral requirements pursuant to Sections 8.7 or 8.8 after Notice and expiration of the cure periods set forth therein, with respect to the Development Security or Performance Security amount in accordance with this Agreement in the event Buyer draws against either for any reason other than to satisfy a Damage Payment, or a Termination Payment, as applicable;

(xii) with respect to any Guaranty provided for the benefit of Buyer, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a replacement Guaranty from a different Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a replacement Letter of Credit from an issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within ten (10) Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) if any representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof;

(B) the failure of the Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty;

(C) the Guarantor becomes Bankrupt;

(D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in the definition of Guarantor;

(E) the failure of the Guaranty to be in full force and effect (other than in accordance with its terms) prior to the indefeasible satisfaction of all obligations of Seller hereunder; or

(F) the Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty; or

(xiii) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash, or (2) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit, in

each case, in the amount required hereunder within ten (10) Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) the issuer of the outstanding Letter of Credit shall fail to maintain a Credit Rating of [redacted]

(B) the issuer of such Letter of Credit becomes Bankrupt;

(C) the issuer of the outstanding Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit and such failure shall be continuing after the lapse of any applicable grace period permitted under such Letter of Credit;

(D) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;

(E) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;

(F) such Letter of Credit fails or ceases to be in full force and effect at any time; or

(xiv) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than sixty (60) days prior to the expiration of the outstanding Letter of Credit.

11.2 **Remedies; Declaration of Early Termination Date**. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the following rights:

(a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") that terminates this Agreement (the "**Terminated Transaction**") and ends the Delivery Term effective as of the Early Termination Date;

(b) to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment (in the case of an Event of Default by Seller occurring before the Commercial Operation Date, including an Event of Default under Section 11.1(b)(i) Section 11.1(b)(ii)), or (ii) the Termination Payment calculated in accordance with Section 11.3 below (in the case of any other Event of Default by either Party);

(c) to withhold any payments due to the Defaulting Party under this Agreement;

(d) to suspend performance; or

(e) to exercise any other right or remedy available at law or in equity, including specific performance or injunctive relief, except to the extent such remedies are expressly limited under this Agreement;

provided, that payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party's sole and exclusive remedy for the Terminated Transaction and the Event of Default related thereto.

11.3 **Termination Payment**. The termination payment ("**Termination Payment**") for the Terminated Transaction shall be the aggregate of all Settlement Amounts plus any or all other amounts due to or from the Non-Defaulting Party (as of the Early Termination Date) netted into a single amount. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement, the net Settlement Amount shall be zero. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with the Terminated Transaction would be difficult or impossible to predict with certainty, (b) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is a reasonable and appropriate approximation of such damages, and (c) the Damage Payment or Termination Payment described in Section 11.2 or this Section 11.3 (as applicable) is the exclusive remedy of the Non-Defaulting Party in connection with the Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 **Notice of Payment of Termination Payment**. As soon as practicable after a Terminated Transaction, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Damage Payment or Termination Payment and whether, in the case of a Termination Payment, the Termination Payment is due to the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 **Disputes With Respect to Termination Payment**. If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with Article 16.

11.6 **Rights And Remedies Are Cumulative**. Except where an express and exclusive

remedy or measure of liquidated damages is provided, the rights and remedies of a Party pursuant to this Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.



ARTICLE 12
LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES.

12.1 **No Consequential Damages**. EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN, OR PART OF AN ARTICLE 17 INDEMNITY CLAIM, OR INCLUDED IN A LIQUIDATED DAMAGES CALCULATION, OR ARISING FROM FRAUD OR INTENTIONAL MISREPRESENTATION, OR ARISING FROM A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOSSES OR DAMAGES FOR LOST REVENUE OR LOST PROFITS, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, BY STATUTE, IN TORT OR CONTRACT.

12.2 **Waiver and Exclusion of Other Damages**. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. ALL LIMITATIONS OF LIABILITY CONTAINED IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE PERTAINING TO SELLER'S LIMITATION OF LIABILITY AND THE PARTIES' WAIVER OF CONSEQUENTIAL DAMAGES, SHALL APPLY EVEN IF THE REMEDIES FOR BREACH OF WARRANTY PROVIDED IN THIS AGREEMENT ARE DEEMED TO "FAIL OF THEIR ESSENTIAL PURPOSE" OR ARE OTHERWISE HELD TO BE INVALID OR UNENFORCEABLE.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS AND EXCLUSIVE REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, INCLUDING UNDER SECTIONS 2.7, 3.8, 4.7, 4.8, 11.2, 11.3 AND AS PROVIDED IN EXHIBIT B, EXHIBIT C, EXHIBIT G, AND EXHIBIT P. THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE ANTICIPATED HARM OR LOSS. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES HEREBY WAIVE ANY RIGHT TO CONTEST SUCH PAYMENTS AS AN UNREASONABLE PENALTY.

THE PARTIES ACKNOWLEDGE AND AGREE THAT MONEY DAMAGES AND THE EXPRESS REMEDIES PROVIDED FOR HEREIN ARE AN ADEQUATE REMEDY FOR THE BREACH BY THE OTHER OF THE TERMS OF THIS AGREEMENT, AND EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO SPECIFIC PERFORMANCE WITH RESPECT TO ANY OBLIGATION OF THE OTHER PARTY UNDER THIS AGREEMENT.

ARTICLE 13
REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 **Seller's Representations and Warranties**. As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and is qualified to conduct business in the state of California and each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Seller's performance under this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary limited liability company action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller. Notwithstanding anything herein to the contrary, no binding obligation to purchase or sell the Product at a fixed price or for a fixed delivery term shall arise unless and until (i) the Parties enter into an Amended and Restated PPA in accordance with this Agreement, and (ii) such Amended and Restated PPA has received all required approvals of or by Seller, including management, board, or board committee approvals, as and when required.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions

of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller, subject to any permits that have not yet been obtained by Seller, the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) Seller shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, including, without limitation those related to employment discrimination and prevailing wage, non-discrimination and non-preference, and conflict of interest.

(f) Seller or its Affiliate has Site Control and shall maintain Site Control continuously throughout the Delivery Term. Seller acknowledges that this Agreement is specific to the Site and Seller may change the location of the Site only upon Buyer's prior written consent, which consent is in Buyer's sole discretion.

(g) Seller shall not install additional generating capacity to the Generating Facility in excess of the Maximum Generating Facility Capacity without the prior written consent of Buyer.

(h) Seller shall obtain any and all applicable permits and approvals, including without limitation, environmental clearance under the California Environmental Quality Act ("**CEQA**") or other environmental law, from the local jurisdiction where the Facility will be constructed. Seller acknowledges that Buyer is purchasing the Product under this Agreement and does not intend to be the lead agency for the Facility.

13.2 **Buyer's Representations and Warranties**. As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a joint powers authority and a validly existing community choice aggregator, duly organized, validly existing and in good standing under the laws of the State of California and the rules, regulations and orders of the California Public Utilities Commission, and is qualified to conduct business in each jurisdiction of the Joint Powers Agreement members. All Persons making up the governing body of Buyer are the elected or appointed incumbents in their positions and hold their positions in good standing in accordance with the Joint Powers Agreement and other Law.

(b) Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer's performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent

of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer. Notwithstanding anything herein to the contrary, no binding obligation to purchase or sell the Product at a fixed price or for a fixed delivery term shall arise unless and until (i) the Parties enter into an Amended and Restated PPA in accordance with this Agreement and (ii) such Amended and Restated PPA has received all required approvals of Buyer, including Board Approval.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) Buyer warrants and covenants that with respect to its contractual obligations under this Agreement, it will not claim immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (1) suit, (2) jurisdiction of court (provided that such court is limited within a venue permitted in law and under this Agreement), (3) relief by way of injunction, order for specific performance or recovery of property, (4) attachment of assets, or (5) execution or enforcement of any judgment; provided, however that nothing in this Agreement shall waive the obligations or rights set forth in the California Tort Claims Act (Government Code Section 810 et seq.).

13.3 **General Covenants**. Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and to be qualified to conduct business in California and each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations, approvals and permits necessary for the operation of the Facility and for Seller to legally perform its obligations under this Agreement; and

(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and in material compliance with any Law.

13.4 **Prevailing Wage**. Seller shall use reasonable efforts to ensure that all employees hired by Seller, and its contractors and subcontractors, that will perform construction work or provide services at the Site related to construction of the Facility are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by applicable

California law, if any ("**Prevailing Wage Requirement**"). [redacted]

13.5 **Additional Seller Commitments**. Seller shall perform the obligations related to community investment set forth in Exhibit S.

ARTICLE 14
ASSIGNMENT

14.1 **General Prohibition on Assignments**. Consistent with the prior Yellow Pine Agreements, except as provided below in this Article 14, neither Party may voluntarily assign this Agreement or its rights or obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed. Any purported assignment made without the required written consent, or in violation of the conditions to assignment set out below, shall be null and void. Buyer will have no obligation to provide any consent, or enter into any agreement, that materially and adversely affects any of Buyer's rights, benefits, risks or obligations under this Agreement, or to modify the Agreement, except as set forth below. Seller shall be responsible for Buyer's reasonable third-party costs, including reasonable attorneys' fees, associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement by Seller. Buyer shall cooperate with Seller or any Lender or other financing party to execute or arrange for the delivery of any consents, estoppels, and other documents reasonably requested by Seller, Lender, or such other financing party, including any Collateral Assignment Agreement and Estoppel Certificate, to consummate any financing or refinancing, including in connection with a financing in which the membership interests of Seller or its direct or indirect parent are collaterally assigned in lieu of an assignment of this Agreement. There shall be no assignment that would result in a violation of the Political Reform Act, (Cal. Gov. Code section 81000 et seq.) or the regulations thereto, Cal. Government Code Section 1090, or any other conflict of interest Law. Any assignment made in violation of the conditions to assignment set out in this Article 14 shall be null and void.

14.2 **Collateral Assignment**. Subject to the provisions of this Section 14.2, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Facility. In connection with any financing or refinancing of the Facility by Seller, Buyer shall in good faith work with Seller and Lenders to agree upon a consent to collateral assignment of this Agreement ("**Collateral Assignment Agreement**"). Each Collateral Assignment Agreement must be in form and substance agreed to by Buyer, Seller and the applicable Lender, such agreement not to be unreasonably withheld, or otherwise substantially in a form previously agreed to by Buyer and an Affiliate of Seller. Buyer will not be subject to obligations under more than one Collateral Assignment Agreement at any time. Each Collateral Assignment Agreement, if not substantially in a form previously agreed to by Buyer and an Affiliate of Seller, must include, among others, the following provisions unless otherwise agreed to by Buyer, Seller and the applicable Lender.

(a) Buyer shall give Notice of an Event of Default by Seller to the Person(s) to be specified by Lender in the Collateral Assignment Agreement before exercising its right to

terminate this Agreement as a result of such Event of Default; provided that such Notice shall be provided to Lender at the time such Notice is provided to Seller and any additional cure period of Lender agreed to in the Collateral Assignment Agreement shall not commence until Lender has received Notice of such Event of Default;

(b) Lender will have the right to cure an Event of Default on behalf of Seller if Lender sends a written Notice to Buyer before the later of (i) the expiration of any cure period, and (ii) five (5) Business Days after Lender's receipt of Notice of such Event of Default from Buyer, indicating Lender's intention to cure. Lender must remedy or cure such Event of Default within the cure period under this Agreement and any additional cure periods agreed in the Collateral Assignment Agreement up to a maximum of ninety (90) days (or, in the event of a bankruptcy of Seller or any foreclosure or similar proceeding if required by Lender to cure any Event of Default, an additional reasonable period of time to complete such proceedings and effect such cure not to exceed one hundred eighty (180) days without the written consent of Buyer, which consent shall not be unreasonably withheld), provided that if Lender is prohibited by any court order or bankruptcy or insolvency proceedings from curing the Event of Default or from commencing or prosecuting foreclosure proceedings, the foregoing time periods shall be extended by the period of such prohibition;

(c) Following an Event of Default by Seller under this Agreement, Buyer may require Seller (or Lender, if Lender has provided the Notice set forth in subsection (b) above) to provide to Buyer a report concerning:

(i) The status of efforts by Seller or Lender to develop a plan to cure the Event of Default;

(ii) Impediments to the cure plan or its development;

(iii) If a cure plan has been adopted, the status of the cure plan's implementation (including any modifications to the plan as well as the expected timeframe within which any cure is expected to be implemented); and

(iv) Any other information which Buyer may reasonably require related to the development, implementation and timetable of the cure plan.

Seller or Lender must provide the report to Buyer within ten (10) Business Days after Notice from Buyer requesting the report. Buyer will have no further right to require the report with respect to a particular Event of Default after that Event of Default has been cured;

(d) Lender will have the right to consent before any termination of this Agreement which does not arise out of an Event of Default;

(e) Lender will receive prior Notice of and the right to approve material amendments to this Agreement, which approval will not be unreasonably withheld, delayed or conditioned;

(f) If this Agreement is transferred to Lender pursuant to subsection (b) above, Lender must assume all of Seller's obligations arising under this Agreement on and after the date

of such assumption; *provided*, before such assumption, if Buyer advises Lender that Buyer will require that Lender cure (or cause to be cured) any Event of Default existing as of the transfer date in order to avoid the exercise by Buyer (in its sole discretion) of Buyer's right to terminate this Agreement with respect to such Event of Default, then Lender at its option, and in its sole discretion, may elect to either:

(i) Cause such Event of Default to be cured (other than any Events of Default which relate to Seller's bankruptcy or similar insolvency proceedings, to representations and warranties made by Seller or to Seller's failure to perform obligations under other agreements, or which are otherwise personal to Seller), or

(ii) Not assume this Agreement.

(g) If Lender elects to transfer this Agreement, then Lender must cause the transferee to assume all of Seller's obligations arising under this Agreement arising after the date of such assumption as a condition of the sale or transfer. Such sale or transfer may be made only to an entity that meets the definition of Permitted Transferee;

(h) Subject to Lender's cure of any Events of Defaults under the Agreement in accordance with Section 14.2(f), if (i) this Agreement is rejected in Seller's Bankruptcy or otherwise terminated in connection therewith Lender or its designee shall have the right to elect within ninety (90) days after such rejection or termination, to enter into a replacement agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, and, promptly after Lender's written request, Buyer must enter into such replacement agreement with Lender or Lender's designee, or (ii) if Lender or its designee, directly or indirectly, takes possession of, or title to, the Facility after any such rejection or termination of this Agreement, promptly after Buyer's written request, Lender must itself or must cause its designee to promptly enter into a new agreement with Buyer having substantially the same terms as this Agreement for the remaining term thereof, provided that in the event a designee of Lender, directly or indirectly, takes possession of, or title to, the Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), if such designee is not an entity that meets the definition of Permitted Transferee then such designee shall be subject to the prior written approval of Buyer, such approval not to be unreasonably withheld.

