

PUBLIC UTILITIES COMMISSION

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July 11, 2013

Advice Letter 4225-E

Brian K. Cherry
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77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Subject: Modifications to PG&E's Renewable Auction Mechanism Program Protocol and Appendices as Required by Resolution E-4582

Dear Mr. Cherry:

Advice Letter 4225-E is effective May 16, 2013.

Sincerely,

Edward Randolph
Director, Energy Division
California Public Utilities Commission

May 16, 2013

Advice 4225-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

**Subject: Modifications to PG&E's Renewable Auction Mechanism Program
Protocol and Appendices as Required by Resolution E-4582**

I. Purpose

Pacific Gas and Electric Company ("PG&E") respectfully submits this advice letter in compliance with Ordering Paragraph ("OP") 5 of Resolution E-4582 (the "Resolution"), which orders modifications to PG&E's Renewable Auction Mechanism ("RAM") Program.

II. Background

In OP 5 of the Resolution, the California Public Utilities Commission ("CPUC" or "Commission") required that PG&E submit a compliance filing by Tier 1 advice letter within seven (7) days of the effective date of the Resolution demonstrating compliance with OPs 1 and 4 of the Resolution. To demonstrate compliance with the Resolution, PG&E is including its updated RAM Program Request for Offers ("RFO") Protocol and Appendices, including an updated RAM Form Power Purchase Agreement ("PPA"), as Attachment A to this Advice Letter.

III. Updated RAM Program Request for Offers Protocol and Appendices

PG&E has made modifications to the RAM Program Protocol and Appendices as directed by the Resolution. To clearly identify additional non-substantive changes, PG&E has summarized the high level changes in the RAM Program Protocol and PPA in the chart below. For further details on the modifications made in accordance with the Resolution, PG&E has also provided redlined versions of the PPA included in Attachment B. The redline reflects modifications to the Protocol and PPA as of PG&E's November 15, 2012 Advice Letter filing 4146-E.

RAM RFO Protocol and Appendices - Summary of Changes in Compliance with Resolution E-4582

Issue	Updated PG&E RAM RFO Protocol and PPA	Reference
Solicitation Schedule	PG&E's schedule for the fourth RAM solicitation ("RAM 4") specifying, among other things, that RAM 4 shall close by June 28, 2013.	Protocol Section I. B.1 (Schedule Overview).
Modified Procurement Target and Products	PG&E's total procurement target for RAM 4 is 82 megawatts ("MW"). PG&E's RAM targets by product type are 62 megawatts ("MW") for peaking as-available, 10 MW for non-peaking as available, and 10 MW for baseload.	Protocol: Section I.A (Overview); Section II. B (Products Sought).
Interconnection Requirements	Updated to clarify that RAM 4 Participants must retain a California Independent System Operator queue position to be eligible to participate in RAM 4, and expands bidder options to demonstrate a project is fully deliverable.	Protocol: Section III.B.1. (Project Viability Eligibility Requirements: Interconnection); .
Cost of Capital	Modified to reflect PG&E's updated CPUC-authorized after tax weighted average cost of capital of 7.0 percent pursuant to D. 12-12-034.	Protocol: Section IV.A (Evaluation Criteria: Cost).
Time of Delivery ("TOD") Factors	Updated to remain consistent with the current factors as shown in PG&E's 2012 RPS Protocol.	Protocol: Section V. B (Deliverability) RAM PPA: § 4.4 (TOD Factors and Monthly TOD Payment).
Supplier Diversity	Modified to require Seller to specify its supplier diversity spend target for work supporting the Project.	RAM PPA: Cover Sheet, Part B.
Assignment	Clarifies that collateral assignments may be in form and substance substantially similar to the form attached as Appendix VIII	RAM PPA: § 10.6 (b)(Assignment to Financing Providers).
Insurance	Clarifies insurance requirements in response to bidder feedback.	RAM PPA: § 10.10 (b) (iii) and 10.10 (f).

PG&E expects to hold its 2013 RAM program forum after the closure of the RAM 4 solicitation. Consistent with Commission Resolution E-4414, approved on August 18, 2011, PG&E will be providing Commission staff with a complete draft of the agenda at least 14 days prior to PG&E's program forum.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than June 5, 2013, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Brian K. Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Tier Designation and Effective Date:

PG&E is designating this as a Tier 1 Advice Letter to become effective on May 16, 2013, in accordance with the Resolution. Accordingly, PG&E requests that Energy Division issue a disposition letter approving this Advice Letter. Pursuant to General Order 96-B, Section 7.3.3 and Energy Industry Rule 5.1, this advice letter will be effective immediately pending disposition.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the service list for R.11-05-005. Address changes to the General Order 96-B list and electronic approvals should be directed to PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.



Vice President – Regulatory Relations

cc: Paul Douglas - Energy Division
Adam Schultz – Energy Division
Service List for R.11-05-005

Attachments:

Attachment A –PG&E RAM Protocol (including RAM PPA at Appendix B thereto)
Attachment B – Redlined versions of applicable RAM Protocol documents including RAM PPA

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Anupama Vege and Kimberly Chang

Phone #: (415) 973-7600 and (415) 972-5472

E-mail: PGETariffs@pge.com, alvb@pge.com and kwcc@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **4225-E**

Tier: **1**

Subject of AL: **Modifications to PG&E's Renewable Auction Mechanism Program Protocol and Appendices as Required by Resolution E-4582**

Keywords (choose from CPUC listing): Compliance, Contracts, Procurement, Portfolio

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Res. E-4582

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: _____

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: Yes No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: _____

Resolution Required? Yes No

Requested effective date: **May 16, 2013**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission

Energy Division

EDTariffUnit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian Cherry

Vice President, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

ATTACHMENT A

PG&E RAM Protocol (including RAM PPA at Appendix B thereto)



Renewable Auction Mechanism (RAM) Request for Offers

Issuance Date: May 28, 2013

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I. Introduction and Overview:

A. Overview

Pacific Gas and Electric Company (“PG&E”) is issuing its Fourth Renewable Auction Mechanism (“RAM”) Program Request for Offers (“RFO”). The statewide goal of the RAM Program is to procure up to 1,000 megawatts (“MW”) of renewable system-side energy projects that are eligible for the California Renewables Portfolio Standard (“RPS”) Program over a two year period. The CPUC Decision¹ establishing the RAM Program (the “RAM Decision”) allocates 420.9 MW of this statewide capacity goal to PG&E. With this RFO, PG&E is implementing the RAM Decision and requests that interested parties submit offers (each an “Offer”) in compliance with the procedures, eligibility criteria, and timeline more fully described below.

PG&E filed Advice Letter 4216-E with the Commission concluding its Third RAM auction on April 30, 2013. This RFO represents the Fourth² solicitation.

On May 9, 2013, the Commission issued Resolution E-4582 authorizing the modification to the capacity allocation targets for RAM 4. Given the requirements that the RAM projects must achieve commercial operation within 24 months of CPUC approval, it would be expected that a project selected from RAM 4 would achieve commercial operation by approximately December 25, 2015. The procurement target remaining for RAM is 122 MW of which 82 MW will be procured in RAM 4. As directed by the Commission, each IOU must reserve one third of their remaining authorized, yet unsubscribed RAM capacity. Although PG&E’s objective is to procure 82 MW through this RFO, if less than 82 MW of Offers are selected or if the projects that were selected through this RFO withdraw from the RAM Program, then the remaining MW will be added to the RAM 5 which will occur no later than June 27, 2014.

This RFO seeks Offers for the sale of Product³ for a contract term of 10, 15, or 20 years from generating Projects that are more than 3 MW to 20 MW in size. The Project producing the Product must be connected to one of the following three investor-owned utilities’ (“IOU”) electric distribution or transmission systems: PG&E, Southern California Edison (“SCE”) or San Diego Gas and Electric (“SDG&E”). Except as noted in the RAM PPA at Appendix B to this RFO, the Project must be commercially operational no later than 24 months following final and non-appealable CPUC approval of the RAM PPA associated with the Project.

¹ California Public Utilities Commission (“CPUC”) Decision (“D.”) 10-12-048, adopted on December 17, 2010.

² The first RAM Program year began when PG&E’s Advice Letter 3905-E submitted on September 19, 2011 became effective and resulted in the procurement of 63 MWs. The second RAM Program began when PG&E Advice Letter 4032-E submitted on April 26, 2012 became effective and resulted in 120.1 MWs. The third RAM program began when Advice Letter 4114-E submitted on September 28, 2012 and supplemental Advice Letter 4114-E-A on October 26, 2012 became effective.

³ Product means the electricity generated by a Project (the eligible renewable energy resource described in an Offer, together with all capacity and ancillary products, services or attributes which can be produced by or associated with the Project, and any other attributes required by the California Public Utilities Commission (“CPUC”) and/or the California Energy Commission (“CEC”) to count the electricity toward PG&E’s Renewable Portfolio Standard (“RPS”) requirements.

The solicitations for all three IOUs will be conducted simultaneously. An entity submitting a bid into this RFO (a “Participant”) may bid into all three solicitations. However, if PG&E notifies a Participant its Offer has been selected, the Participant must submit a signed PPA and provide all required documentation as shown in Appendix IX to the RAM PPA to PG&E within 10 calendar days of selection notification. PG&E reserves the ability to place some Offers on a waiting list to account for the potential that some selected Offers could be withdrawn prior to submission of signed PPA.