14.3 **Permitted Assignments by Seller**. Consistent with the prior Yellow Pine Agreements, Seller may without the prior written consent of Buyer: (a) assign this Agreement to an Affiliate of Seller, including to NEOP, NEP and NEECH; (b) assign, collaterally assign, or pledge its interest hereunder and/or in the Facility to a Lender or any other financing party; or (c) make any Permitted Transfer or otherwise assign this Agreement pursuant to or in connection with any Permitted Transfer. Any Change of Control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned, or delayed; *provided*, Buyer's consent shall not be required if: (a) such Change of Control is, or is a result of, a direct or indirect Change of Control of NEOP or NEP; or (b) the entity that is the Seller at the conclusion of the Change of Control is a Permitted Transferee. For avoidance of doubt, (i) a Change of Control shall not be deemed to have occurred as a result of a Permitted Transfer, and no consent is required under this Agreement with respect to a Permitted Transfer, and (ii) Seller may, without the prior written

consent of Buyer, finance all or any portion of the Facility or the Interconnection Facilities or the Shared Facilities utilizing debt financing, equity financing (including tax equity), lease financing, or any other form of financing or any combination thereof, including pursuant to a portfolio financing of multiple energy generation, storage, and transmission facilities and other assets of Seller or Seller's Affiliates (which may include cross-collateralization or similar arrangements).

14.4 **Buyer Limited Assignment Right**. Notwithstanding anything to the contrary, Buyer may make limited assignments to entities ("**Limited Assignee(s)**") that have, or provide a parent guaranty, in form and substance reasonably acceptable to Seller from an entity with an Investment Grade Credit Rating of Buyer's right to receive Product (which shall not be for retail sale) and its obligation to make payments to Seller, which assignment shall be expressly subject to Limited Assignee's timely payment of amounts due under this 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 assignment agreement substantially in a form previously agreed to by Buyer and Seller's Affiliate. 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 generation, 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. Limited Assignee and Buyer shall comply with all reasonable requests received by any Lender in connection with such limited assignment, including providing any requested acknowledgments in any Collateral Assignment Agreement.

ARTICLE 15
RESERVED

ARTICLE 16
DISPUTE RESOLUTION

16.1 **Governing Law**. This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. [STC 17, Non-Modifiable. (Source: D.07-11-025, Attachment A.) D.08-04-009]. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Agreement shall be brought in the federal courts of the United States or the courts of the State of California sitting in Santa Clara County, California.

16.2 **Dispute Resolution**. 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. 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.

ARTICLE 17
INDEMNIFICATION

17.1 **Indemnification**. Seller agrees to defend, indemnify and hold harmless Buyer, its directors, officers, agents, attorneys, consultants, employees and representatives from and against all third party claims, demands, losses, liabilities, penalties, and expenses, including reasonable attorneys' and expert witness fees collectively ("**Indemnifiable Event**") arising from negligence, willful misconduct, or breach of the Agreement (collectively, "**Indemnifiable Losses**").

17.2 **Notice of Claim**. Subject to the terms of this Agreement and upon obtaining knowledge of an Indemnifiable Loss for which it is entitled to indemnity under this Article 17, Buyer will promptly provide Notice to Seller in writing of any damage, claim, loss, liability or expense which Buyer has determined has given or could give rise to an Indemnifiable Loss under Section 17.1 ("**Claim**"). The Notice is referred to as a "**Notice of Claim**". A Notice of Claim will specify, in reasonable detail, the facts known to Buyer regarding the Indemnifiable Loss.

17.3 **Failure to Provide Notice**. A failure to give timely Notice or to include any specified information in any Notice as provided in this Section 17.3 will not affect the rights or obligations of any Party hereunder except and only to the extent that, as a result of such failure, any Party which was entitled to receive such Notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially damaged as a direct result of such failure.

17.4 **Defense of Claims**. If, within thirty (30) Business Days after giving a Notice of Claim regarding a Claim to Seller pursuant to Section 17.2, Buyer receives Notice from Seller that Seller has elected to assume the defense of such Claim, Seller will not be liable for any legal expenses subsequently incurred by Buyer in connection with the defense thereof; provided, however, that if Seller fails to take reasonable steps necessary to defend diligently such Claim within thirty (30) Business Days after receiving Notice from Buyer that Buyer believes Seller has failed to take such steps, or if Seller has not undertaken fully to indemnify Buyer in respect of all Indemnifiable Losses relating to the matter, Buyer may assume its own defense, and Seller will be liable for all reasonable costs or expenses, including attorneys' fees, paid or incurred in connection therewith. Without the prior written consent of Buyer, Seller will not enter into any settlement of any Claim which would lead to liability or create any financial or other obligation on the part of Buyer for which Buyer is not entitled to indemnification hereunder; provided, however, that Seller may accept any settlement without the consent of Buyer if such settlement provides a full release

to Buyer and no requirement that Buyer acknowledge fault or culpability. If a firm offer is made to settle a Claim without leading to liability or the creation of a financial or other obligation on the part of Buyer for which Buyer is not entitled to indemnification hereunder and Seller desires to accept and agrees to such offer, Seller will give Notice to Buyer to that effect. If Buyer fails to consent to such firm offer within thirty (30) calendar days after its receipt of such Notice, Buyer may continue to contest or defend such Claim and, in such event, the maximum liability of Seller to such Claim will be the amount of such settlement offer, plus reasonable costs and expenses paid or incurred by Buyer up to the date of such Notice.

17.5 **Subrogation of Rights**. Upon making any indemnity payment, Seller will, to the extent of such indemnity payment, be subrogated to all rights of Buyer against any third party in respect of the Indemnifiable Loss to which the indemnity payment relates; provided that until Buyer recovers full payment of its Indemnifiable Loss, any and all claims of Seller against any such third party on account of said indemnity payment are hereby made expressly subordinated and subjected in right of payment to Buyer's rights against such third party. Without limiting the generality or effect of any other provision hereof, Buyer and Seller shall execute upon request all instruments reasonably necessary to evidence and perfect the above-described subrogation and subordination rights.

17.6 **Rights and Remedies are Cumulative**. Except for express remedies already provided in this Agreement, the rights and remedies of a Party pursuant to this Article 17 are cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

ARTICLE 18
INSURANCE

18.1 **Insurance**. Commencing upon the execution by both Parties of the Amended and Restated PPA, unless some later deadline is provided:

(a) General Liability. Seller shall maintain, or cause to be maintained at its sole expense, (i) commercial general liability insurance, including [redacted] Defense costs shall be provided as an additional benefit and not included with the limits of liability. Such insurance shall contain standard cross-liability and severability of interest provisions. Insurance may be evidenced through primary and excess policies.

(b) Employer's Liability Insurance. Employers' Liability insurance shall be [redacted] for injury or death occurring as a result of each accident. With regard to bodily injury by disease, [redacted] will apply to each employee.

(c) Workers Compensation Insurance. Seller, if it has employees, shall also maintain at all times during the Contract Term workers' compensation and employers' liability insurance coverage in accordance with applicable requirements of California Law.

(d) Business Auto Insurance. Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of [redacted] per occurrence. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of this Agreement.

(e) Construction All-Risk Insurance. Seller shall maintain or cause to be maintained during the construction of the Facility construction all-risk form property insurance covering the Facility during such construction periods, and naming the Seller (and Lender if any) as the loss payee.

(f) Contractor's Pollution Liability. Seller shall maintain or cause to be maintained during the construction of the Facility prior to the Commercial Operation Date, Pollution Legal Liability Insurance in the amount [redacted] naming the Seller (and Lender if any) as additional named insured.

(g) Subcontractor Insurance. Seller shall require all of its subcontractors to carry the same levels of insurance as Seller. All subcontractors shall include Seller as an additional insured to (i) comprehensive general liability insurance; (ii) workers' compensation insurance and employers' liability coverage; and (iii) business auto insurance for bodily injury and property damage. All subcontractors shall provide a primary endorsement and a waiver of subrogation to Seller for the required coverage pursuant to this Section 18.1(g).

(h) Evidence of Insurance. By no later than thirty (30) days after the execution by both Parties of the Amended and Restated PPA, and upon annual renewal of required insurance coverage thereafter, Seller shall deliver to Buyer certificates of insurance evidencing such coverage as is required to be in effect at the times specified above. These certificates shall specify that Buyer shall be given at least thirty (30) days prior Notice by Seller in the event of any material modification, cancellation or termination of coverage. Such insurance shall be primary coverage without right of contribution from any insurance of Buyer. Any other insurance maintained by Seller is for the exclusive benefit of Seller and shall not in any manner inure to the benefit of Buyer.

ARTICLE 19
CONFIDENTIAL INFORMATION

19.1 **Definition of Confidential Information**. The following constitutes "**Confidential Information**," whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller including: (a) the pricing and other commercially sensitive terms and conditions of, and proposals and negotiations related to, this Agreement, (b) information regarding the bidding strategies of Buyer (as SC), including any information that may become available to Seller through CAISO access granted by Buyer for Seller's outage monitoring or settlement verification, and (c)

information that either Seller or Buyer stamps or otherwise identifies as "confidential" or "proprietary" before disclosing it to the other. 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.

19.2 **Duty to Maintain Confidentiality**. Confidential Information will retain its character as Confidential Information but may be disclosed by the recipient (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. 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, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator rule) to disclose any Confidential Information of the disclosing Party (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. 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. The Parties acknowledge and agree that this Agreement, and information and documentation provided in connection with this Agreement, including Confidential Information, may be subject to the California Public Records Act (Government Code Section 7920 et seq.), and Buyer shall incur no liability arising out of any disclosure of such information or documentation provided in connection with this Agreement, including Confidential Information, that is subject to public disclosure under the California Public Records Act.

19.3 **Irreparable Injury; Remedies**. 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 herein. 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, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

19.4 **Permitted Disclosure**. Notwithstanding anything to the contrary in this Article 19, each Party may disclose Confidential Information to such Party's Affiliates, actual or potential Lenders or investors or purchasers (including tax credit purchasers), actual or potential agents, consultants, contractors, trustees, members, employees or officers, and in the case of Buyer, to actual or potential Limited Assignees, so long as the Person (other than a Person that has an ethical duty to Buyer or Seller, as applicable) to whom Confidential Information is disclosed either is bound by similarly restrictive confidentiality obligations as those contained in this Agreement, or

agrees in writing to be bound by the confidentiality provisions of this Article 19 to the same extent as if it were a Party. In addition, Buyer may disclose a redacted version (or an unredacted version if required by Law) of this Agreement, or any portion thereof, and any information, data, analyses, documents, and materials furnished or made available to Buyer in connection with this Agreement to the CAISO, the CPUC, and all divisions thereof, the CEC, the CARB, and any other Governmental Authority having jurisdiction over Buyer or this Agreement; provided that Buyer shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Authority to further disclose such information that qualifies as Confidential Information and is eligible for confidential or protective treatment under the respective regulatory agency's rules, orders, or decisions on confidential or protected information.

19.5 **Press Releases**. Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement. For the purposes of this Section 19.5 and to the extent the information is not prohibited by law from disclosure, press release does not include records released by Buyer, including annual comprehensive financial reports; memorandums or reports to Buyer's board; documentations submitted to regulatory agencies; disclosures related to public financings; and production of records required by subpoena, court order, or under the California Public Records Act (Government Code Section 7920 et seq.).

ARTICLE 20
MISCELLANEOUS

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

20.2 **Amendments**. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

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

20.4 **No Agency, Partnership, Joint Venture or Lease**. Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer

intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement or, to the extent set forth herein, any Lender) or Indemnified Party.

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

20.6 **Mobile-Sierra**. Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under applicable law.

20.7 **Counterparts; Electronic Signatures**. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original. The Parties may rely on electronic or scanned signatures as originals.

20.8 **Electronic Delivery**. Delivery of an executed signature page of this Agreement by electronic format (including portable document format (.pdf)) shall be the same as delivery of an original executed signature page.

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

20.10 **No Recourse to Members of Buyer**. Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer's constituent members, or the employees, directors, officers, consultants or advisors or Buyer or its constituent members, in connection with this Agreement.

20.11 **Forward Contract**. The Parties intend that this Agreement constitutes a "forward contract" within the meaning of the U.S. Bankruptcy Code, and Buyer and Seller are "forward contract merchants" within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

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

[Signatures on following page]

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

NEXTERA ENERGY RESOURCES DEVELOPMENT, LLC

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

SILICON VALLEY CLEAN ENERGY AUTHORITY,
a California joint powers authority

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

Approved as to form:

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

EXHIBIT A

FACILITY DESCRIPTION

Site Name: [To be added]

Site includes all or some of the following APNs: [To be added]

Site Location: [*e.g., provide Lat/Long*] [To be added]

Site Description: [*e.g., private land, public land, etc.*] [To be added]

County: [To be added]

Permitting Authorities: [To be added]

Type of Generating Facility: [*describe generating technology and manufacturer*] [To be added]

Type of Storage Facility: [*describe BESS chemistry and manufacturer*] [To be added]

Ancillary Services: See definition in Section 1.1.

Delivery Point: See Cover Sheet.

Energy Management Software: Seller must provide remotely operable, 2-4 second timestamps, data historian (at least 5 years of storage), SCADA/AGC communication and operability with the Generating Facility controller and offtaker, and include the following applications/modes:

- Dynamic Voltage Support for both Generating Facility and Storage Facility
- Shifting
- Regulation
- Flexible Ramp
- Spinning Reserve
- ITC compliance

Interconnection Point:

Facility PNode: [PNode assigned CAISO for the Facility]

Generating Facility Meter Locations: See Exhibit R.

Guaranteed Capacity: See definition in Section 1.1.

Maximum Generating Facility Capacity: The generating capacity of the Generating Facility (expressed in direct current) shall not exceed [ ] MWdc.

Metering Arrangement: CAISO Metered Entity

Operating Characteristics and Operating Restrictions of Storage Facility: See Exhibit Q

Participating Transmission Owner: [To be added]

Station Use Configuration: [*e.g., Station Use will be provided as follows:*] [To be added]

Storage Contract Capacity: See definition in Section 1.1.

Storage Contract Output: See definition in Section 1.1.

Storage Facility Meter Locations: See Exhibit R.

EXHIBIT B

FACILITY CONSTRUCTION AND COMMERCIAL OPERATION

1. **Facility Construction**.

   a. "**Construction Start**" will occur once Seller has acquired all applicable regulatory authorizations, approvals and permits for the construction of the Facility, engaged all Major Subcontractors and ordered all Major Equipment and supplies as, in each case, can reasonably be considered necessary so that physical construction of the Facility may begin and proceed to completion without foreseeable interruption of material duration, and executed an engineering, procurement, and construction contract or an equipment supply agreement and a balance of plant contract and issued thereunder a full notice to proceed that authorizes the contractor to mobilize to Site and begin physical construction of the Facility at the Site, and mobilization to Site by Seller and/or its designees, and the commencement of physical movement of soil at the Site. The date of Construction Start will be evidenced by and subject to (i) Seller's delivery to Buyer of a certificate substantially in the form attached as Exhibit J hereto, which certificate shall be provided no later than thirty (30) days from the date of Construction Start, and (ii) Buyer's written acknowledgement to Seller that Buyer agrees that Construction Start has been achieved, and (iii) the date certified therein shall be the "**Construction Start Date**." Seller shall cause Construction Start to occur no later than the Guaranteed Construction Start Date.

   b. The "**Guaranteed Construction Start Date**" means the Expected Construction Start Date, subject to extensions on a day-for-day basis for the Development Cure Period.

   c. If Seller fails to achieve Construction Start on or before the Guaranteed Construction Start Date, Seller shall pay delay damages to Buyer for each day of delay in achieving Construction Start. Construction Delay Damages shall be paid to Buyer in arrears on a monthly basis. Buyer shall invoice Seller for Construction Delay Damages, if any, accrued during the prior month and, within ten (10) Business Days following Seller's receipt of such invoice, Seller shall pay Buyer the amount of Construction Delay Damages set forth in such invoice. The maximum amount of Construction Delay Damages paid by Seller shall not exceed the initial amount of the Development Security. Construction Delay Damages shall be refundable to Seller pursuant to Section 2(b) of this Exhibit B. The Parties agree that Buyer's receipt of Construction Delay Damages shall be Buyer's sole and exclusive remedy for Seller's unexcused delay in achieving the Construction Start Date, but shall (x) not be construed as Buyer's declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(i) and receive a Damage Payment upon exercise of Buyer's default right pursuant to Section 11.2.

2. **Commercial Operation of the Facility**. "**Commercial Operation**" means the condition existing when (i) Seller has fulfilled all of the conditions precedent in Section 2.2 of the

Agreement and provided Notice to Buyer substantially in the form of Exhibit H (the "**COD Certificate**") (ii) Seller has notified Buyer in writing that it has provided the required documentation to Buyer and met the conditions for achieving Commercial Operation, and (iii) Buyer has acknowledged to Seller in writing that Buyer agrees that Commercial Operation has been achieved. The "**Commercial Operation Date**" shall be either (i) the later of [redacted]

a. Seller shall cause Commercial Operation for the Facility to occur by the Expected Commercial Operation Date (as such date may be extended by the Development Cure Period (defined below), the "**Guaranteed Commercial Operation Date**"). [redacted]

b. If Seller achieves Commercial Operation for the Facility to occur by the Guaranteed Commercial Operation Date, all Construction Delay Damages paid by Seller shall be refunded to Seller. Seller shall include a request for refund of the Construction Delay Damages with the first invoice to Buyer after Commercial Operation.

c. If Seller does not achieve Commercial Operation by the Guaranteed Commercial Operation Date, as it may be extended as provided herein, Seller shall pay COD Delay Damages to Buyer for each day after the Guaranteed Commercial Operation Date until the Commercial Operation Date and shall be paid to Buyer in advance on a monthly basis. [redacted] A prorated amount will be returned to Seller if COD is achieved during the month for which COD Delay Damages were paid in advance. The Parties agree that Buyer's receipt of COD Delay Damages shall be Buyer's sole and exclusive remedy for Seller's failure to achieve the Commercial Operation Date on or before the Guaranteed Commercial Operation Date, but shall (x) not be construed as Buyer's declaration that an Event of Default has occurred under any provision of Section 11.1 and (y) not limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(ii) and receive a Damage Payment upon exercise of Buyer's default right pursuant to Section 11.2.

3. **Termination for Failure to Achieve Commercial Operation**. If the Facility has not achieved Commercial Operation within [redacted] Buyer may elect to terminate this Agreement in accordance with Sections 11.1(b)(ii) and 11.2.

[redacted] **Extension of the Guaranteed Dates**. The Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date shall both, subject to notice and documentation requirements set forth below, be extended on a day-for-day basis due to Force Majeure Event for a period of [redacted]

[redacted]

5. **Failure to Reach Guaranteed Capacity or Storage Contract Capacity**.

a. *Guaranteed Capacity*. If, at Commercial Operation, the Installed Generating Capacity is less than one hundred percent (100%) of the Guaranteed Capacity, Seller shall have [redacted] after the Commercial Operation Date to install additional capacity or Network Upgrades such that the Installed Generating Capacity is equal to (but not greater than) the Guaranteed Capacity, and Seller shall provide to Buyer a new certificate substantially in the form attached as Exhibit I hereto specifying the new Installed Generating Capacity. If Seller fails to construct the Guaranteed Capacity by such date, Seller shall pay "**Capacity Damages**" to Buyer, in an amount equal to [redacted] for each MW that the Guaranteed Capacity exceeds the Installed Generating Capacity within ten (10) Business Days of such date, and the Guaranteed Capacity and other applicable portions of the Agreement shall be reduced accordingly.

b. *Storage Contract Capacity*. If, at Commercial Operation, the Installed Battery Capacity is less than one hundred percent (100%) of the Storage Contract Capacity, [redacted] Commercial Operation Date to install additional capacity or Network Upgrades such that the Installed Battery Capacity is equal to (but not greater than) one hundred percent (100%) of the Storage Contract Capacity, and Seller shall provide to Buyer a new certificate substantially in the form attached as Exhibit I hereto specifying the new Installed Battery Capacity. If Seller fails to construct the Storage Contract Capacity by such date, Seller shall pay Capacity Damages to Buyer, in an amount equal to [redacted] for each MW that the Storage Contract Capacity exceeds the Installed Battery Capacity within ten (10) Business Days of such date, and the Storage Contract Capacity and other applicable portions of the Agreement shall be reduced accordingly.

EXHIBIT C

COMPENSATION

Buyer shall compensate Seller for the Product in accordance with this Exhibit C.

(a) Renewable Rate. [redacted]

(b) Excess Contract Year Deliveries Over [redacted]

(c) Excess Contract Year Deliveries Over [redacted]

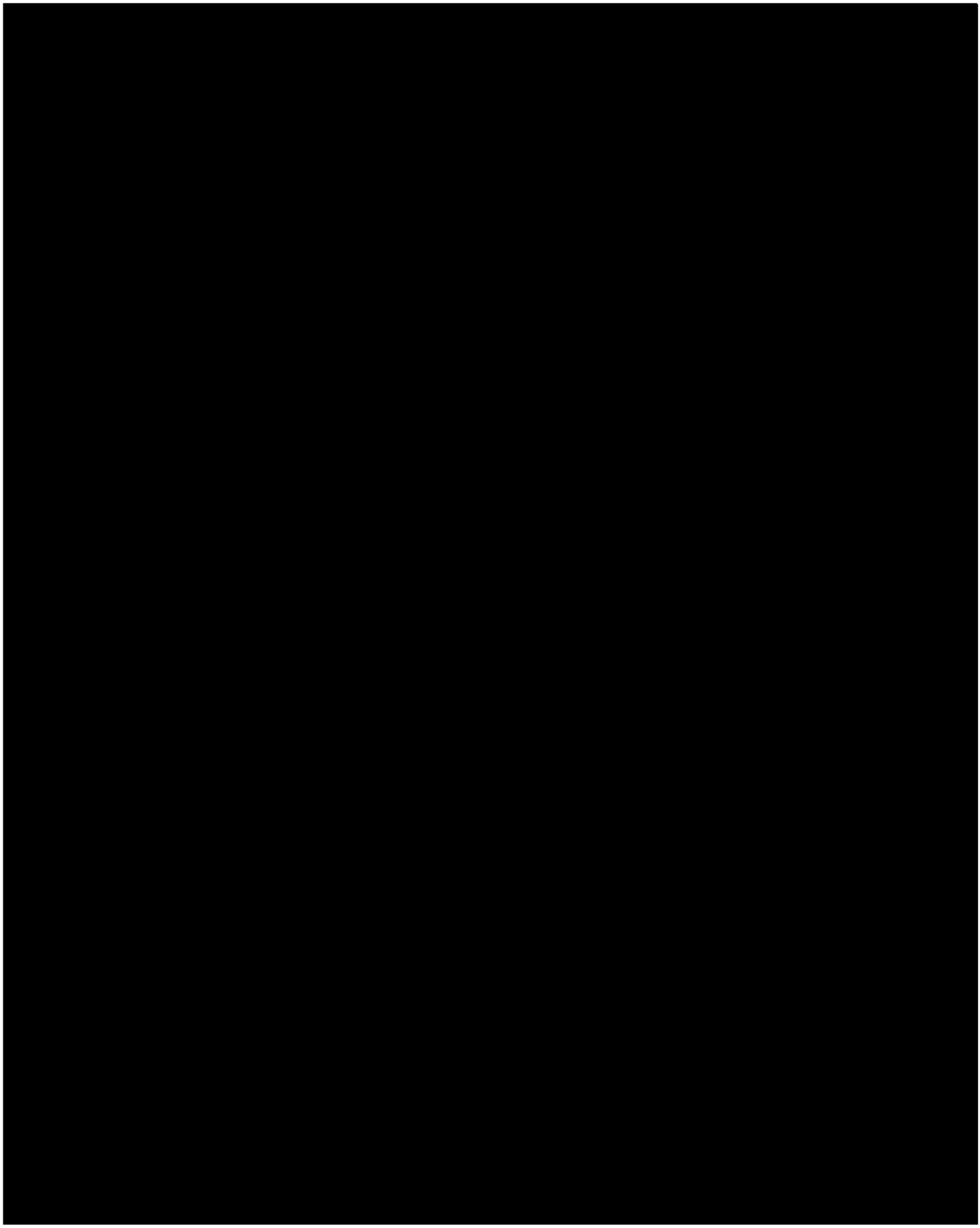
(d) Excess Settlement Interval Deliveries. If during any Settlement Interval, the Generating Facility Energy is greater than the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours ("**Excess MWh**"), then the price applicable to all such Excess MWh in such Settlement Interval shall be [redacted] and if there is a Negative LMP during such Settlement Interval, Seller shall pay to Buyer an amount equal to the product of absolute value of the Negative LMP times such Excess MWh ("**Negative LMP Costs**").

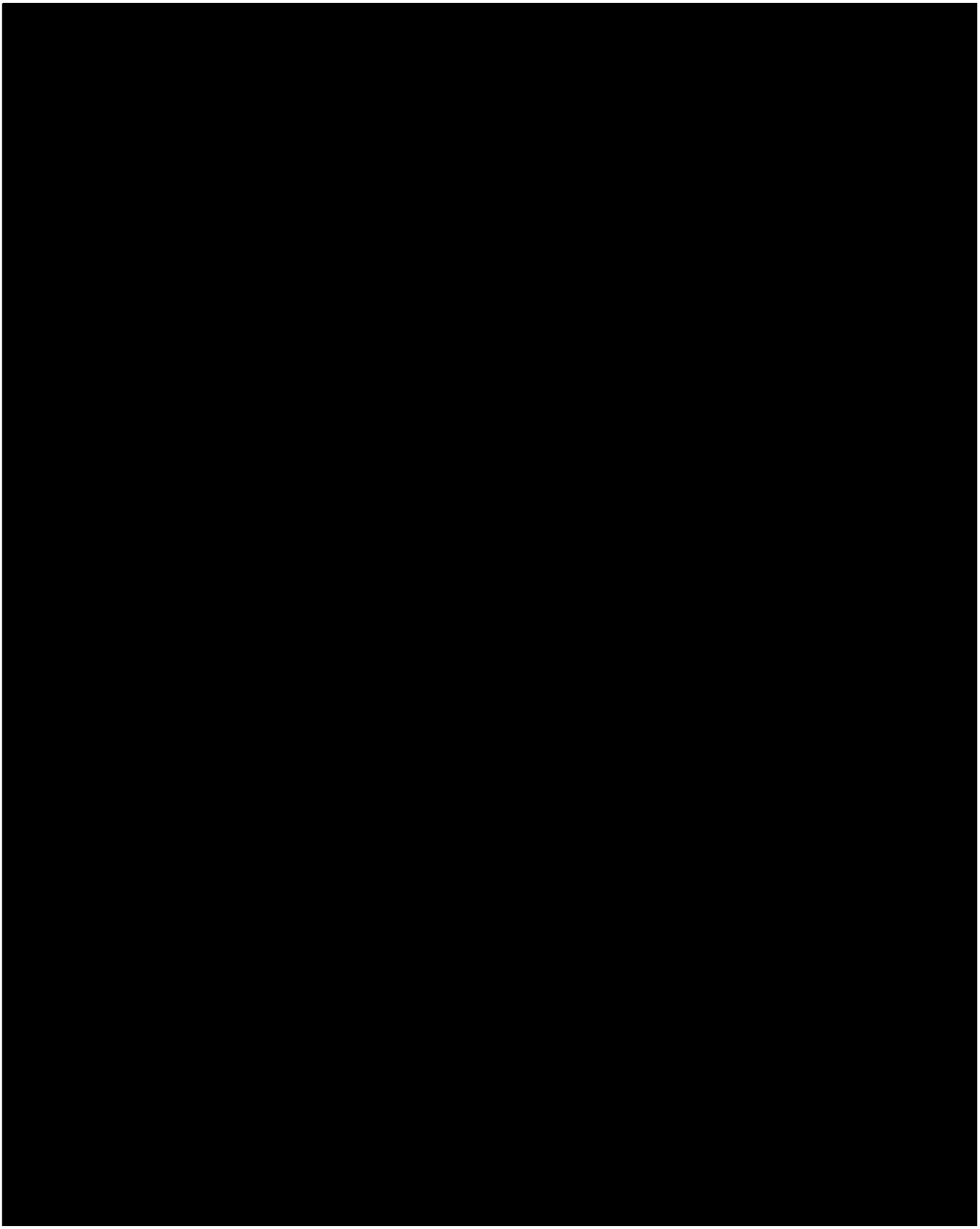
(e) PTC Amount. [redacted]