B. Schedule

1. Schedule Overview

The RAM Decision requires that the three major IOUs hold their RAM auctions simultaneously. The final RFO schedule is subject to change to conform to any CPUC requirement and otherwise at the discretion of PG&E at any time. PG&E will endeavor to notify Participants of any schedule change via notification on PG&E’s RAM RFO Website.⁴ As further described below, Participants may register at PG&E’s RFO website at <http://www.pge.com/b2b/energysupply/wholesaleelectricsuppliersolicitation/joinlist.shtml> to receive notice of these and other RFO changes by electronic mail. PG&E will have no liability or responsibility to any Participant for any change in the schedule or for failing to provide notice of any change.

The expected schedule for this RFO is (all times are in Pacific Prevailing Time (“PPT”)):

Date/Time	Event
Ongoing	Participants may register online to receive notices regarding the RFO
May 28, 2013	PG&E issues the RAM 4 RFO
June 10, 2013	Deadline for Participants to submit registration for Bidders’ Conference
June 13, 2013	Bidders’ Conference for RAM 4 RFO (via webinar)
June 28, 2013 no later than 12:00 P.M.(PPT)	Offers Due. Projects must provide a completed System Impact Study, a Phase I interconnection study, or documentation showing that the project passed the WDAT/WDT or CAISO Fast Track screens. Projects must have a queue position and remain in the queue. Offer evaluation begins.
September 6, 2013	PG&E selects offers. PG&E notifies Selected Participants and any Waitlisted Participants.
September 11, 2013	Primary and Waitlisted Participants that wish to continue in PG&E’s RAM RFO must return required documentation
September 12, 2013	Waitlisted Participants are notified
September 17, 2013 no later than 1:00 P.M.(PPT)	Submittal of Signed PPA. Selected Participants that wish to continue participation in PG&E’s RFO must return a signed RAM PPA and required documentation as shown in Appendix IX of the PPA to PG&E.

⁴ www.pge.com/rfo

Date/Time	Event
September 24, 2013 no later than 1:00 P.M.(PPT)	Selected Waitlisted Participants that wish to continue participation in PG&E's RFO must return a signed RAM PPA with required documentation as shown in Appendix IX of the RAM PPA
October 14, 2013	PG&E executes RAM PPAs
November 15, 2013	Advice Letter Filing for executed RAM PPAs

The RAM Decision requires PG&E to seek CPUC approval of each RAM PPA resulting from this RFO. Accordingly, the RAM PPAs will not be effective unless approved by the CPUC and any applicable review or appeal period has lapsed. As further described in Section V, one of the requirements for this RFO is that Participants do not make changes to the non-price terms and conditions in the form RAM PPA.

2. RFO Process

1. Registration. Participants may register online to receive announcements and updates about this RFO. Go to the RAM RFO Website and click on RFO Bidder Registration. Alternatively, go directly to:
<http://www.pge.com/b2b/energysupply/wholesaleelectricsuppliersolicitation/joinlist.shtml>.
2. Bidders' Webinar. Registration will be required to attend the Bidders' Webinar. The registration form is available on the RAM RFO website.
3. Offers Due. Participant's Offer must be submitted by e-mail to both PG&E and the Independent Evaluator ("IE")⁵ and must include all of the documents described in Section VII. By responding to this RFO, the Participant agrees to be bound by all of the terms, conditions and other provisions of this RFO and any changes or supplements to it that may be issued by PG&E.
4. PG&E Selects Offers. Participants whose Offers have been selected will be notified via email. PG&E will select Offers within each Product Category described below according to the evaluation criteria described in Section IV. Some of the next-best Offers beyond those selected may be placed on a waiting list to be selected in order of priority should any selected Offers fail to complete the RFO process.
5. Submittal of Signed PPA. Participants with selected Offers must submit a signed RAM PPA with all required documentation in accordance with the timeline described above. If a Participant fails to submit a signed RAM PPA with required documentation for one or more Selected Offers as described above, PG&E will disqualify the originally selected Offer and will select the next-best Offer on the waiting list. A waitlisted Participant whose Offer is selected must return a signed

⁵ Charles Adkins of Ventyx Energy Software, Inc. will be providing IE services for this RFO. His email address is Charles.Adkins@abb.ventyx.com.

RAM PPA and the required documentation in accordance with the timeline described above.

6. Execution and Regulatory Approval. Once PG&E has fully executed each of the RAM PPAs resulting from this RFO, it will submit all such RAM PPAs to the CPUC for approval via a Tier 2 advice filing.

C. Disclaimers for Rejecting Offers and/or Terminating this RFO

This RFO does not constitute an offer to buy and creates no obligation to execute any RAM PPA or to enter into a transaction under a RAM PPA as a consequence of the RFO. PG&E shall retain the right at any time, at its sole discretion, to reject any Offer on the grounds that it does not conform to the terms and conditions of this RFO and reserves the right to request information at any time during the solicitation process.

PG&E retains the discretion, subject to, if applicable, the approval of the CPUC, to: (a) reject any Offer on the basis, including but not limited to the bases that an Offer is the result of market manipulation or is not cost competitive or any other reason; (b) formulate and implement appropriate additional criteria for the evaluation and selection of Offers; (c) modify this RFO including, with the approval of the CPUC, the form RAM PPA as it deems appropriate to implement the RFO and to comply with applicable law or other decisions or direction provided by the CPUC; and (d) terminate the RFO should the CPUC not authorize PG&E to purchase Products in the manner proposed in this RFO. In addition, PG&E reserves the right to either suspend or terminate this RFO at any time if such suspension is required by or with the approval of the CPUC. PG&E will not be liable in any way, by reason of such withdrawal, rejection, suspension, termination or any other action described in this paragraph to any Participant, whether submitting an Offer or not.

II. RFO Goals

A. Renewable Resource Needs

PG&E is seeking RPS-eligible Product from small and mid-sized generation facilities. The Products procured through the RAM Program will contribute toward California's aggressive targets for the procurement of renewable energy.

B. Products Sought

PG&E is seeking to procure 10 MW in the "Baseload" and "As-Available Non-Peaking" product categories and 62 MW in the "As-Available Peaking" product category for a total of 82 MWs. The 82 MW total represents the RFO procurement target. PG&E may procure up to 20 MW more or less in each product category, and no more than 102 MW in total. In addition to the product definitions set forth in the RAM PPA, and without implying any amendment to those product definitions, Products must fall within one, and only one, of the following Product Category definitions:

- “Baseload” Projects will have a generation profile demonstrating an annual capacity factor of 80% or greater (e.g., geothermal/biomass).
- “As-Available Non-Peaking” Projects will have a generation profile demonstrating intermittent energy delivery with an annual capacity factor of 80% or less and less than 95% of the expected output in the super-peak⁶ and shoulder-peak⁷ periods (e.g., wind).
- “As-Available Peaking” Projects will have a generation profile demonstrating intermittent energy delivery with an annual capacity factor of 80% or less and 95% or more of the expected output generated in the super-peak and shoulder-peak periods (e.g., solar).

Additionally, as more particularly described in the RAM PPA, each Offer should be identified as a full buy/sale transaction or an excess sales transaction, as follows:

- “Full buy/sale” transaction means 100% of the energy production, net of station use, is sold by the generator to PG&E.
- “Excess sales” transaction means that the output from the Project serves the generating facility’s own on-site load first and then sells the remaining energy production to PG&E.

III. Eligibility

PG&E is seeking Products that meet the specific eligibility requirements below. The Participant’s Offer must demonstrate that the Project meets each of the items in this Section III. PG&E will select from eligible Offers only.

A. Project Design Eligibility Requirements

1. Existing and new generation facilities are eligible. An existing generating facility must be certified as an eligible renewable resource (“ERR”).⁸ PG&E encourages new resources to apply for pre-certification.
2. Existing facilities may participate providing that, if the project is currently under contract, the existing contract is scheduled to expire within 24 months of the expected date of Commission approval of the PPA. For this RFO, the existing contract must expire prior to December 25, 2016.⁹

⁶ **Super-Peak** (5x8) = hours ending 13-20 (Pacific Prevailing Time (PPT)) Monday - Friday (*except* NERC Holidays) in the applicable Monthly Period.

⁷ **Shoulder** = hours ending 7 - 12, 21 and 22 PPT Monday - Friday (*except* NERC Holidays); and hours ending 7-22 PPT Saturday, Sunday and all NERC Holidays in the applicable Monthly Period.

⁸ The CEC is responsible for certifying ERRs for purposes of compliance with the RPS program. The CEC has published Guidebooks to explain its criteria for RPS eligibility and process for ERR certification. The CEC’s “Renewable Portfolio Standard Eligibility Guidebook” 4th Edition publication number CEC-300-2010-007-CMF, January edition, is available at: <http://www.energy.ca.gov/renewables/documents/>.

⁹ PG&E expects to file the Advice Letter requesting approval of the RAM 3 PPAs on November 15, 2013 and receive approval 30 days later. PPA approval will be final following a 10 day appeal period.

3. The Project must interconnect within the distribution or transmission system of PG&E, SCE, or SDG&E.
4. Neither the Project's nameplate capacity nor the Offer's contract capacity may be greater than 20 MW. The contract capacity must be greater than 3 MW.

B. Project Viability Eligibility Requirements

1. Interconnection

The Project must be interconnected to one of the three IOU's electric distribution or transmission systems. Participants must have completed a System Impact Study, a Phase I interconnection study, or have documentation showing that the Project passed the WDT or CAISO Fast Track screens at the time of Offer submittal. Participants that bid in to the RAM RFO must have a California Independent System Operator ("CAISO") queue position at the time of Offer submittal and must remain in the CAISO queue until the project's required network upgrades have been completed.

Participants may bid as energy only or full deliverability. Projects bidding as fully deliverable must (a) have a completed Phase I deliverability study (Phase II deliverability study if available); (b) be at a minimum in either the Phase II study for deliverability or Facilities study; (c) acquire a finding of full deliverability through the interconnection process, (d) have completed a deliverability assessment in the annual process that indicates that the project is deliverable, or (e) **have received deliverability through the CAISO's Deliverability for Distribution pursuant to ISO Tariff Section 40.4.6.3.** . Projects bid in as fully-deliverable must be fully deliverable by 12/31/2021, but need not be fully deliverable as of commercial operation. Projects bidding as energy-only do not have to pursue any deliverability studies.

2. Site Control

Participants must attest that they have secured site control for the entire delivery term of their Project as part of their Offers. Requirements to demonstrate such site control are detailed in Appendix C. Examples of site control include: (1) ownership of the site, a leasehold interest, or a right to develop a site for the purpose of constructing a generating facility; (2) an option to purchase or acquire a leasehold site for purposes of constructing a generating facility; and (3) any other business relationship that, in the sole discretion of PG&E, amounts to the same right to develop property as provided in examples (1) or (2) above, between the Participant and another entity that has the right to sell, lease, or grant the right to possess or occupy the site for such a purpose.

Please note that these site control requirements may differ from those required in the interconnection process to achieve a deemed complete status.

3. Experience

A minimum level of developer experience is required for participation in the RAM Program. Specifically, the Participant and/or a member of Participant's project development team must have either completed or begun construction of at least one other project of similar technology and capacity. PG&E considers a project to have begun construction if the developer has issued a full notice to proceed to its EPC contractor.

4. Commercialized Technology

The Participant must show that the Project employs technology currently in use at a minimum of two operating facilities of similar capacity worldwide.

5. Commencement of Commercial Operation Deadline

The Project must be able to begin commercial operation within 24 months of CPUC final and non-appealable approval of the associated RAM PPA, subject to a six-month extension for the specific reasons described in the RAM PPA. Sellers can request a one-time request for this extension by providing a notice 60 days prior to the guaranteed commercial operation date. Sellers that cannot place the Project into commercial operation by this deadline will be in default under the RAM PPA.

C. Participation in Other Procurement Programs

Neither the Participant nor the owner of the site may sell any Product from the Project, either currently or at any time during the term of the RAM PPA, pursuant to the California Solar Initiative Program ("CSI") or the Net Energy Metering tariff. For projects up to 5 MW, the owner of the site will be required to sign the letter, attached here as Appendix D, acknowledging familiarity with CSI and NEM and committing to the limitation on participation noted above.

D. Participation in Future Solicitations

A Participant may submit offers for a Project in future RAM solicitations notwithstanding the Participant's withdrawal of the Project's Offer from this RFO prior to the execution of a RAM PPA. Additionally, Offers that are not selected in this RFO may be bid again into future RAM solicitations, or other solicitations.

IV. Evaluation Criteria:

Once Participants have met the eligibility requirements set forth in Section III, above, PG&E will use the evaluation criteria discussed in Section IV.A-C as the factors in selecting Offers.

A. Cost

PG&E will evaluate and select eligible Offers based on levelized Product cost per megawatt hour (\$/MWh) using PG&E's CPUC-authorized after tax weighted average

cost of capital of 7.0 percent. Offers will be ranked in order of Product cost, which will include the estimated transmission network upgrade costs from the most recent interconnection studies or interconnection agreement. For energy-only projects, PG&E will consider the reliability network upgrades only. For projects bidding as fully deliverable, PG&E will consider the reliability network upgrades and deliverability network upgrades, along with the project's resource adequacy ("RA") value. As authorized by Resolution E-4414, PG&E may procure plus or minus 20 MW of the targeted capacity within each product category so long as the total capacity procured in each auction is plus or minus 20 MW. PG&E reserves the right to reject Offers if they are uncompetitive with other options, including offers received in other PG&E non-RAM solicitations, or if there is evidence of market manipulation.

B. Resource Adequacy Benefit

For Projects that provide full deliverability, PG&E will assume that new resources achieve full capacity deliverability status on 12/31/2021, and the maximum RA benefit will be included from 1/1/2022 through the remaining term.

As described in Resolution E-4489, PG&E will evaluate the capacity benefits of a proposal by applying the monthly Net Qualifying Capacity ("NQC") to PG&E's forecast of avoided capacity costs. Due to the RA capacity constraint that currently exists on projects that are located in SP15, PG&E currently discounts the capacity value of SP15 resources and is expected to assign different values to projects that have delivery points located in NP15 versus SP15. This constraint may change in the future.

C. Supplier Diversity

It is the policy of PG&E that Women-, Minority-, and Service Disabled Veteran-owned Business Enterprises ("WMDVBES") shall have the maximum practicable opportunity to participate in this RFO and other competitive solicitations. PG&E will evaluate each offer and how it contributes to PG&E's supplier diversity goals. The supplier diversity evaluation will take into account the Participant's status as a WMDVBE and/or intent to subcontract to WMDVBES. Offers must include documentation of the Participant's WMDVBE status in the form provided at Appendix E. The PPA has been updated to require compliance with PG&E's Supplier Diversity program and periodic reporting on diverse spend.

D. Seller Concentration

PG&E is not limiting the number of Offers submitted by a single Participant. However, to ensure that the market for Products sought in this RFO remains competitive, PG&E may cap the amount awarded to a Seller at 20 MW the total MW awarded in this RFO to any single Participant.

V. Guidelines for Offer Development:

A. Price

Participants must submit with their Offer their best and final price using the Energy Pricing Sheet of the Offer Form in Appendix A. PG&E will not consider updated or “refreshed” price offers submitted after the Offer submittal deadline. The Product price must be stated in annual \$/MWh and may be escalated over the 10, 15 or 20 year term of the RAM PPA. Product quantities can vary annually to reflect degradation of the facility, if applicable.

Pursuant to the RAM PPA, Sellers will be paid the contract price multiplied by the applicable TOD factor for each hour. For purposes of bid evaluation, PG&E will levelize bid prices after applying the applicable standard Time of Delivery (“TOD”) factors as specified below and incorporating transmission upgrade costs, less the resource adequacy benefits as applicable, in order to compare all offers on a consistent basis.

The price submitted by Participant for an Offer must include, without limitation, the following: (a) all awards, subsidies, and tax credits with respect to the Project, (b) all other benefits that Participants expects to apply, (c) any costs incurred by Participant, including any interconnection costs, (d) the acceptance, without reservation or revision, of the non-price terms and conditions in the RAM PPA, and (e) the assumption that the Product price will be adjusted in each hour of delivery by the energy payment allocation factors set forth in the table below by PG&E.

B. Deliverability

Participants will have the option of submitting their projects into the RAM RFO program as either an energy-only resource or full capacity deliverability resource. Sellers are encouraged to bid their projects both ways, with different prices as applicable. The energy-only TOD factors will apply to projects that price their offer with full deliverability up until finding of full capacity deliverability is achieved

For a project that bids as energy-only, but later gets a finding of full deliverability via the annual assessment, there will be no adjustment to the TOD factors because changing the TOD factors and resulting payments under the PPA would alter the basis on which the Participants’ Offer was selected.

Time of Delivery Factors

TOD FACTORS FOR EACH FULLY DELIVERABLE TOD PERIOD			
Period	1. Super-Peak	2. Shoulder	3. Night
A. June – September	2.297	1.069	0.798
B. Oct - Dec, Jan & Feb	0.953	0.857	0.808
C. Mar – May	1.041	0.819	0.828

TOD FACTORS FOR EACH ENERGY ONLY TOD PERIOD			
Period	1. Super-Peak	2. Shoulder	3. Night
A. June – September	1.157	1.011	0.951

B. Oct - Dec, Jan & Feb	1.071	1.018	0.963
C. Mar – May	0.907	0.937	0.987

TOD factors shown are consistent with factors shown in PG&E’s 2012 RPS Protocol.

Definitions:

1. **Super-Peak** (5x8) = hours ending 13-20 (Pacific Prevailing Time (PPT)) Monday - Friday (*except* NERC Holidays) in the applicable Monthly Period.
2. **Shoulder** = hours ending 7 - 12, 21 and 22 PPT Monday - Friday (*except* NERC Holidays); and hours ending 7-22 PPT Saturday, Sunday and all NERC Holidays in the applicable Monthly Period.
3. **Night** (7x8) = hours ending 1-6, 23 and 24 PPT all days (including NERC Holidays) in the applicable Monthly Period.