The Parties to consider in any Amended and Restated PPA the inclusion of a provision similar to the following:

[redacted]

[redacted]			





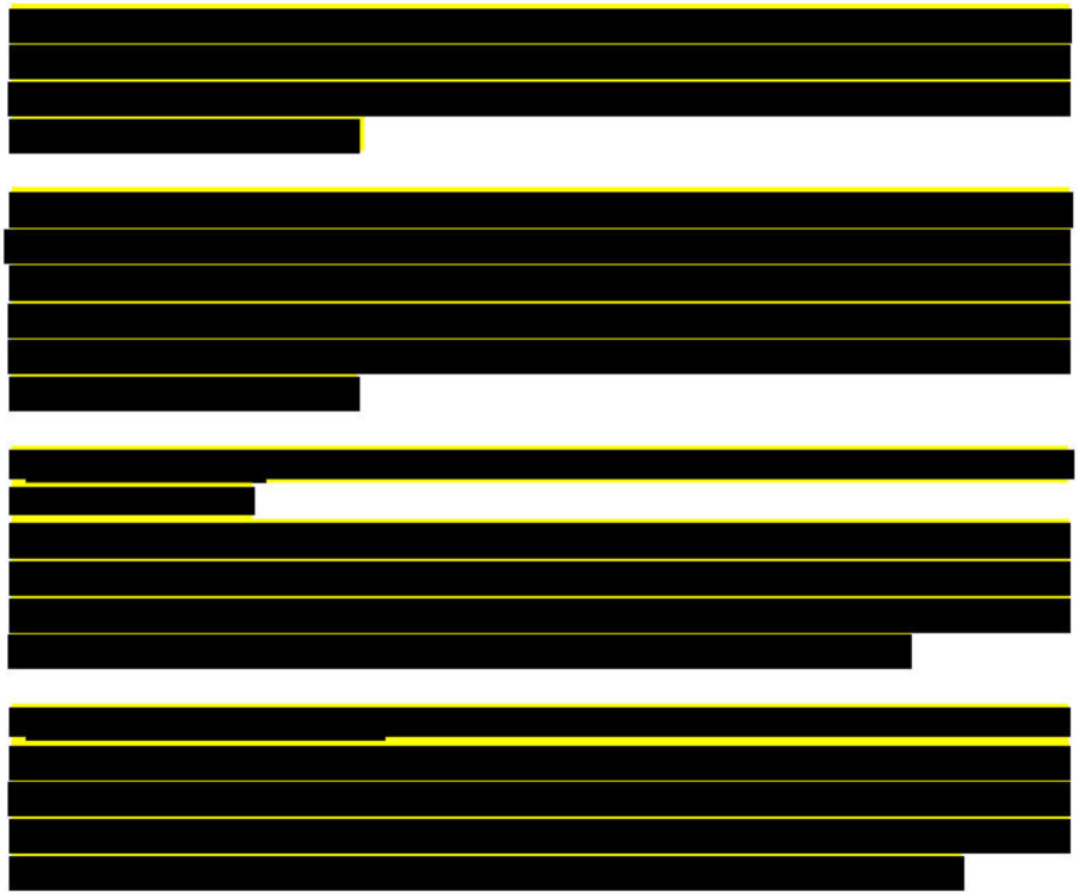


EXHIBIT D

SCHEDULING COORDINATOR RESPONSIBILITIES

(a) Buyer as Scheduling Coordinator for the Facility. Upon Initial Synchronization of the Facility to the CAISO Grid, Buyer shall be the Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO for the Facility for both the delivery and the receipt of Test Energy and the Product at the Delivery Point. At least sixty (60) days prior to the Initial Synchronization of the Facility to the CAISO Grid, (i) Seller shall take all actions and execute and deliver to Buyer and the CAISO all documents necessary to authorize or designate Buyer (or Buyer's designee) as the Scheduling Coordinator for the Facility effective as of the Initial Synchronization of the Facility to the CAISO Grid, and (ii) Buyer shall, and shall cause its designee to, take all actions and execute and deliver to Seller and the CAISO all documents necessary to authorize or designate Buyer or its designee as the Scheduling Coordinator for the Facility effective as of the Initial Synchronization of the Facility to the CAISO Grid. On and after Initial Synchronization of the Facility to the CAISO Grid, Seller shall not authorize or designate any other party to act as the Facility's Scheduling Coordinator, nor shall Seller perform for its own benefit the duties of Scheduling Coordinator, and Seller shall not revoke Buyer's authorization to act as the Facility's Scheduling Coordinator unless agreed to by Buyer. Buyer (as the Facility's SC) shall submit Schedules to the CAISO in accordance with this Agreement and the applicable CAISO Tariff, protocols and Scheduling practices for Product on a day-ahead, hour-ahead, fifteen-minute market or real time basis, as determined by Buyer. Buyer shall cause its Scheduling Coordinator to reasonably cooperate with Seller during the testing and commissioning of the Facility prior to the Commercial Operation Date.

(b) Notices.

(i) Buyer (as the Facility's SC) shall provide Seller with access to a web-based system through which Seller shall submit to Buyer and the CAISO all notices and updates required under this Agreement and the CAISO Tariff regarding the Facility's status, including, but not limited to, all outage requests, forced outages, forced outage reports, clearance requests, or must offer waiver forms. Outage notices should provide all relevant details, including start and end times, the reduction in Available Generating Capacity, Available Storage Capacity, and Generating Facility Energy, as applicable, the cause, and the expected return to service date and time. Seller will cooperate with Buyer to provide such notices and updates as required under this Agreement. If the web-based system is not available, Seller shall promptly submit such information to Buyer and the CAISO (in order of preference) telephonically, or by electronic mail transmission to the personnel designated to receive such information as set forth in Exhibit N.

(ii) Seller shall provide real-time telemetry and Facility status data, in a form and format reasonably acceptable to Buyer. The data shall be based on a points list that is similar to, and no more detailed than, the telemetry data Seller provides to CAISO. Seller consents to Buyer sharing this data with Buyer's Scheduling Agent and Buyer's selected battery optimizer.

(c) Outage Management.

(i) Seller Notification of Outage: Without limiting any similar notification requirements of the CAISO or as set forth herein, including Sections 4.6 and 4.9, Seller shall

promptly notify Buyer and the SC of any Planned Outage, Forced Outage, or other outage that will affect the Facility's ability to deliver the Product, or any portion thereof. Notices of outages shall be sent as provided in paragraph (b) above, or as otherwise specified by Buyer, provided that Buyer or its SC specifies the method no later than five (5) Business Days prior to the effective date of such requirement. Seller shall keep the SC informed of any developments that will affect either the duration of the outage or extent of the availability of the Facility during or after the end of the outage, and the expected return-to-service date of the Facility, or the portion thereof that was subject to the outage.

(ii) OMS Monitoring and Accuracy: Buyer will grant Seller read-only access to CAISO's Outage Management System (OMS). Seller shall monitor the reports submitted to CAISO for accuracy and conformance to actual operating conditions at the Facility. Seller will promptly inform Buyer and the SC (if applicable) if Seller observes any discrepancies between the information submitted to CAISO and the actual operating conditions at the Facility.

(iii) Compliance with CAISO Tariff: As Scheduling Coordinator, Buyer is responsible for submitting all outage requests, forced outages, forced outage reports, clearance requests, or must offer waiver forms to CAISO, but Seller is responsible for following CAISO's rules and procedures for requesting and managing outages. If CAISO rejects or changes an outage request, Seller needs to comply with whatever CAISO decides. Buyer is not responsible CAISO's decision to approve or reject a Seller's requested outage.

(d) CAISO Costs and Revenues. Except as otherwise set forth below, Buyer (as Scheduling Coordinator for the Facility) shall be responsible for CAISO costs and charges (including Imbalance Energy and Charging Energy costs and charges) and shall be entitled to all CAISO revenues (Imbalance Energy or Charging Energy revenues, and other payments and credits), including revenues associated with CAISO dispatches, bid cost recovery, Inter-SC Trade credits, or other credits in respect of the Product Scheduled or delivered from the Facility. Seller shall be responsible for payment (or reimbursement of Buyer, if applicable) of the following costs, charges, and penalties and entitled to all revenues associated with the following:

(i) Prior to the Commercial Operation Date, subject to Section 3.6 (Test Energy), all CAISO costs and charges and CAISO revenues, however described;

(ii) All Uninstructed Imbalance Energy costs associated with (1) the Storage Facility, without exception, and (2) in the case of the Generating Facility, where such resource is not operating as expected or as a result of Seller's failure to follow the requirements of the CAISO Tariff or any CAISO directive;

(iii) All liability and, if applicable, reimbursement of Buyer for any and all costs, charges or sanctions associated with delivery of Resource Adequacy Benefits from the Facility (including Non-Availability Charges (as defined in the CAISO Tariff));

(iv) Any CAISO costs incurred during a Planned Outage, Forced Facility Outage, or Force Majeure Event;

(v) All Availability Incentive Payments (as defined in the CAISO Tariff) and any Non-Availability Charges (as defined in the CAISO Tariff); and

(vi) All CAISO costs, charges, sanctions, and penalties related to scheduling, outage reporting, or the operation of the Generating Facility or the Storage Facility that are imposed upon the Facility or to Buyer as Scheduling Coordinator due to failure by Seller to abide by the CAISO Tariff or any CAISO directive, including Curtailment Orders, or to perform in accordance with this Agreement, including with respect to the outage notification requirements set forth herein.

(e) CAISO Settlements. Buyer (as the Facility's SC) shall be responsible for all settlement functions with the CAISO related to the Facility. Buyer shall render a separate invoice to Seller for any CAISO payments, charges or penalties ("**CAISO Charges Invoice**") for which Seller is responsible under this Agreement. CAISO Charges Invoices shall be rendered after settlement information becomes available from the CAISO that identifies any CAISO charges. Notwithstanding the foregoing, Seller acknowledges that the CAISO will issue additional invoices reflecting CAISO adjustments to such CAISO charges. Buyer will review, validate, and if requested by Seller under paragraph (e) below, dispute any charges that are the responsibility of Seller in a timely manner and consistent with Buyer's existing settlement processes for charges that are Buyer's responsibilities. Subject to Seller's right to dispute and to have Buyer pursue the dispute of any such invoices, Seller shall pay the amount of CAISO Charges Invoices within ten (10) Business Days of Seller's receipt of the CAISO Charges Invoice. If Seller fails to pay such CAISO Charges Invoice within that period, Buyer may net or offset any amounts owing to it for these CAISO Charges Invoices against any future amounts it may owe to Seller under this Agreement. The obligations under this Section with respect to payment of CAISO Charges Invoices shall survive the expiration or termination of this Agreement.

(f) Dispute Costs. Seller may request that Buyer (as the Facility's SC) dispute certain CAISO settlements in respect of the Facility with CAISO. Seller agrees to pay Buyer's costs and expenses (including reasonable attorneys' fees) associated with its involvement with such CAISO disputes to the extent they relate to CAISO charges payable by Seller with respect to the Facility that Seller has directed Buyer to dispute. Seller shall cooperate with Buyer in preparing any supporting data needed to effectively dispute the CAISO charges.

(g) Terminating Buyer's Designation as Scheduling Coordinator. At least thirty (30) days prior to expiration of this Agreement or as soon as reasonably practicable upon an earlier termination of this Agreement, the Parties will take all actions necessary to terminate the designation of Buyer as Scheduling Coordinator for the Facility as of 11:59 p.m. on such expiration date.

(h) Master File and Resource Data Template; Master Resource Database. The Parties will collaborate to comply with the applicable deadlines for filing and updating the information for the Facility in the CPUC's Master Resource Database and CAISO's Master File. Seller shall provide the data to Buyer that is required for Master File and Resource Data Template (or successor data systems) for the Facility consistent with this Agreement at least five (5) Business Days before the deadline for submission to CAISO and Buyer (as SC) shall promptly provide such data to CAISO. Seller shall provide the data that is required for the Master Resource Database for the Facility consistent with this Agreement to Buyer for review and approval at least five (5) Business Days before the deadline for submission of such to the CPUC. Neither Party shall change such CAISO or CPUC data without the other Party's prior written consent. At least once per Contract

Year, Seller shall review and confirm that the data provided for the Master File and Resource Data Template (or successor data systems) with CAISO and Master Resource Database information provided to the CPUC for this Facility remains consistent with the actual operating characteristics of the Facility and provide such informational updates to Buyer for review at least five (5) Business Days prior to submission to the CAISO or CPUC as applicable.

(i) NERC Reliability Standards. Buyer (as Scheduling Coordinator) shall cooperate reasonably with Seller to the extent necessary to enable Seller to comply, and for Seller to demonstrate Seller's compliance with, NERC reliability standards. This cooperation shall include the provision of information in Buyer's possession that Buyer (as Scheduling Coordinator) has provided to the CAISO related to the Facility or actions taken by Buyer (as Scheduling Coordinator) related to Seller's compliance with NERC reliability standards.

EXHIBIT E

PROGRESS REPORTING FORM

Each Progress Report must include the following items:

1. Executive Summary.

2. Facility description.

3. Site plan of the Facility.

4. Description of any material changes to the Facility or the site.

5. Gantt chart schedule showing progress on achieving each of the Milestones.

6. Summary of activities during the previous calendar quarter, including any OSHA labor hour reports.

7. Forecast of activities scheduled for the current calendar quarter or month as applicable.

8. Written description about the progress relative to Seller's Milestones, including whether Seller has met or is on target to meet the Milestones.

9. List of issues that are likely to potentially affect Seller's Milestones.

10. A status report of start-up activities including a forecast of activities ongoing and after start-up, a report on Facility performance including performance projections for the next twelve (12) months.

11. The utilization of union labor by Seller's principal EPC contractor.

12. Progress and schedule of all major agreements, contracts, permits, applicable fire authority inspections, approvals, technical studies, financing agreements, and Major Equipment purchase orders showing the delivery dates, start dates, completion dates, and completion percentages.

13. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Facility, the interconnection into the Transmission System and all other interconnection utility services.

14. Any other documentation reasonably requested by Buyer.

EXHIBIT F-1

FORM OF AVERAGE EXPECTED GENERATING FACILITY ENERGY REPORT

Average Expected Generating Facility Energy (in MWh)

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
JAN																								
FEB																								
MAR																								
APR																								
MAY																								
JUN																								
JUL																								
AUG																								
SEP																								
OCT																								
NOV																								
DEC																								

The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

EXHIBIT F-2

FORM OF MONTHLY DELIVERY FORECAST

The following tables are provided for informational purposes only, and shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

Hourly Expected Generating Facility Energy

	Day																													
HE	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1																														
2																														
3																														
4																														
5																														
6																														
7																														
8																														
9																														
10																														
11																														
12																														
13																														
14																														
15																														
16																														
17																														
18																														
19																														
20																														
21																														
22																														
23																														
24																														

Available Generating Capacity, MW Per Hour – [*Insert Month*]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
Day 1																								
Day 2																								
Day 3																								
Day 4																								
Day 5																								
[insert additional rows for each day in the month]																								
Day 29																								
Day 30																								
Day 31																								

Available Storage Capacity, MW Per Hour – [*Insert Month*]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
Day 1																								
Day 2																								
Day 3																								
Day 4																								
Day 5																								
[insert additional rows for each day in the month]																								
Day 29																								
Day 30																								
Day 31																								

EXHIBIT G

GUARANTEED ENERGY PRODUCTION DAMAGES CALCULATION

In accordance with Section 4.7, if Seller fails to achieve the Guaranteed Energy Production during any Performance Measurement Period, a liquidated damages payment shall be due from Seller to Buyer, calculated as follows:

[(A – B) * (C – D)]

where:

A = the Guaranteed Energy Production amount for the Performance Measurement Period, in MWh

B = the Adjusted Energy Production amount for the Performance Measurement Period, in MWh

C = [redacted]

D = the Renewable Rate for the Contract Year, in $/MWh

[redacted]

EXHIBIT H

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification ("**Certification**") of Commercial Operation is delivered by [licensed professional engineer] ("**Engineer**") to Silicon Valley Clean Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated [Date] by and between [Entity name, state of formation, type of entity] ("**Seller**") and Buyer ("**Agreement**"). All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of [Date], Engineer hereby certifies and represents to Buyer the following:

1. The Generating Facility and the Storage Facility are fully operational, and interconnected, fully integrated and synchronized with the Transmission System.

2. Seller has installed equipment for the Generating Facility with a nameplate capacity of no less than [redacted] of the Guaranteed Capacity.

3. Seller has installed equipment for the Storage Facility with a nameplate capacity of no less than [redacted] of the Storage Contract Capacity.

4. Seller has commissioned all equipment in accordance with its respective manufacturer's specifications.

5. Seller has installed equipment necessary for the functionality of the Facility's communication systems and automatic generation control (AGC) interface to operate the Facility as necessary to respond and follow instructions, including an electronic signal conveying real time and intra-day instructions, directed by the Buyer in accordance with the Agreement and the CAISO.

6. The Generating Facility's testing included a performance test demonstrating peak electrical output of no less than [redacted] of the Guaranteed Capacity for the Generating Facility at the Delivery Point, as may be adjusted for ambient conditions on the date of the Facility testing with Buyer's consent.

7. The Storage Facility is fully capable of charging, storing and discharging energy up to no less than [redacted] of the Storage Contract Capacity and receiving instructions to charge, store and discharge energy, all within the operational constraints and subject to the applicable Operating Restrictions.

8. Authorization to parallel the Facility was obtained from the Participating Transmission Owner.

9. The Transmission Provider has provided documentation supporting full unrestricted release for Commercial Operation.

10. CAISO has provided notification supporting Commercial Operation, in accordance with the CAISO Tariff, as applicable.

11. Seller shall have caused the Generating Facility and the Storage Facility to be included in the Full Network Model and has the ability to offer Bids into the CAISO Day-Ahead Market and Real-Time Market in respect of each of the Generating Facility and Storage Facility.

EXECUTED by [*Licensed Professional Engineer*]

this _____ day of _____, 20__.

[*LICENSED PROFESSIONAL ENGINEER*]

By: _____

Printed Name: _____

Title: _____

EXHIBIT I

FORM OF INSTALLED CAPACITY CERTIFICATE

This certification ("**Certification**") of Installed Capacity is delivered by [licensed professional engineer] ("**Engineer**") to Silicon Valley Clean Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated [Date] by and between [Entity name, state of formation, type of entity] ("**Seller**") and Buyer ("**Agreement**"). All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

I hereby certify the following:

(a) The performance test for the Generating Facility demonstrated peak electrical output of __ MW AC at the Delivery Point, as may be adjusted for ambient conditions on the date of the performance test with Buyer's consent (the "Installed Generating Capacity");

(b) The Storage Capacity Test demonstrated a maximum operating capability that can be sustained for four (4) consecutive hours to discharge electric energy of __ MW AC to the Delivery Point, in accordance with the testing procedures, requirements and protocols set forth in Section 4.9 and Exhibit O (the "Installed Battery Capacity"); and

(c) The sum of (a) and (b) is __ MW AC and shall be the "Installed Capacity".

EXECUTED by [*Licensed Professional Engineer*]

this _____ day of _____, 20__.

[*LICENSED PROFESSIONAL ENGINEER*]

By: _____

Printed Name: _____

Title: _____

EXHIBIT J

FORM OF CONSTRUCTION START DATE CERTIFICATE

This certification of Construction Start Date ("**Certification**") is delivered by [Entity name, state of formation, type of entity] ("**Seller**") to Silicon Valley Clean Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated [Date] by and between Seller and Buyer ("**Agreement**"). All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Seller hereby certifies and represents to Buyer the following:

1. Construction Start (as defined in Exhibit B of the Agreement) has occurred, and a copy of the notice to proceed that Seller issued to its contractor as part of Construction Start is attached hereto;

2. the Construction Start Date occurred on [Date] (the "**Construction Start Date**"); and

3. the precise Site on which the Facility is located is, which must be within the boundaries of the previously identified Site: _____.

IN WITNESS WHEREOF, the undersigned has executed this Certification on behalf of Seller as of the ___ day of _____.

[SELLER ENTITY]