“NERC Holidays” mean the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Three of these days, Memorial Day, Labor Day, and Thanksgiving Day, occur on the same day each year. Memorial Day is the last Monday in May; Labor Day is the first Monday in September; and Thanksgiving Day is the fourth (4th) Thursday in November. New Year’s Day, Independence Day, and Christmas Day occur on the same date each year, but in the event any of these holidays occur on a Sunday, the “NERC Holiday” is celebrated on the Monday immediately following that Sunday; and if any of these holidays occur on a Saturday, the “NERC Holiday” remains on that Saturday. Notwithstanding anything to the contrary, NERC Holidays shall be calculated as “Shoulder” hours for all non-“Night” hours and any remaining hours shall be calculated as “Night” hours.

C. RAM PPA Terms and Condition

Any successful Offers must be formalized by the execution of a final RAM PPA. PG&E has provided a form RAM PPA in Appendix B, and the summary of certain terms within the RAM PPA provided in this section of the protocol is not meant to provide a substitute for a careful review of the actual RAM PPA. In this case of any conflict between this protocol and the RAM PPA, the RAM PPA will control.

The terms and conditions of the form RAM PPA are non-negotiable. PG&E will accept changes to the RAM PPA only with regard to Project-specific details identified in the RAM PPA cover sheet, including Product Category, Full or Excess Sales, Energy Only or Full Capacity Deliverability Status, Contract Price, Contract Length, and Contract Quantity. Any other changes made to the terms and conditions of the form RAM PPA will result in rejection from this RFO.

The delivery term of any executed RAM PPA will be 10, 15 or 20 years. The period of 10, 15, or 20 years will commence on the first date that the Participant delivers the Product to PG&E from the Project.

The RAM PPA requires PG&E's counterparty to submit a project development milestone timeline (Appendix IX to the RAM PPA) upon execution of the RAM PPA and to provide progress reports to PG&E every six months on the Project's progress towards the achievement of the development milestones until the project begins energy deliveries. For Projects being bid as fully deliverable, the RAM PPA includes an estimate of when full capacity deliverability status will be attained. Seller is not contractually bound by the estimate, but the RAM PPA does require that Sellers attain full capacity deliverability status no later than December 31, 2021. If Seller has not achieved full capacity deliverability status by that time, then PG&E will have the right to declare an event of default and terminate the PPA. If PG&E exercises this default right, then Seller will be subject to mark-to-market damages that will be limited to the amount of Seller's delivery term security. Sellers that are not confident of their ability to become fully deliverable by December 31, 2021 should bid in as energy-only.

The RAM PPA requires a Participant to post collateral in the form of cash or letter of credit from a reputable U.S. bank in the following amounts and by the time discussed below:

- **Project Development Security:** \$60 per kW for As-Available facilities or \$90 per kW for Baseload facilities, respectively, due within five (5) Business Days following CPUC approval of the RAM PPA. The development deposit will be refunded upon Commercial Operation Date or applied to the subsequent Performance Deposit.
- **Delivery Term Security:** An amount equal to 5% of expected total Project revenues. This amount is equal to 6 months of revenue for a 10 year PPA, 9 months of revenue for a 15 year PPA, or 12 months of revenue for a 20 year PPA, due on the Commercial Operation Date.

Under the RAM PPA, the Project Development Security will be retained by PG&E in the event that the Project should fail to come online by the contractual deadline. Delivery Term Security will be held throughout the 10, 15 or 20-year delivery term.

VI. Information Regarding Interconnection to PG&E's Electric System and Interconnection Screens

Many factors influence the feasibility and cost of interconnecting generating facility systems to an electric system. These factors include, but are not necessarily limited to, the size and type of the system, substation and circuit load and capability, voltage regulation and voltage flicker. Nonetheless, in an effort to assist developers in selecting appropriate sites for their Projects and in accordance with the RAM Decision, PG&E has created a web-based map that provides an extensive amount of substation and circuit information. This map and supporting documentation allows developers to determine, among other information, the available capacity of any particular distribution or transmission circuit on PG&E's service territory, defined as the total capacity less allocated capacity. For security purposes, access to the map will be granted to any person who registers with PG&E at no cost.

The map is a tool intended to assist Participants to identify and/or evaluate potential Project locations. However, PG&E does not guarantee that conditions in these areas will remain the same or that property suitable for participation in this RFO is available. In addition, actual interconnection requirements and applicable costs will be determined from further detailed studies that will consider a Participant's specific Project location, size, and application date relative to PG&E's electric system and other projects in the same vicinity.

PG&E intends to enhance its map as additional circuit-level information becomes available. PG&E will also update the information it provides on a monthly basis. Notifications of significant changes to the map design will be posted on PG&E's RAM RFO Website and sent to registered Participants.

Electric Generation Interconnection Services

All generators must reach commercial operation within 24 months of RAM PPA approval. Sellers are responsible for understanding the relevant interconnection procedures and ensuring they can interconnect within the mandated timelines.

Distribution System Interconnections

Any application for interconnection to PG&E's can now be submitted through an online form available at the: http://www.pge.com/wholesale_apply/.

Any interconnection questions must be directed to PG&E's Electric Generation Interconnection department at the email address: wholesalegen@pge.com.

Information regarding interconnection to the PG&E Electric Grid is available at the following site: <http://www.pge.com/wholesale/>

The PG&E Wholesale Distribution Tariff ("WDT") Generator Interconnection Procedures ("GIP") includes three application procedures: (1) The "[Fast Track Procedure](#)" for generators no larger than 5 MW (2 MW on 12kV, 3MW on 21kV, and 5MW on higher voltages) in size that pass the "Screens" given in section 2 of Attachment I of the WDT; (2) the "[Independent Study Process](#)" for all generators that are electrically

independent from other generators or clusters of generators per section 3 of Attachment I of the WDT; and (3) the “[Cluster Study Process](#)” for interconnection requests that will be studied together with those interconnection requests it is electrically dependent with if applicable. The WDT currently in effect can be found at:

http://www.pge.com/includes/docs/pdfs/shared/customerservice/nonpgeutility/electrictransmission/tariffs/PGE_Wholesale_Distribution_Tariff.pdf

PG&E’s Generation Interconnection Services contact for this RFO is William Chung (mwcb@pge.com).

Transmission System Interconnections

Any application for interconnection to PG&E’s transmission system (generally 60kV and greater) must be directed to the CAISO in accordance with the CAISO Tariff. Please note that the CAISO is managing interconnection requests pursuant to the Generator Interconnection Procedures (“GIP”), which is Appendix Y to the CAISO Tariff. The GIP includes similar three application procedures as compared to PG&E’s WDT. For more information, please refer to the CAISO Tariff via the CAISO website at:

<http://www.caiso.com/planning/Pages/GeneratorInterconnection/GeneratorInterconnectionApplicationProcess/Default.aspx>.

Non-PG&E System Interconnections

For interconnection applications to SCE or SDG&E, seller should contact the applicable utility or CAISO assigned representative.

Resource Adequacy and Reform

Under the CAISO Tariff and PG&E WDT Generator Interconnection Procedures, all interconnection requests under the Independent Study Process or Cluster Process may request interconnection as a “full capacity” resource. Please refer to PG&E’s or CAISO’s website referenced above for more details.

Customers seeking to interconnect using either PG&E’s WDT Fast Track process or the CAISO's Fast Track process would not be eligible for “full capacity” deliverability assessments until interconnected and will need to bid their project in as energy-only.

Pursuant to the RAM PPA, a Participant is responsible for funding reliability network upgrades and should reflect that requirement in its Offer price. If a Participant chooses to submit their project as fully deliverable, the seller must also fund any network upgrades required for full capacity deliverability. Seller is expected to achieve full capacity deliverability status by December 31, 2021.

Participants that have selected to bid their project in as fully deliverable will be required to demonstrate that they are actively pursuing a finding of full capacity deliverability status in Phase II of the Cluster Study Process or have a completed assessment finding

that the project is deliverable in the annual deliverability process at the time of offer submittal.

VII. Required Information

A. Submission Overview

Offers must be received by PG&E via email sent to RAMRFO@pge.com. The IE must also be included in the email transmission. The IE's email address is Charles.Adkins@abb.ventyx.com. An acknowledgement of receipt of each Offer will be sent by PG&E via return email.

Electronic Documents: The electronic documents for the attachments must be in a Microsoft Word, Excel file or Adobe Acrobat PDF file as applicable. The Participant should not provide documents in other electronic formats and versions. For each document, please include a company name in each file name. **Telephonic, telegraphic, hardcopy or facsimile transmission of an Offer is not acceptable.**

B. Required Forms

The following documents, which are located in the Appendices, must be completed and included with each Offer:

- 1. Completed Offer Form and Developer Experience Form (Appendix A).** Participant must provide a complete Offer form. Please provide all applicable information requested in the form and include the Project's expected generation profile, CAISO or utility cost estimate for the needed network upgrade costs. Participant must also include the interconnection queue position on the Offer form. Format: MS Excel
- 2. A Completed RAM PPA Cover Sheet (Appendix B).** The cover sheet includes spaces for facility details, pricing, and product type. Other mark-ups are not permitted and will result in rejection of the Offer. Format: MS Word
- 3. Site Control Questionnaire and Attestation (Appendix C).** Participant must attest to site control and provide a description of the project location, in a (1) Google kml/kmz, ESRI shape or other GIS data file of the project boundary, or (2) a digital map (.pdf, jpg, tiff, etc.) of the project boundary, access roadways and the rights-of-way for all interconnecting utilities on aerial, street or USGS topo background. Format: PDF or applicable GIS data file format
- 4. Acknowledgement and Commitment of Site Owner Letter (Appendix D).** **This only applies to projects that are 5 MW or less.** The owner of the site on which Participant's Project is proposed to be located must attest to familiarity with the CSI and NEM alternatives. The Participant and the owner of the site must also commit not to sell Product from the Project under these other program alternatives throughout the term of the RAM PPA, if executed. Format: PDF

5. **Supplier Diversity Questionnaire (Appendix E).** Participant must complete the Questionnaire, which requires the Participant to describe its status, if applicable, as a WMDVBE and its plans, if any, to engage in activities that support PG&E's supplier diversity goals. Format: MS Word
6. **Interconnection Studies.** Participants must submit a completed System Impact Study, at least a Phase I interconnection study, or provide documentation that the project has passed the WDT or CAISO Fast Track screens. Participants bidding in as fully deliverable resource via the interconnection process must provide proof that the Project is in the Phase II process of the deliverability study. Proof may include an email from the CAISO, a receipt from CAISO, a copy of a cashed check or proof of a wire transfer. Format: PDF

VIII. Offer Selection

PG&E will select Offers according to the evaluation criteria described in Section IV. PG&E plans to notify selected Participants by e-mail according to the schedule described above. PG&E may place some offers on a waitlist. Any waitlisted Participants would be selected in order of priority should any one of the selected Offers fail to return an executed RAM PPA pursuant to the schedule outlined above.