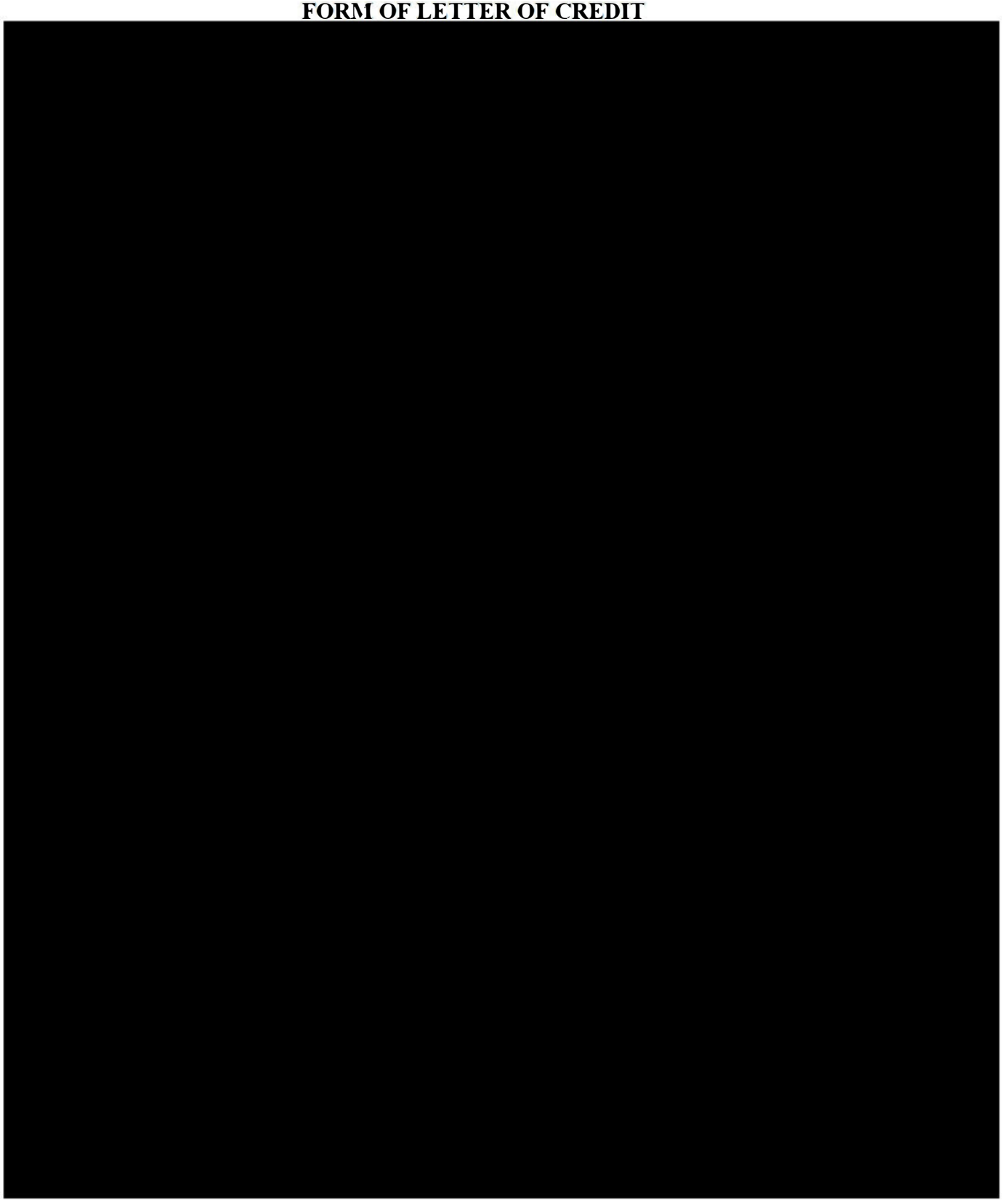
By: _____

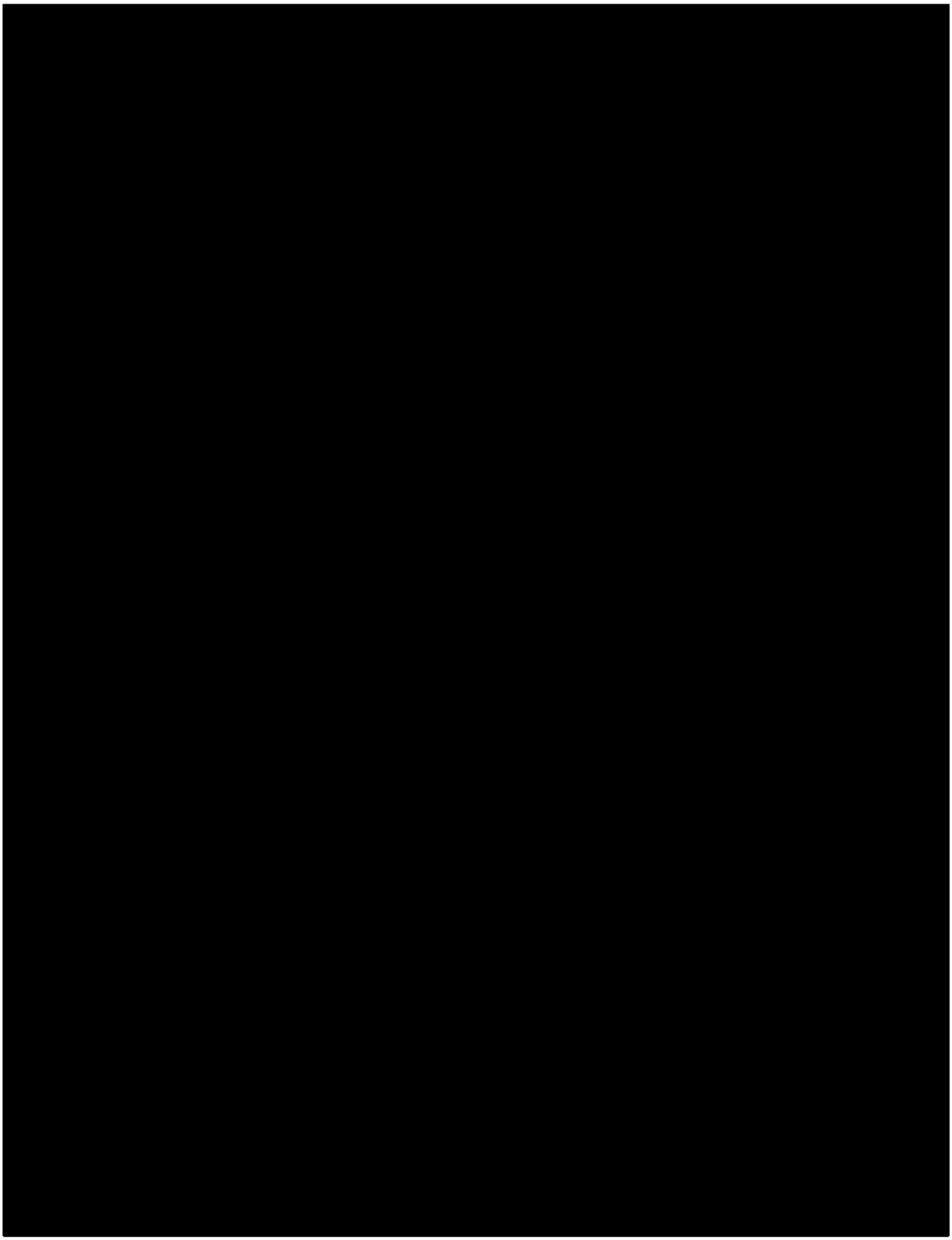
Printed Name: _____

Title: _____

EXHIBIT K

FORM OF LETTER OF CREDIT





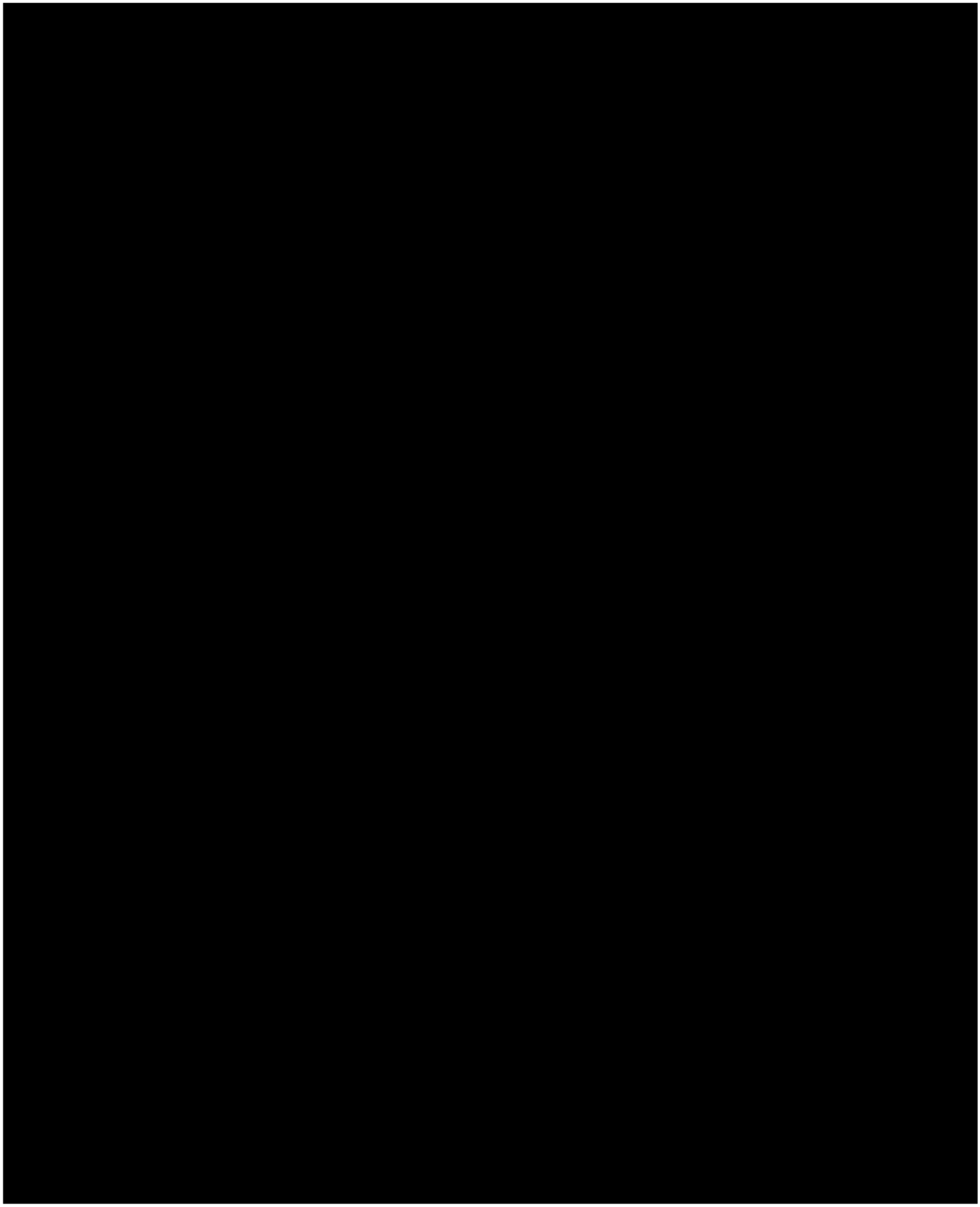
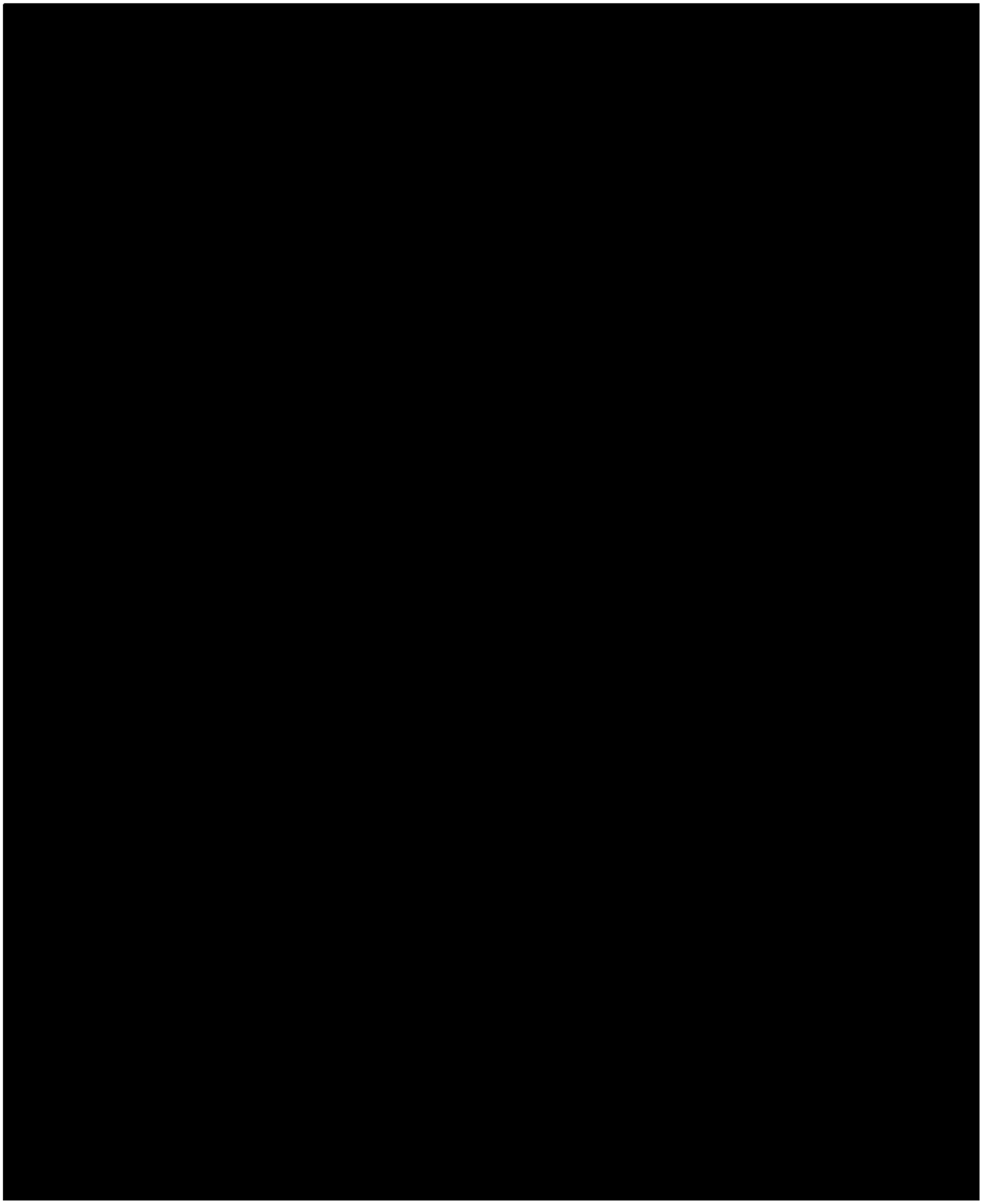
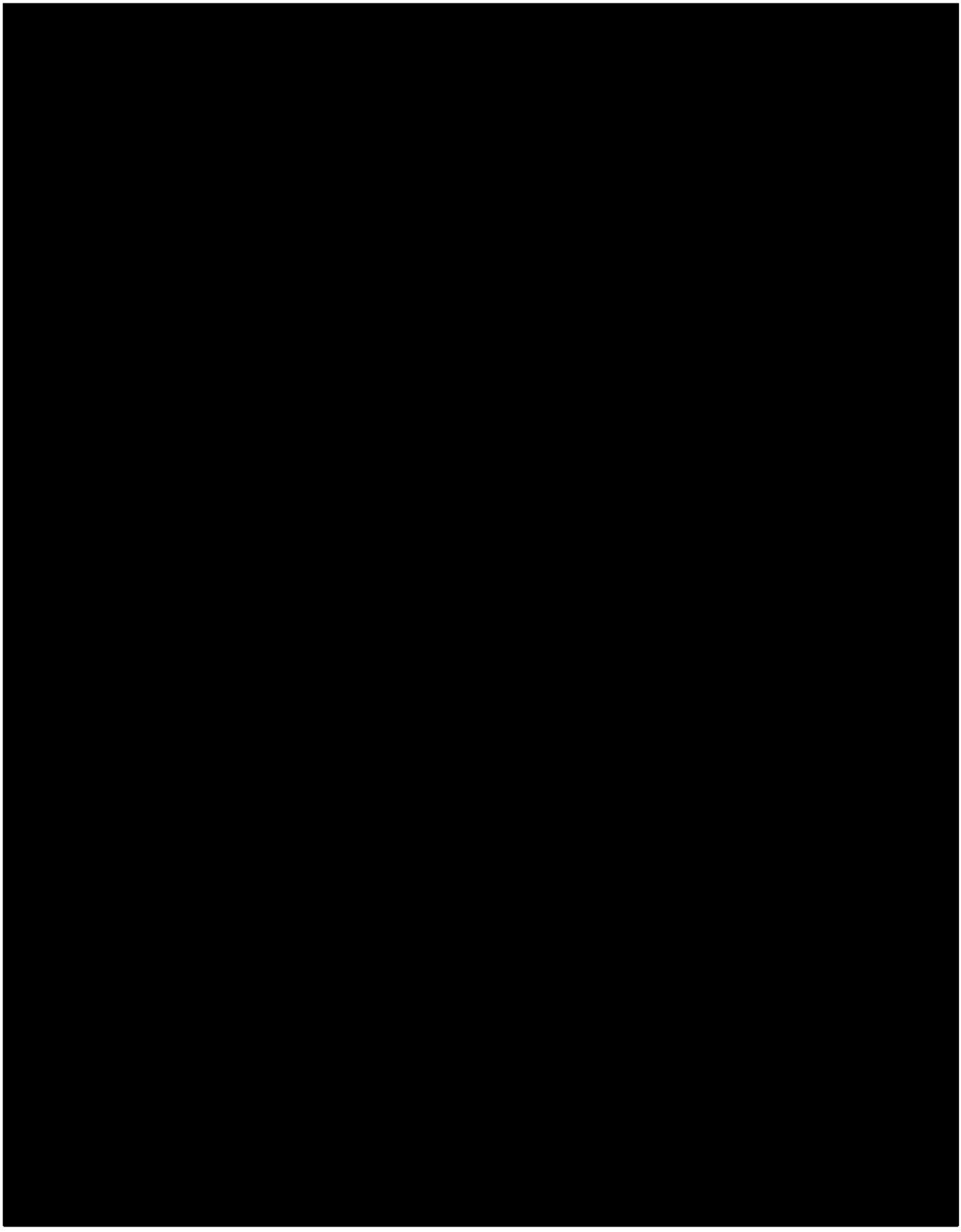
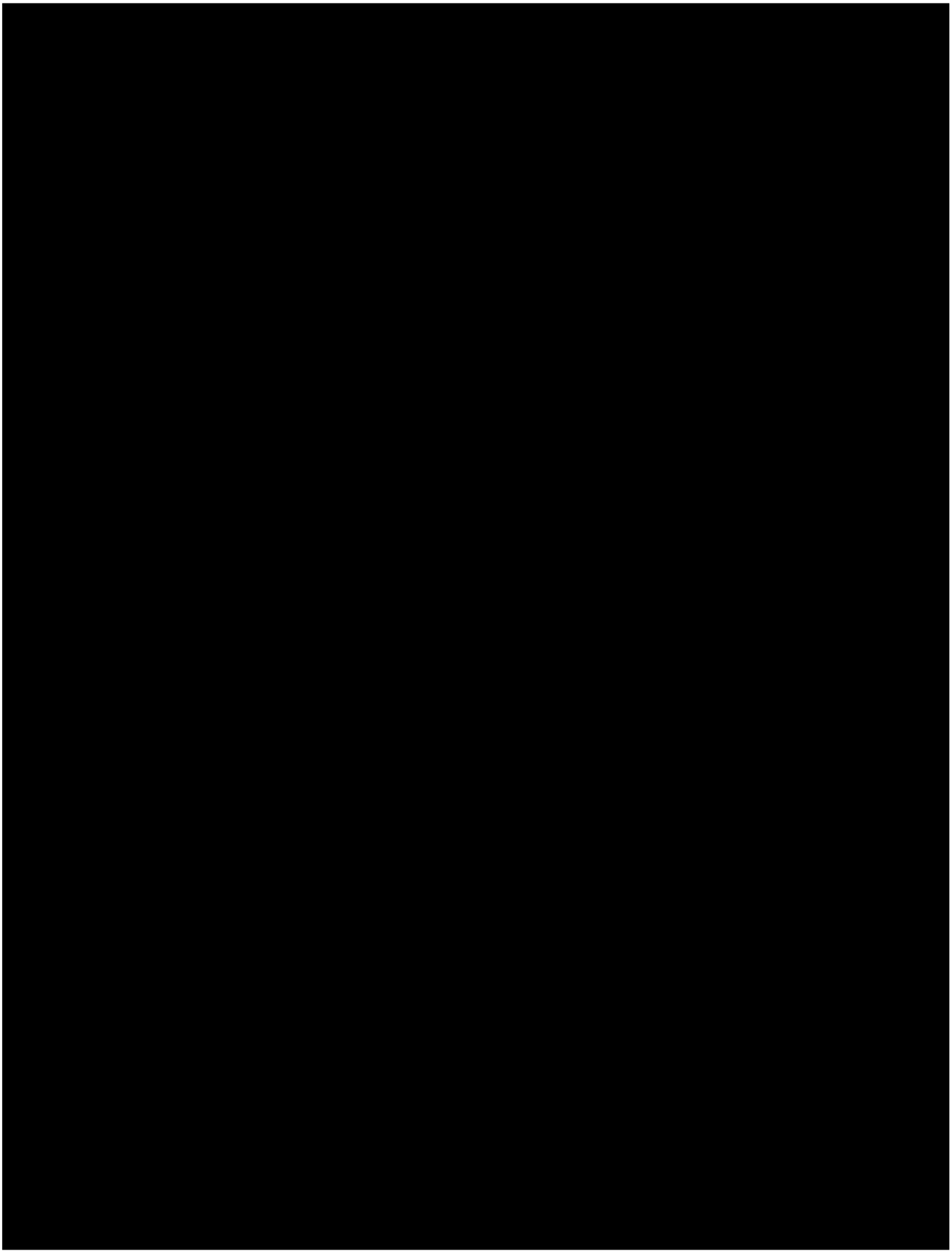


EXHIBIT L

FORM OF GUARANTY







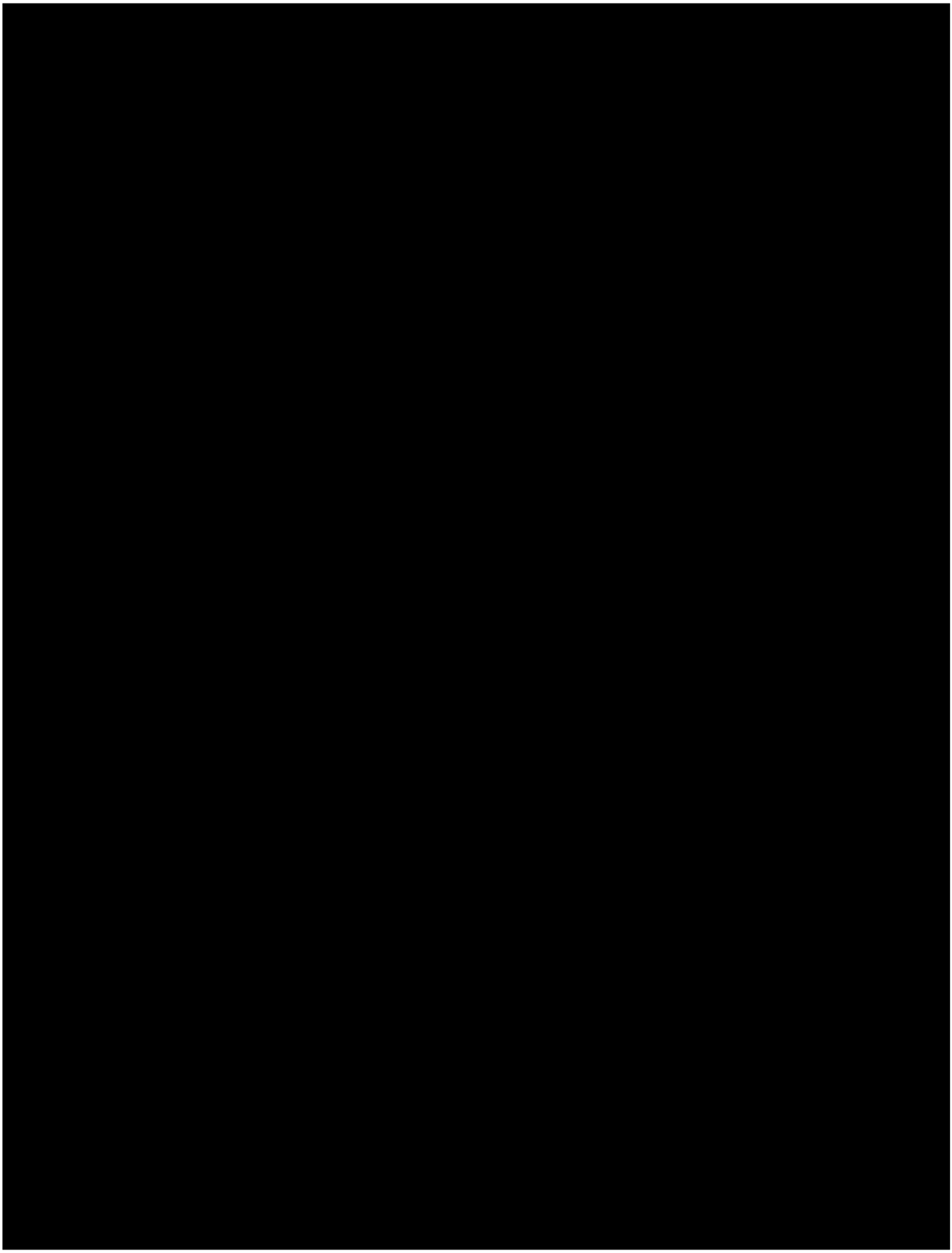






EXHIBIT M

FORM OF REPLACEMENT RA NOTICE

This Replacement RA Notice (this "**Notice**") is delivered by [Entity name, state of formation, type of entity] ("**Seller**") to Silicon Valley Clean Energy Authority, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated [*Date*] by and between Seller and Buyer ("**Agreement**"). All capitalized terms used in this Notice but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Pursuant to Section 3.8(c) of the Agreement, Seller hereby provides the below Replacement RA product information:





[SELLER ENTITY]

By:_____

Its:_____

Date:_____

EXHIBIT N

NOTICES

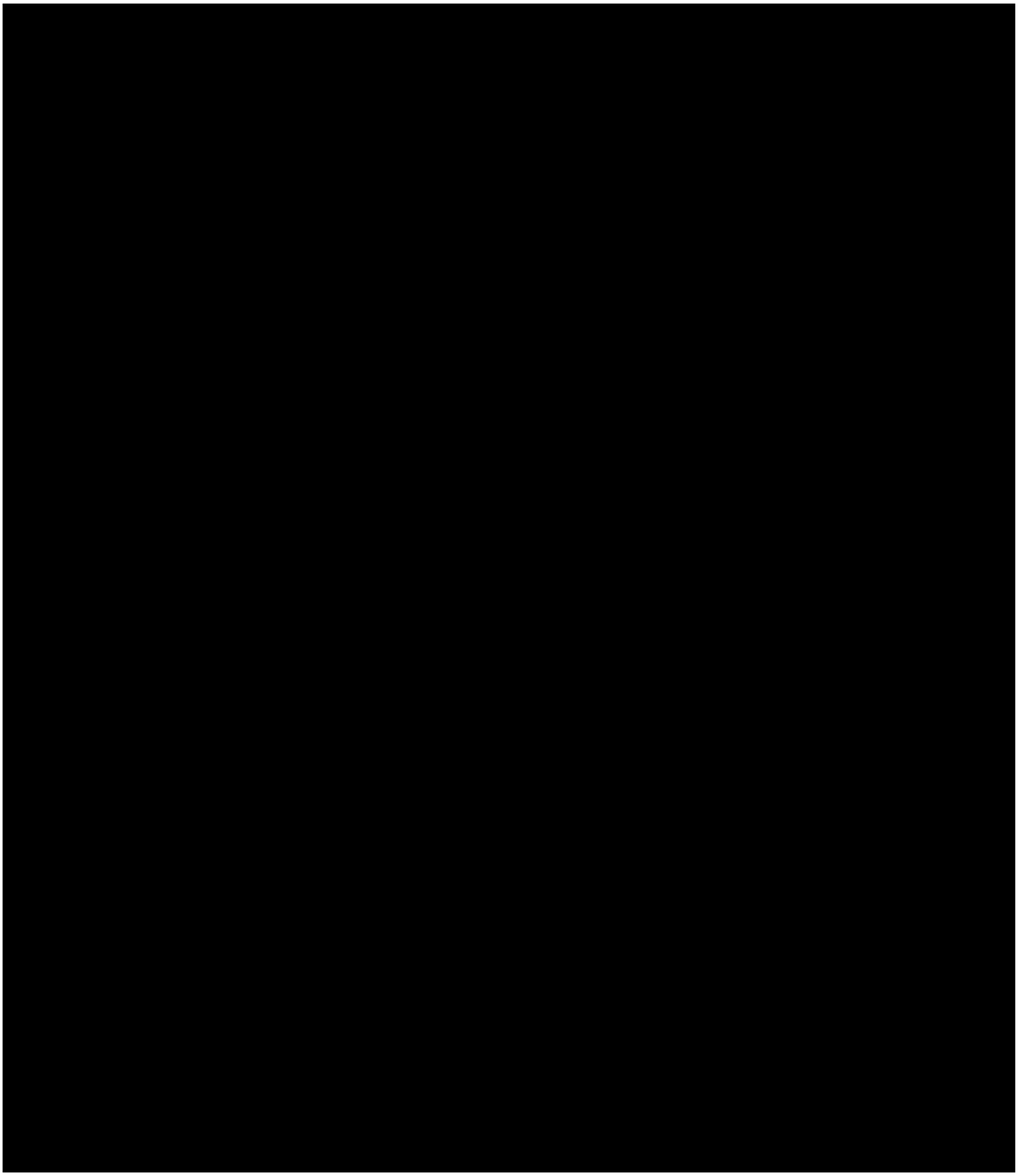




EXHIBIT O

STORAGE CAPACITY TESTS

Storage Capacity Test Notice and Frequency

A. Commercial Operation Date Storage Capacity Test. Upon no less than [redacted] Business Days prior Notice to Buyer, Seller shall schedule and complete a Storage Capacity Test prior to the Commercial Operation Date. Such initial Storage Capacity Test shall be performed in accordance with this Exhibit O and shall establish the initial Storage Contract Capacity hereunder based on the actual capacity of the Storage Facility determined by such Storage Capacity Test.

B. Subsequent Storage Capacity Tests. Following the Commercial Operation Date, once each Contract Year Seller will perform a Storage Capacity Test and will give Buyer [redacted] Business Days prior Notice of such test. At least twice per Contract Year, Buyer shall have the right to require Seller to schedule and complete a Storage Capacity Test. In addition, Buyer shall have the right to require a test or retest of the Storage Capacity Test at any time upon no less than five (5) Business Days prior written Notice to Seller if Buyer provides data with such Notice reasonably indicating that observed conditions have varied materially from the results of the most recent Storage Capacity Test. Seller shall have the right to run a retest of any Storage Capacity Test upon five (5) Business Days' prior written Notice to Buyer (or any shorter period reasonably acceptable to Buyer consistent with Prudent Operating Practice).

C. Test Results and Re-Setting of Storage Capacity and Efficiency Rate. No later than [redacted] following any Storage Capacity Test, Seller shall submit a testing report detailing results and findings of the test. The report shall include Storage Facility Meter readings and plant log sheets verifying the operating conditions and output of the Storage Facility. In accordance with Section 4.9(c) of the Agreement and Part II below, the actual efficiency rate and storage capacity determined pursuant to a Storage Capacity Test (up to, but not in excess of, the original Storage Contract Capacity set forth on the Cover Sheet, as such original Storage Contract Capacity on the Cover Sheet may have been adjusted (if at all) pursuant to Exhibit B) shall, subject to completion of the review and acceptance process set forth in Part II (H) below, become the new Storage Contract Capacity and Efficiency Rate effective as of the beginning of the day of the completed test, and such Storage Contract Capacity and Efficiency Rate shall be used for calculating the Storage Rate and all other purposes under this Agreement.

Storage Capacity Test Procedures

PART I. GENERAL.

Each Storage Capacity Test (including the initial Storage Capacity Test and all re-performances thereof) shall be conducted in accordance with Prudent Operating Practices, the provisions of this Exhibit O, and the manufacturer operating parameters and warranty conditions. For ease of reference, a Storage Capacity Test is sometimes referred to in this Exhibit O as a "SCT". Buyer or its representative may be present for the SCT and may, for informational purposes only, use its own metering equipment (at Buyer's sole cost).

PART II. REQUIREMENTS APPLICABLE TO ALL STORAGE CAPACITY TESTS.

A. Purpose of Test. Each SCT shall:

(1) Determine an updated Storage Contract Capacity;

(2) Determine the amount of Energy required to fully charge the Storage Facility;

(3) Determine the Storage Facility charge ramp rate;

(4) Determine the Storage Facility discharge ramp rate;

(5) Determine an updated Efficiency Rate.

B. Test Elements. Each SCT shall include the following test elements:

- The measurement of charging energy exclusive of Station Use and Electrical Losses, as measured by the Storage Facility Meter or other mutually agreed meter, that is required to charge the Storage Facility up to the Maximum Stored Energy Level (MWh) ("Energy In");
- The measurement of discharging energy exclusive of Station Use and Electrical Losses, as measured by the Storage Facility Meter or other mutually agreed meter, that is discharged from the Storage Facility to the Delivery Point until the Stored Energy Level reaches zero MWh as indicated by the battery management system ("Energy Out");
- Electrical output at Maximum Discharging Power (as defined in Exhibit Q) at the Storage Facility Meter (MW);
- Electrical input at Maximum Charging Power (as defined in Exhibit Q) at the Storage Facility Meter (MW);
- Amount of time between the Storage Facility's electrical output going from 0 MW to Maximum Discharging Power;
- Amount of time between the Storage Facility's electrical input going from 0 MW to Maximum Charging Power;
- Amount of energy required to go from 0% Stored Energy Level to 100% Stored Energy Level charging at a rate equal to the Maximum Charging Power.

C. Parameters. During each SCT, the following parameters shall be measured and recorded simultaneously for the Storage Facility, at one (1) minute intervals:

(1) discharge time (minutes);
(2) charging energy (MWh);

(3) discharging energy (MWh);
(4) Stored Energy Level (MWh).

D. Site Conditions. During each SCT, the following conditions at the Site shall be measured and recorded simultaneously at thirty (30) minute intervals:

(1) Relative humidity (%);
(2) Barometric pressure (inches Hg) near the horizontal centerline of the Storage Facility; and
(3) Ambient air temperature (°F).

E. Test Showing. Each SCT must demonstrate that the Storage Facility:

(1) successfully started;
(2) operated for at least four (4) consecutive hours at Maximum Discharging Power;
(3) operated for at least four and one half (4.5) consecutive hours at Maximum Charging Power;
(4) has a Storage Capacity of an amount that is, at least, equal to the Maximum Stored Energy Level (as set forth in Exhibit Q);
(5) is able to deliver Discharging Energy to the Delivery Point as measured by the Storage Facility Meter for four (4) consecutive hours at the Storage Contract Capacity; and
(6) is able to achieve 100% Availability per the Monthly Availability framework (as set forth in Exhibit P).

F. Test Conditions.

(i) General. At all times during a SCT, the Storage Facility shall be operated in compliance with Prudent Operating Practices and all operating protocols recommended, required or established by the manufacturer for operation at Maximum Discharging Power and Maximum Charging Power (as each is defined in Exhibit Q).