IX. Regulation

A. Confidentiality

After contract execution, PG&E plans to submit executed RAM PPAs to the CPUC for approval via a Tier 2 advice letter filing. By participating in the RAM RFO, each Participant acknowledges and expressly authorizes PG&E to publicly disclose the following information as required by the Commission RAM Decision: (1) names of the companies that submitted Offers into PG&E's RAM RFO; (2) number of Offers received by each company; (3) number of Offers received and shortlisted by PG&E; (4) Project size; (5) participating technologies; (6) the number of Projects which passed the project viability screen; (7) location of bids by county level shown in a map format; and (8) the progression of each executed contract's project development milestones.

Except with PG&E's prior written consent, no Participant shall collaborate on or discuss with any other Participant or potential Participant bidding strategies, the substance of any Offer(s), including without limitation the price or any other terms or conditions of any Offer(s), or whether an Offer has been selected.

All information and documents in Participant's Offer clearly identified and marked by Participant as "Proprietary and Confidential" on each page on which confidential information appears, shall be considered confidential information. PG&E shall not disclose such confidential information and documents to any third parties except for PG&E's employees, agents, counsel, accountants, advisors, or contractors who have a need to know such information and have agreed to keep such information confidential

and except as provided otherwise in this section. In addition, Participant's Offer will be disclosed to the IE.

Notwithstanding the foregoing, it is expressly contemplated that the information and documents submitted by Participant in connection with this RFO may be provided to the CPUC, its staff, and the Procurement Review Group ("PRG"), established pursuant to D. 02-08-071. PG&E retains the right to disclose any information or documents provided by Participant to the CPUC, the PRG, the California Energy Commission ("CEC") and to any other entity in order to comply with any applicable law, regulation, or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over PG&E at any time even in the absence of a protective order, confidentiality agreement, or nondisclosure agreement, as the case may be, without notification to Participant and without liability or any responsibility of PG&E to Participant. PG&E cannot ensure that the CPUC will afford confidential treatment to Participant's confidential information, or that confidentiality agreements or orders will be obtained from and/or honored by the PRG, the CEC, or the CPUC. By submitting an Offer, Participant agrees to the confidentiality provisions described in this section.

The treatment of confidential information described above shall continue to apply to information related to Projects that are selected in this RFO and formalized through execution of a RAM PPA.

B. Changes to RFO

By responding to this RFO, each Participant agrees to be bound by all terms, conditions and other provisions of this RFO and any changes or supplements to it that may be issued by PG&E.

X. Communications:

PG&E has established the RAM RFO website at www.pge.com/rfo where Participants may register and where all the RAM RFO documents, information, announcements and Q&As are posted and available to Participants.

To promote accuracy and consistency of the information provided to all Participants, PG&E encourages Participants to submit any inquiries via e-mail directed to RAMRFO@pge.com. With respect to matters of general interest raised by any Participant, PG&E may, without reference to the specific Participant raising such matter or initiating the inquiry, post responses on its website. PG&E may, in its sole discretion, decline to respond to any email or other inquiry without liability or responsibility.

Any exchange of material information regarding this RFO between Participant and PG&E must be submitted to both PG&E and the Independent Evaluator, whose email address is Charles.Adkins@abb.ventyx.com.

PG&E may elect to respond to inquiries or comments by individual Participants concerning purely procedural or administrative matters, but may also decline to do so in

its sole discretion without liability or responsibility.

XI. Submission of Signed RAM PPAs

Within ten (10) calendar days of Offer selection, Participants that wish to continue in the PG&E RAM RFO must submit a signed RAM PPA and required documentation for each selected Project meeting all RFO conditions both to PG&E at RAMRFO@pge.com and the IE at Charles.Adkins@abb.ventyx.com.

XII. Procurement Review Group Review

Following completion of the evaluation and rankings of Offers, PG&E will submit the results of the evaluation and its recommendations to its PRG members. PG&E will consider any alternative recommendations proposed by the PRG. PG&E, in its sole discretion, shall determine whether any alternatives proposed by the PRG should be adopted. PG&E has no obligation to obtain the concurrence of the PRG with respect to any Offer.

PG&E assumes no responsibility for the actions of the PRG, including actions that may delay or otherwise affect the schedule for this Solicitation, including the timing of the selection of Offers and the obtaining of Regulatory Approval.

XIII. Regulatory Approval

The effectiveness of any executed RAM PPA is expressly conditioned on PG&E's receipt of final and non-appealable CPUC approval of such RAM PPA.

XIV. Participant's Waiver of Claims and Limitations of Remedies

Except as expressly set forth in this Protocol, by submitting an Offer, Participant knowingly and voluntarily waives all remedies or damages at law or equity concerning or related in any way to the RFO, the RFO Protocol and/or any attachments to the RFO Protocol ("Waived Claims"). The assertion of any Waived Claims by Participant may, to the extent that Participant's Offer has not already been disqualified, automatically disqualify such Offer from further consideration in the Solicitation or otherwise.

By submitting an Offer, Participant agrees that the only forums in which Participant may assert any challenge with respect to the conduct or results of the RFO is in the proceeding related to the CPUC's Decision ("D.") 10-12-048 adopted on December 17, 2010, or through the alternative dispute resolution ("ADR") services provided by the CPUC pursuant to Resolution ALJ-185, August 25, 2005. The ADR process is voluntary in nature, and does not include processes, such as binding arbitration, that impose a solution on the disputing parties. However, PG&E will consider the use of ADR under the appropriate circumstances. Additional information about this program is available on the CPUC's website at the following link:

www.cpuc.ca.gov/PUBLISHED/Agenda_resolution/47777.htm.

Participant further agrees that other than through the ADR process, the only means of challenging the conduct or results of the Solicitation is a protest to an Advice Letter seeking approval of one or more RAM PPAs entered into as a result of the RFO, that the sole basis for any such protest shall be that PG&E allegedly failed in a material respect to conduct the RFO in accordance with this Protocol, and the exclusive remedy available to Participant in the case of such a protest shall be an order of the CPUC that PG&E again conduct any portion of the RFO that the CPUC determines was not previously conducted in accordance with the RFO Protocol. Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs, and/or attorneys fees. Unless PG&E elects to do otherwise in its sole discretion during the pendency of such a protest or ADR process, the RFO and any related regulatory proceedings related to the RFO will continue as if the protest had not been filed, unless the CPUC has issued an order suspending the RFO or PG&E has elected to terminate the RFO.

Participant agrees to indemnify and hold PG&E harmless from any and all claims by any other Participant asserted in response to the assertion of a Waived Claim by Participant or as a result of a Participant's protest to an advice letter filing with the CPUC resulting from the RFO.

Except as expressly provided in this Protocol, nothing herein, including Participant's waiver of the Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of PG&E. Nothing in this Protocol is intended to prevent any Participant from informally communicating with the CPUC or its staff regarding this RFO or any other matter.

XV. Termination of the RFO-Related Matters

PG&E reserves the right at any time, in its sole discretion, to terminate the RFO for any reason whatsoever without prior notification to Participants and without liability of any kind to or responsibility of PG&E or anyone acting on PG&E's behalf. Without limitation, grounds for termination of the RFO may include the assertion of any Waived Claims by a Participant or a determination by PG&E that, following evaluation of the Offers, there are no Offers that are cost competitive.

PG&E reserves the right to change to terminate further participation in this process by any Participant, to evaluate the qualifications of any Participant, and to reject any or all Offers, all without notice and without liability to PG&E or anyone acting on PG&E's behalf.

In the event of termination of the RFO for any reason, PG&E will not reimburse the Participant for any expenses incurred in connection with the RFO regardless of whether such Participant's Offer is selected, not selected, rejected or disqualified.

Unless earlier terminated, the RFO will terminate automatically upon the execution of one or more RAM PPAs by selected Participants as described herein. In the event that no RAM PPAs are executed, then the RFO will terminate automatically on 12 months after issuance of the RFO.

XVI. Participant's Representations and Warranties

Breach by any Participant of the representations and warranties of the RFO Attachments is, in addition to any other remedies that may be available to PG&E under applicable law, grounds for immediate disqualification of such Participant from participation in the RFO, and depending on the nature or severity of the breach, may also be grounds for terminating the RFO in its entirety.



Instructions for Attachment A: In-State Bundled Resources (Including Biogas)

Version 1000.20121001

Unless otherwise provided herein, all capitalized terms shall have the meaning ascribed to them in PG&E's Renewables Auction Mechanism Solicitation Protocol dated **November 15, 2012**, or the applicable Agreement.

PLEASE BE SURE TO ENABLE MACROS. OTHERWISE THIS WORKBOOK WILL NOT FUNCTION PROPERLY.

Important Notes

1. Please ensure to submit this file in a **Microsoft Excel format**. **Other formats will not be accepted**.
2. The workbook is set to recalculate automatically; however, if for some reason it is not refreshed automatically, please press **F9** to refresh.

Attachment A1_ Developer Experience Tab

1. Enter developer contact information.
2. Enter prior experience in developing project.
3. Enter the title of your position for the project that you are counting as part of your development experience.

Attachment A2_ Product Description Tab

1. Every cell with a light yellow background **MUST** be filled out. As you fill these fields out, the light yellow background will disappear. If all fields have been filled out, you will see the word "**Complete**" appear at the top of the page. If the word "Complete" does not appear, the form will be deemed invalid and returned to you.
2. Offer form is divided into separate sections.

General Offer Information. Offer variations are accepted. Offers can vary by type of Capacity offered "energy-only" or "full capacity deliverability status"

Project Information

Counterparty Information

Project Location Information (latitude and longitude)

Offer Information

Site Control Information

Technology Type

Technology Operation Experience (provide the website where this technology is currently being used)

Credit Information (this is an auto-calculated field)

Acknowledge of Non-Terms and Conditions

Acknowledge of Waiver and Claims and Limitations of Remedies

Submission History

Attachment A3_ Energy Pricing Tab

1. Enter the contract price per year in \$/MWh.

Attachment A4_ Generation Profile

1. Enter a daily generation profile representative of each calendar month for the first contract year of the PPA.
2. Enter an expected degradation rate to adjust the generation profiles for each subsequent year. You may manually input subsequent year's generation profiles if you need to.
3. In order for the Revenue Calculator to work you will need to ensure that you have entered the following elements: COD, PPA term, Type of Capacity being offered, Contract Price by year, capacity and your generation profile. Once those elements are inputted into your offer form, please press the Expected Revenues button on this tab. For fully deliverable projects that are not already fully deliverable an initial date of **January 1, 2022** is being used for the Full Deliverability TOD values. This is only an assumption; fully deliverable TODs



There are 88 missing inputs. Please fill in all yellow highlighted cells on tabs A1 and A2.

Appendix A2: Participant Proposal Project Description and Contract Information

General Offer Information			
Total Offers		Offer Source	RAM
Offer #		Solicitation #	3
Variant	<Choose>	Bid ID	<Choose_0_of_0_RAM2012_2
		Has this project previously been offered to PG&E?	<Choose>
		Is this project currently under contract?	<Choose>

Project Information	
Full Legal Project Name	
Project Location	
Street Address	
City	State CA Zip Code
County	
Project Description	
Select Facility Status	<Choose One>
QF	Product Type <Choose One>

Counterparty Information	
Counterparty/Legal Entity Name	
Street Address	
City	State <Choose One> Zip Code
Country	
Website	

Location Information	
Latitude	decimal degrees
Longitude	decimal degrees
CREZ	<Choose One>
CREZ Location	Describe

Offer Information	
Select Transaction Type	<Choose One>
Capacity Type	<Choose One>
Full Deliverability Date	
Contract Start Date	
Delivery Term (months)	<Choose One>
Capacity (MW)	
Avg Pre-TOD Price (\$/MWh)	
Description	

Site Control	
Type of Site Control	<Choose One>
Enter Site Control Date:	
Site Owner Name (current):	
Ownership Type over Term:	
Site Owner Address:	
Site Owner City:	
Site Owner State:	<Choose One>
Site Owner ZipCode:	
Site Owner Phone #:	

Additional Information on Existing QF Projects	
QFID Number	Other information for PG&E to identify the QF project
Date Existing PPA will Terminate	
Utility	<Choose>

Technology	
ERR Type	<Choose One>
Solar Technology	
Describe Other	
Cooling Method	CHP <Choose One>
Solar Module Detail	
Company Name	
Model	
Tracking and Orientation	
If filed with the CEC for precertification, enter application date	

Transmission & Generator Information	
Interconnecting Utility	<Choose One>
Intercon Point	
Line Name / #	
Application Status	<Choose One>
Point Status	<Choose One>
Queue Number	
Expected I/A Date	
Voltage (kV)	kV
Interconnection Level	<Choose One>
Delivery Market	<Choose One>
Closest Substation	
Interconnection Applied For?	<Choose One>
Reliability Upgrade Costs (\$)	
Network Upgrade Construction Time	months
Deliverability Upgrade Costs (\$)	
Total Upgrade Costs (\$)	
Other Characteristics	

Technology Operating Experience		
	Site #1	Site #2
Project Name		
Location (City, St)		
Capacity (MW)		
Website		

Technology Viability	
Commercially Proven Technology	<Choose>
Standardized Technology	<Choose>

Acknowledgement of Non-Disclosure Terms and Conditions	
By selecting "Yes", Participant hereby acknowledges that it will abide by the confidentiality terms and conditions stated in Section IX of the RAM RFO Protocol Document.	<Choose>
Electronic Signature	

Acknowledgement of Waiver of Claims and Limitations of Remedies	
By selecting "Yes", Participant hereby acknowledges Participant knowingly and voluntarily waives all remedies or damages at law or equity concerning or related in any way to the Solicitation as described in Section XIV of the RAM RFO Protocol Document.	<Choose>
Electronic Signature	

Credit Information			
	Price	Required	Security Type
Project Development Security (\$'s)	\$60/kW	\$ -	<Choose One>
Delivery Term Security (\$'s)	5% of Total Revenues	\$ -	<Choose One>

Attestation	
By providing the electronic signature, below, Participant hereby attests that all information provided in this Offer Form and in response to this RAM RFO is true and correct to the best of Participant's knowledge as of the date such information is provide.	<Choose>
Electronic Signature	

Project Owners		
Name	Own %	Website URL

Additional Notes



A3: Participant Proposal - Energy Pricing Sheet

Missing Inputs

Full Legal Project Name:

Project Location:

PG&E Project ID: ____<Choose_0_of_0_RAM2012_2

TOD Factors for each Fully Deliverable TOD Period

Baseload and Peaking TOD Performance Requirements

Time of Delivery (TOD) Periods & Factors

Monthly Period	1. Super Peak		2. Shoulder		3. Night	
	Energy	Full Deliv	Energy	Full Deliv	Energy	Full Deliv
June - September	1.157	2.297	1.011	1.069	0.95100	0.798
October - February	1.071	0.953	1.018	0.857	0.96300	0.808
March - May	0.907	1.041	0.937	0.819	0.98700	0.828

Pricing Type

<Choose One>

Escalation Rate _____

Contract Year Number	Contract Year Start Date (mm/dd/yyyy)
1	01/01/00
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	

Contract Year Stop Date (mm/dd/yyyy)
12/31/00

Contract Capacity (MW)	Expected Annual Capacity Factor (%)	Contract Quantity: Expected Annual Net Energy (MWh)	Contract Price (\$/MWh)

0.00% 56,605 \$0.00



Missing Input - Please make sure you have entered profile information

A4: Estimated Energy Production Profile

Full Legal Project Name:

Project Location:

PG&E Project ID: __<Choose_0_of_0_RAM2012_2

IMPORTANT:

- 1) Please provide a generation profile forecast of each month's average-day net output energy production, stated in MW by hour, by month and by year. Generation entered here should exclude onsite use and should be entered in calendar year format.
2) The template is designed and defaulted such that the first year generation profile, when entered, gets auto-populated through out with Annual Degradation given for the convenience of certain types of projects. However, this is not be enforced for all projects and Developers can freely over-write cells to give generation profile that is appropriate for their project.
3) Please run the "Expected Revenue" macro using the button in Cell AE3 after the generation profile has been completed.

Instruction:

To calculate the "Expected Revenue", please ensure the following information is completed:

- 1) Full generation profile pertaining to all the contract years.
2) Pricing.

Not available for index pricing.

Table for Year 1 1900 showing monthly energy production (MW) by hour (0100-2400) and Annual Degradation (0.00%).

Table for Year 2 1901 showing monthly energy production (MW) by hour (0100-2400) and Annual Degradation (0.00%).

Table for Year 3 1902 showing monthly energy production (MW) by hour (0100-2400) and Annual Degradation (0.00%).

Table for Year 4 1903 showing monthly energy production (MW) by hour (0100-2400) and Annual Degradation (0.00%).

Summary table with columns: Expected Revenue, Total MWh, Avg Capacity Factor, Avg Post TOD-Price, Avg annual Contract Quantity(MWh).



A4: Estimated Energy Production Profile

Missing Input - Please make sure you have entered profile information

Full Legal Project Name: Project Location: PG&E Project ID: <Choose_0_of_0_RAM2012_2

Year 5 1904

Table with 26 columns (0100-2400) and 13 rows (Jan-Dec, Total) showing energy production values for Year 5. All values are 0.0.