(ii) Abnormal Conditions. If abnormal operating conditions that prevent the recordation of any required parameter occur during a SCT (including a level of irradiance that does not permit the Generating Facility to produce sufficient Charging Energy), Seller may postpone or reschedule all or part of such SCT in accordance with Part II.G below.

(iii) Instrumentation and Metering. Seller shall provide all instrumentation, metering and data collection equipment required to perform the SCT. The instrumentation, metering and data collection equipment shall be calibrated in accordance with CAISO requirements and Prudent Operating Practice.

G. Incomplete Test. If any SCT is not completed in accordance herewith, Buyer may in its sole discretion: (i) accept the results up to the time the SCT stopped; (ii)

require that the portion of the SCT not completed, be completed within a reasonable specified time period; or (iii) require that the SCT be entirely repeated. Notwithstanding the above, if Seller is unable to complete a SCT due to a Force Majeure Event or the actions or inactions of Buyer or the CAISO or the PTO or the Transmission Provider, Seller shall be permitted to reconduct such SCT on dates and at times reasonably acceptable to the Parties.

H. Final Report. Within fifteen (15) Business Days after the completion of any SCT, Seller shall prepare and submit to Buyer a written report of the results of the SCT, which report shall include:

(1) a record of the personnel present during the SCT that served in an operating, testing, monitoring or other such participatory role;
(2) the measured data for each parameter set forth in Part II.A through D, including copies of the raw interval data taken during the test, and additional data reasonably requested by Buyer;
(3) the level of Storage Contract Capacity, Energy In, Energy Out, Efficiency Rate, Maximum Charging Power, the current charge and discharge ramp rate, and Stored Energy Level determined by the SCT, including supporting calculations; and
(4) Seller's statement of either Seller's acceptance of the SCT or Seller's rejection of the SCT results and reason(s) therefor.

Within fifteen (15) Business Days after receipt of such report, Buyer shall notify Seller in writing of either Buyer's acceptance of the SCT results or Buyer's rejection of the SCT and reason(s) therefor.

If either Party rejects the results of any SCT, such SCT shall be repeated in accordance with Part II.G.

I. Supplementary Storage Capacity Test Protocol. No later than sixty (60) days prior to COD, Seller shall deliver to Buyer for its review and approval (such approval not to be unreasonably delayed or withheld) an updated supplement to this Exhibit O with additional and supplementary details, procedures and requirements applicable to Storage Capacity Tests based on the then current design of the Facility ("Supplementary Storage Capacity Test Protocol"). Thereafter, from time to time, Seller may deliver to Buyer for its review and approval (such approval not to be unreasonably delayed or withheld) any Seller recommended updates to the then current Supplementary Storage Capacity Test Protocol. The initial Supplementary Storage Capacity Test Protocol (and each update thereto), once approved by Buyer, shall be deemed an amendment to this Exhibit O.

J. Adjustment to Storage Contract Capacity. The total amount of Discharging Energy delivered to the Delivery Point as measured by the Storage Facility Meter (expressed in MWh AC) during each of the first four (4) hours of discharge (up to, but not in excess of, the product of (i) the original Storage Contract Capacity set forth on the Cover Sheet, as such original Storage Contract Capacity on the Cover

Sheet may have been reduced pursuant to Section 5(b) of Exhibit B, multiplied by (ii) four (4) hours), shall be divided by four (4) hours to determine the Storage Contract Capacity, which shall be expressed in MW AC, and shall be the new Storage Contract Capacity in accordance with Section 4.9(c) of the Agreement until updated pursuant to a subsequent Storage Capacity Test.

K. Adjustment to Efficiency Rate. The total amount of Energy Out (as reported in Part II.B above) divided by the total amount of Energy In (as reported in Part II.B above), measured at the Storage Facility Meter location, exclusive of Electrical Losses to the Delivery Point and separately metered Station Use associated with battery cooling and other thermal management equipment, and expressed as a percentage, shall be the new Efficiency Rate, and shall be used for the calculation of liquidated damages (if any) under Exhibit C until updated pursuant to a subsequent Storage Capacity Test.

Part III. SUPPLEMENTARY STORAGE CAPACITY TEST PROTOCOL

A. Conditions Precedent to SCT

- Control System Functionality: The Storage Facility control system shall be successfully configured to receive data from the battery system, exchange distributed network protocol 3 data with the Buyer SCADA device, and transfer data to the database server for the calculation, recording and archiving of data points.

- Communications: Remote Terminal Unit (RTU) testing shall be successfully completed prior to SCT. The interface between Buyer's RTU and the Storage Facility SCADA system shall be fully tested and functional prior to starting testing. This includes verification of data transmission pathway between the Buyer's RTU and Seller's control system interface and the ability to record SCADA data.

- Commissioning Checklist: Commissioning Checklist shall be successfully completed on all installed facility equipment, including verification that all controls, set points, and instruments of the control system are configured.

- Control System Functionality: The control system is operable within the requirements and has been successfully configured to receive data from the battery system and transfer data to the onsite servers for the calculation, recording and archiving of data points.

- Failure to meet these conditions precedent to SCT invalidates any test results.

- The following Commercial Operation tests will be repeated annually:

    - PMAX Capacity Test

- Efficiency Rate and Energy Test

B. PMAX Capacity Test

1. Purpose: This test will demonstrate the PMAX and will hold the Storage Facility's maximum operating level (MW), up to the Storage Contract Capacity, for up to five (5) minutes ("Qualified Power Capacity").

2. Procedure:

   (i) System starting state: The Storage Facility will be in the on-line state with each battery subsystem at 100% usable state of charge (SOC) and at an initial active power level of 0 MW and reactive power level of 0 MVAR.

   (ii) Record the Storage Facility active power level at the Storage Facility Meter.

   (iii) Command the Storage Facility to follow a signal equal to the Storage Facility's maximum operating level for five (5) minutes.

   (iv) Record and store the Storage Facility active power response. Measurements will be made using the Storage Facility Meter and by the control system with a recording in the Storage Facility historian.

   (v) System end state: The Storage Facility will be in the on-line state and at a commanded active power level of 0 MW.

Pass/Fail Criteria		
The Storage Facility active power response and the commanded level shall be within ±2% as measured by the sum of values at the Storage Facility Meter. The time to full output shall be less than 500 ms. The hold period of such active power value shall be five (5) minutes and recorded in the control system historian.		
Passed	Failed	Date:
Test Performed by:		
Test Witnessed by:		

Notes/Test Conditions:

_____

_____

C. Efficiency Rate and Energy Test

1. The following test demonstrates the updated Efficiency Rate and amount of energy required to fully charge the Storage Facility (when performed annually or ad hoc).
    i. The resulting quantity of discharging energy is the Energy Out (as reported in Part II.B above) and the resulting quantity of charging energy is the Energy In (as reported in Part II.B above).
    ii. The Qualified Energy is the sum of the total quantity of Discharging Energy at the Storage Facility Meter.

2. The Storage Facility will be operated in both the charge and discharge directions in the following order:
    i. [Seller to specify, example language below]
    ii. [Set each Battery Subsystem to [3%] SOC.
    iii. Allow each Battery Subsystem to enter background cell balancing mode by maintaining a SOC of [3% for 20 minutes]. After the background cell balancing mode begins the system can be operated as normal. Allow the cell balancing function to operate in the background for at least 24 hours to allow the automatic cell balancing procedure to reach completion. This time may be reduced based on equipment suppliers' recommendations.
    iv. Discharge each Battery Subsystem to 0% SOC.
    v. Immediately perform the Efficiency Rate and Capacity Test set forth below.]

3. To be valid, the SCT must be started within twenty-four (24) hours of the end of the period (greater than four days) during which cell balancing was completed. For the duration of the SCT, the Control System will be configured to have the power or energy limiting mechanisms disabled, and each battery subsystem shall be configured to follow the charge and discharge current limits specified by their respective battery management system.

4. <u>Procedure</u>:
    i. System Starting State: The Storage Facility will be in the on-line state with each Battery Subsystem at 0% SOC.
    ii. Verify that in the previous twenty-four (24) hour period, each Battery Subsystem completed the cell balancing procedure allowing full cell balancing to occur, as described in steps i-iv.
    iii. Verify that ambient temperature measurements at all Battery Subsystems are between [18°C and 28 °C] throughout this test.
    iv. Record initial values of each Battery Subsystem SOC.

v. Command a real power charge that results in an AC power of Storage Facility's full charging power and continue the charge until the earlier of (A) the power is 2% different, or (B) 4.5 hours have passed.

vi. Record and store the AC energy charged to the system as measured at the Storage Facility Meter. Measurements will be made by the Storage Facility Meter with recording in the Storage Facility historian.

vii. Within 5 minutes, command a real power discharge that results in an AC power output of the Storage Facility's maximum discharge power.

viii. Maintain the discharging until the power is 5% different.

ix. Record and store the AC energy discharged as measured at the Storage Facility Meter. Measurements will be made by the Storage Facility Meter with recording in the Storage Facility historian.

Pass/Fail Criteria		
The measured Efficiency Rate is greater than or equal to the Guaranteed Efficiency Rate. The Qualified Energy is greater than or equal to the Storage Contract Output.		
Passed	Failed	Date:
Test Performed by:		
Test Witnessed by:		

Notes/Test Conditions:

EXHIBIT P

STORAGE FACILITY AVAILABILITY

Monthly Storage Availability

Calculation of Monthly Storage Availability. Seller shall calculate the "**Monthly Storage Availability**" in a given month using the formula set forth below:

$$\text{Monthly Storage Availability (\%)} = \frac{[\text{MNTHHRS}_m - \text{UNAVAILHRS}_m]}{[\text{MNTHHRS}_m]}$$

where:

m = relevant month "m" in which availability is calculated;

MNTHHRS_m is the total number of On-Peak Hours for the month;

UNAVAILHRS_m, is the total number of Unavailability Hours for the month, as defined below.

"**Unavailability Hours**" means, for any given month, the total number of On-Peak Hours (including fractional hours) during which the Storage Facility is unable to receive Charging Energy, deliver Discharging Energy, or provide Ancillary Services or any other component of the Storage Product (other than Capacity Attributes) for any reason other than an Excused Event, including due to an inability to respond to automatic generation control (AGC) signals in accordance with Section 4.4(d) (an "**Unavailability Event**"). Unavailability Hours include (a) fractional hours of unavailability, counted proportionally to the portion of Storage Contract Capacity that is unavailable, and (b) any hour or fractional hour in which the Storage Facility is not capable of receiving Charging Energy and delivering all components of the Storage Product (other than Capacity Attributes) up to less than the full Storage Contract Capacity, counted proportionately. For greater clarity, Seller's failure to deliver Capacity Attributes (including Resource Adequacy Benefits) is governed by Section 3.8 and does not constitute an Unavailability Event.

"**Excused Event**" means a Force Majeure Event, Buyer Bid Curtailment, Buyer Curtailment Orders, Buyer Default, Storage Capacity Tests, System Emergencies, an outage for scheduled maintenance related to Ancillary Services agreed to in advance of such outage by the Parties in writing, or the Operating Restrictions in Exhibit Q. Hours or fractional hours attributable to any Excused Event shall not constitute Unavailability Hours and shall be excluded from in UNAVAILHRS_m.

If the Storage Facility was previously deemed unavailable for an hour or part of an hour due to an Unavailability Event, and Seller provides a revised Notice indicating the Storage Product is fully available for that hour or part of an hour by 5:00 a.m. of the morning Buyer schedules or bids the Storage Product in the Day-Ahead Market, the Storage Product will be deemed to be available to the extent set forth in the revised Notice.

If the Storage Facility was previously deemed unavailable for an hour or part of an hour due to an Unavailability Event and Seller provides a revised Notice indicating the Storage Product is fully available for that hour or part of an hour at least sixty (60) minutes prior to the time the Buyer is required to schedule or bid the Storage Product in the Real-Time Market, and the Storage Product (or any component thereof) is dispatched in the Real-Time Market, the Storage Product will be deemed to be available to the extent set forth in the revised Notice.

Availability Adjustment

The applicable "**Availability Adjustment**" or "**AA**" is calculated as follows:

(i) If the Monthly Storage Availability is greater than or equal to the Guaranteed Storage Availability, then:

AA = 100%

(ii) If the Monthly Storage Availability is less than the Guaranteed Storage Availability but greater than or equal to [redacted] then:

[redacted]

(iii) If the Monthly Storage Availability is less than [redacted] then:

[redacted]

EXHIBIT Q

OPERATING RESTRICTIONS

The Parties will develop and finalize the Operating Restrictions prior to the Commercial Operation Date, provided that the Operating Restrictions (i) may not be materially more restrictive of the operation of the Storage Facility than as set forth below, unless agreed to by Buyer in writing, (ii) will, at a minimum, include the rules, requirements and procedures set forth in this Exhibit Q, (iii) will include protocols and parameters for Seller's operation of the Storage Facility in the absence of Charging Notices, Discharging Notices or other similar instructions from Buyer relating to the use of the Storage Facility, and (iv) may include Storage Facility Scheduling, Operating Restrictions and Communications Protocols. This document to be completed in connection with the execution of any Amended and Restated PPA.

Interconnection Capacity Limit:	
Maximum Stored Energy Level:	
Minimum Stored Energy Level:	
Maximum Charging Power:	
Minimum Charging Power:	
Maximum Discharging Power:	
Minimum Discharging Power:	
Maximum State of Charge (SOC) during Charging:	[redacted]
Minimum State of Charge (SOC) during Discharging:	[redacted]
Ramp Rate:	[redacted]
Dispatch Limits:	[redacted]
Maximum Continuous Time at Minimum Stored Energy Level:	[redacted]
Grid Charging of Storage Facility:	[redacted]
Other Operating Limits:	[redacted]
Ancillary Services Capability:	[redacted]

EXHIBIT R

METERING DIAGRAM

Proposed final version to be provided by Seller at least sixty (60) days prior to the Commercial Operation Date in accordance with Section 7.1.

EXHIBIT S

ADDITIONAL SELLER COMMITMENTS

Community Investment

Seller shall donate $_____ to _____ ("Community Investment Funds"), [redacted]. The Community Investment Funds will be utilized by Buyer for community investment activities.

Workforce Development

Seller shall use commercially reasonable efforts to achieve the following workforce objectives related to the construction and operation of the Facility:

[redacted]

[redacted]

(c) [redacted]

Track and report all project-related spend in the labor community and with local businesses.