Year 6 1905

Table with 26 columns (0100-2400) and 13 rows (Jan-Dec, Total) showing energy production values for Year 6. All values are 0.0.

Year 7 1906

Table with 26 columns (0100-2400) and 13 rows (Jan-Dec, Total) showing energy production values for Year 7. All values are 0.0.

Year 8 1907

Table with 26 columns (0100-2400) and 13 rows (Jan-Dec, Total) showing energy production values for Year 8. All values are 0.0.

Year 9 1908

Table with 26 columns (0100-2400) and 6 rows (Jan-May, Total) showing energy production values for Year 9. All values are 0.0.

Appendix B

RAM PROGRAM: Form of Power Purchase Agreement

Standard contract terms and conditions that “may not be modified” per CPUC Decision 07-11-025, and CPUC Decision 10-03-021, as modified by CPUC Decision 11-01-025, are shown in shaded text.

POWER PURCHASE AGREEMENT

Between

PACIFIC GAS AND ELECTRIC COMPANY
(as “Buyer”)

and

(as “Seller”)

Note 1: This Form of Power Purchase Agreement requires deliveries to PG&E in PG&E’s, SCE’s or SDG&E’s service territories.

Note 2: This Form of Power Purchase Agreement is available only for Projects of more than 3 MW but no greater than 20 MW (AC)

POWER PURCHASE AGREEMENT

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APPENDICES

The following Appendices constitute a part of this Agreement and are incorporated into this Agreement by reference:

Appendix I	Form of Letter of Credit
Appendix II	Initial Energy Delivery Date Confirmation Letter
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Appendix IV	Construction Start and Commercial Operation Certification Forms and Procedures
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Appendix XI	Telemetry Parameters for Wind or Solar Facility
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POWER PURCHASE AGREEMENT

COVER SHEET

This Power Purchase Agreement (“Agreement”) is entered into between Pacific Gas and Electric Company, a California corporation (“Buyer” or “PG&E”), and _____ *[insert name of Seller]*, a _____ *[include place of formation and business type]* (“Seller”), as of _____ (“Execution Date”). The information contained in this Cover Sheet shall be completed by Seller and incorporated into the Agreement.

A. Transaction Type

Seller may not modify the Transaction Type designated in this Part A of the Cover Sheet at any time after the Execution Date.

- Product:
- As-Available Non-Peaking
 - As-Available Peaking
 - Baseload

Deliverability:

- Energy Only Status; or
- Full Capacity Deliverability Status
If Full Capacity Deliverability Status is selected, provide the date upon which the Project has or is anticipated to have a Full Capacity Deliverability Status Finding:

Seller shall elect one of the following types of transactions pursuant to Section 3.1(b) of the Agreement:

- Full Buy/Sell
- Excess Sale

Seller shall elect one of the following Delivery Terms:

- ten (10) Contract Years
- fifteen (15) Contract Years
- twenty (20) Contract Years

B. Project Description Including Description of Site

- (i) Project name:
- (ii) Project Site name:
- (iii) Project physical address:
- (iv) Total number of Units at the Project (committed and not committed to Buyer):
- (v) Physical Interconnection Point of Project:
- (vi) Service Territory of Project (must be in PG&E’s, SCE’s or SDG&E’s service territories):

(vii) Substation:

(viii) Technology type: (e.g., wind, solar, geothermal, etc.):

(ix) The nameplate capacity of the Project:

(x) The Contract Capacity: The generation capability designated for the Project shall be [_____] MW net of all auxiliary loads, station electrical uses, and Electrical Losses (the “Contract Capacity”). ***[Provide the maximum capacity to be made available to PG&E pursuant to the transaction, which in the case of an Excess Sale transaction, may be less than the maximum capacity of the Project]***

(xi) Project Development:

a. The Project is an:

- Existing Project
- New Project

1. If the Project is a New Project:

A. The date on which Commercial Operation Date of the Project is expected (must be no later than the Guaranteed Commercial Operation Date):

B. The Expected Construction Start Date of the Project:

2. If the Project is an Existing Project:

A. The Expected Initial Energy Delivery Date (which shall be no later than the Guaranteed Commercial Operation Date) is:

b. Project Development Milestone Schedule ***[to be completed by Buyer and Seller. Insert additional rows if necessary]:***

Identify Milestone	Date for Completion

(xii) Description of Units: The Site contains the following parcel description upon which the generating facility is located and as identified in a topographical map attached to this Cover Sheet.

[INSERT MAP]

(xiii) **Supplier Diversity.** For the purpose of Section 4 of the Supplier Diversity Program obligation set forth in Appendix XIII of this Agreement, Seller’s supplier diversity spend target for work supporting the Project is ___%.

C. Contract Price

The Contract Price for each MWh of Product as measured by Delivered Energy in each Contract Year shall be as follows:

Contract Year	Contract Price (\$/MWh)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	

D. Delivery Term Contract Quantity Schedule

Length of Delivery Term (in Contract Years):

Contract Year	Contract Quantity (MWh)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	

Contract Year	Contract Quantity (MWh)
12	
13	
14	
15	
16	
17	
18	
19	
20	

E. Notices List

Name: [*Seller's Name*], a [*include place of formation and business type*] ("Seller")

All Notices: [*Seller to complete*]

Delivery Address:

Street:

City: State: Zip:

Mail Address: (if different from above)

Attn:

Phone:

Facsimile:

DUNS:

Federal Tax ID Number:

Invoices:

Attn:

Phone:

Facsimile:

Scheduling:

Attn:

Phone:

Facsimile:

Payments:

Attn:

Phone:

Facsimile:

Name: Pacific Gas and Electric Company, a California corporation

("Buyer" or "PG&E")

All Notices:

Delivery Address:

77 Beale Street, Mail Code N12E

San Francisco, CA 94105-1702

Mail Address:

P.O. Box 770000, Mail Code N12E

San Francisco, CA 94177

Attn: Candice Chan (CWW9@pge.com)

Director, Contract Mgmt & Settlements

Phone: (415) 973-7780

Facsimile: (415) 972-5507

DUNS:

Federal Tax ID Number:

Invoices:

Attn: Azmat Mukhtar (ASM3@pge.com)

Manager, Bilateral Settlements

Phone: (415) 973-4277

Facsimile: (415) 973-2151

Scheduling:

Attn: Christopher McNeece (CMM4@pge.com)

Phone: (415) 973-4072

Facsimile: (415) 973-0400

Payments:

Attn: Azmat Mukhtar (ASM3@pge.com)

Manager, Bilateral Settlements

Phone: (415) 973-4277

Facsimile: (415) 973-2151

Wire Transfer:

BNK:
ABA:
ACCT:

Credit and Collections:

Attn:

Phone:
Facsimile:

With additional Notices of an Event of Default
to Contract Manager:

Attn: _____

Phone: _____
Facsimile: _____

Wire Transfer:

BNK:
ABA:
ACCT:

Credit and Collections:

Attn: Justice Awuku (J2AT@pge.com)
Manager, Credit Risk Management
Phone: (415) 973-4144
Facsimile: (415) 973-4071

Contract Manager:

Attn: Chad Curran (CRCq@pge.com)
Manager, Contract Management
Phone: (415) 973-6105
Facsimile: (415) 972-5507

With additional Notices of an Event of Default to:

PG&E Law Department
Attn: Renewables Portfolio Standard attorney
Phone: (415) 973-4377
Facsimile: (415) 972-5952

PREAMBLE

This Power Purchase Agreement, together with the Cover Sheet, appendices and any other attachments referenced herein, is made and entered into between PG&E and Seller, as of the Execution Date set forth in the Cover Sheet. Buyer and Seller hereby agree to the following:

GENERAL TERMS AND CONDITIONS

ARTICLE ONE: GENERAL DEFINITIONS

1.1 “Actual Availability Report” has the meaning set forth in Section 3.1(1)(i)(G). *[For As-Available Product generated by EIRP-eligible facilities only]*

1.2 “Affiliate” means, with respect to any person or entity, any other person or entity (other than an individual) that (a) directly or indirectly, through one or more intermediaries, controls, or is controlled by such person or entity or (b) is under common control with such person or entity. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

1.3 “Agreement” means this Power Purchase Agreement between Buyer and Seller, which is comprised of the Cover Sheet, Preamble, these General Terms and Conditions, and all appendices, schedules and any written supplements attached hereto and incorporated herein by references, as well as all written and signed amendments and modifications thereto. For purposes of Section 10.12, the word “agreement” shall have the meaning set forth in this definition. For purposes of Section 3.1(k)(viii), the word “contract” shall have the meaning set forth in this definition.

1.4 “Arbitration” has the meaning set forth in Section 12.3.

1.5 “As-Available Non-Peaking” Product is As-Available Product with a Capacity Factor less than eighty percent (80%) averaged over all TOD Periods and less than ninety-five percent (95%) of expected output is in the Super Peak and Shoulder peak periods, as defined in Section 4.2.

1.6 “As-Available Peaking” Product is As-Available Product with a Capacity Factor less than eighty percent (80%) averaged over all TOD Periods and ninety-five percent (95%) or more of expected output is in the Super Peak and Shoulder peak periods, as defined in Section 4.2.

1.7 “As-Available Product” means an As-Available Non-Peaking Product or an As-Available Peaking Product that is powered by one of the following sources, except for a *de minimis* amount of Energy from other sources: 1) wind, 2) solar energy, 3) hydroelectric potential derived from small conduit water distribution facilities that do not have storage capability, or 4) other variable sources of energy that are contingent upon natural forces other than geothermal. Subject to the terms of this Agreement, (a) Seller is obligated to sell and deliver and (b) Buyer is obligated to purchase and receive, the Energy component of As-Available Product from the Project whenever such Energy is capable of being generated from the Project. In contrast to Baseload Product, the Seller does not control the availability of fuel supply to the Project producing As-Available Product and lacks the ability to store energy and control the rate of output.

1.8 “Availability Standards” means the program set forth in Section 40.9 of the CAISO Tariff, as it may be amended, supplemented or replaced (in whole or in part) from time to time, setting forth certain standards regarding the desired level of availability for Resource Adequacy resources and possible charges and incentive payments for performance thereunder.

1.9 “Availability Workbook” has the meaning set forth in Appendix X.

1.10 “Available Capacity” means the capacity from the Project, expressed in whole megawatts, that is available to generate Product. *[For As-Available Product facilities only]*

“Available Capacity” means the expected amount of Energy to be produced from the Project, expressed in megawatts. *[For Baseload Product facilities and small hydro facilities only]*

1.11 “Balancing Authority” has the meaning set forth in the CAISO Tariff.

1.12 “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, or has any such petition filed or commenced against it and such case filed against it is not dismissed in ninety (90) days, (b) makes an assignment or any general arrangement for the benefit of creditors, (c) otherwise becomes bankrupt or insolvent (however evidenced), (d) 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 (e) is generally unable to pay its debts as they fall due.

1.13 “Baseload” means a Product for which the Energy delivery levels are uniform twenty-four (24) hours per day, seven (7) days per week and has a Capacity Factor (averaged over all TOD Periods) greater than or equal to eighty percent (80%).

1.14 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday and shall be between the hours of 8:00 a.m. and 5:00 p.m. local time for the relevant Party’s principal place of business where the relevant Party, in each instance unless otherwise specified, shall be the Party from whom the Notice, payment or delivery is being sent and by whom the Notice or payment or delivery is to be received.

1.15 “Buyer” has the meaning set forth in the Cover Sheet.

1.16 “Buyer Bid Curtailment” means the occurrence of all of the following:

(a) the CAISO provides notice to a Party or Buyer’s SC, requiring the Party to produce less Energy from the Project than forecasted to be produced from the Project for a period of time;

(b) for the same time period as referenced in (a), Buyer or Buyer’s SC:

(i) did not submit a Self-Schedule or an Energy Supply Bid for the MW subject to the reduction; or

(ii) submitted an Energy Supply Bid and the CAISO notice referenced in (a) is solely a result of CAISO implementing the Energy Supply Bid; or

(iii) submitted a Self-Schedule for less than the full amount of Energy forecasted to be produced from the Project; and

(c) no other circumstances exist that constitute a Force Majeure and/or a Curtailment Period during the same time period as referenced in (a).

For the avoidance of doubt, if Buyer or Buyer's SC submitted a Self-Schedule for the full amount of Energy forecasted to be produced from the Project for any time period, any notice from the CAISO having the effect of requiring a reduction during the same time period is a Curtailment Order, not a Buyer Bid Curtailment.

1.17 "Buyer Curtailment Order" means the instruction from Buyer to Seller to reduce generation from the Project by the amount, and for the period of time set forth in such order, for reasons unrelated to Force Majeure and/or a Curtailment Order.

1.18 "Buyer Curtailment Period" means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation (inclusive of Ramp Up and Ramp Down as defined herein) from the Project, pursuant to (a) Buyer Bid Curtailment or (b) a Buyer Curtailment Order. For the purpose of this definition of Buyer Curtailment Period, (a) "Ramp Down" shall be equal to (i) Ramp Rate down, multiplied by (ii) the difference between Available Capacity and Curtailed Capacity; and (b) "Ramp Up" shall be equal to (i) Ramp Rate up, multiplied by (ii) the difference between Available Capacity and Curtailed Capacity; where "Curtailed Capacity is the reduced generation capacity as instructed by the Buyer Curtailment Order and "Ramp Rate" has the meaning set forth in the CAISO Tariff.

1.19 "Buyer's Notice" has the meaning set forth in Section 3.9(e)(ii) or Section 11.1(b)(ii), as applicable.

1.20 "Buyer's WREGIS Account" has the meaning set forth in Section 3.1(k)(i).

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

1.22 "CAISO Global Resource ID" means the number or name assigned by the CAISO to the CAISO Project.

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

1.24 "CAISO Penalties" means any fees, liabilities, assessments, or similar charges assessed by the CAISO for (a) violation of the CAISO Tariff and all applicable protocols, WECC rules or CAISO operating instructions or orders or (b) as a result of a Party's failure to follow Good Utility Practices. In either case "CAISO Penalties" do not include the costs and charges related to Scheduling and Imbalance Energy as addressed in Section 4.6(b) of this Agreement.

1.25 "CAISO Revenues" means (a) the credits and other payments received by Buyer, as Seller's Scheduling Coordinator, as a result of test energy from the Project delivered to the Real-Time Market by Seller during the Test Period, including revenues associated with CAISO dispatches and (b) the debits, costs, penalties and interest that are directly assigned by the CAISO to the CAISO Global Resource ID for the Project for, or attributable to, scheduling and deliveries from the Project under this Agreement.

1.26 "CAISO Tariff" means the California Independent System Operator Corporation, Fifth Replacement FERC Electric Tariff (Open Access Transmission Tariff), as it may be amended, supplemented or replaced (in whole or in part) from time to time.

1.27 “California Renewables Portfolio Standard” means the renewable energy program and policies established by California State Senate Bills 1038 and 1078 as amended by Senate Bill SB1X, and codified in 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.

1.28 “Capacity Attributes” means any current or future defined characteristic, certificate, tag, credit, or ancillary service attribute, whether general in nature or specific as to the location or any other attribute of the Project, intended to value any aspect of the capacity of the Project to produce Energy or ancillary services, including any accounting construct so that the full Contract Capacity of the Project may be counted toward a Resource Adequacy Requirement or any other measure by the CPUC, the CAISO, the FERC, or any other entity invested with the authority under federal or state Law, to require Buyer to procure, or to procure at Buyer’s expense, Resource Adequacy or other such products.

1.29 “Capacity Factor” has the meaning set forth in Section 4.3.

1.30 “Capacity Test” has the meaning set forth in Appendix IV-2 attached hereto. [***For Baseload Product only***]

1.31 “CEC” means the California Energy Commission or its successor agency.

1.32 “CEC Certification and Verification” means that the CEC has certified (or, with respect to periods before the Project has been constructed, that the CEC has pre-certified) that the Project is an ERR for purposes of the California Renewables Portfolio Standard and that all Energy produced by the Project qualifies as generation from an ERR for purposes of the Project.

1.33 “Claims” means all third-party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination or expiration of this Agreement.

1.34 “Commercial Operation” means the Project is operating and able to produce and deliver the Product to Buyer pursuant to the terms of this Agreement and in the case of Baseload Product, as further provided in Appendix IV-2.

1.35 “Commercial Operation Date” for As-Available Products means the date on which Seller (a) notifies Buyer that Commercial Operation has commenced and (b) provides a certification of a Licensed Professional Engineer, substantially in the form attached hereto as Attachment A to Appendix IV-2, demonstrating satisfactory completion of the Commercial Operation Certification Procedure as provided in Attachment A to Appendix IV-2 hereto. “Commercial Operation Date” for Baseload Products means the date on which Seller notifies Buyer that Commercial Operation has commenced and Buyer accepts in writing the results of Seller’s Capacity Test report in compliance with the Commercial Operation Certification Procedure as provided in Appendix IV-2 hereto.

1.36 “Compliance Costs” means all reasonable out-of-pocket costs and expenses incurred by Seller and paid directly to third parties in connection with any of the obligations under Sections 3.1(j) (Greenhouse Gas Emissions Reporting), 3.1(k) (WREGIS), 3.1(n) (Obtaining and Maintaining CEC Certification and Verification), 3.3 (Resource Adequacy), 3.4(b) (EIRP Requirements), and 10.2(b) (ERR), and under Appendix VII (Resource Adequacy) including registration fees, volumetric fees, license renewal fees, external consultant fees and capital costs necessary for compliance, but excluding Seller’s

internal administrative and staffing costs, due to a change, amendment, enactment or repeal of Law after the Execution Date which requires Seller to incur additional costs and expenses in connection with any of such obligations, in excess of the costs and expenses incurred for such obligations under the Law in effect as of the Execution Date. Compliance Costs do not include any amounts designated in the Project's full capacity deliverability study to obtain FCDS nor any costs and expenses incurred by Seller for FCDS studies.

1.37 "Compliance Cost Cap" has the meaning set forth in Section 3.1(o).

1.38 "Condition Precedent" means each of, or one of, the conditions set forth in Section 2.4(a)(i) through (iv) and "Conditions Precedent" shall refer to all of the conditions set forth in Section 2.4(a)(i) through (iv).

1.39 "Construction Start Date" means the later to occur of the date on which Seller delivers to Buyer (a) a copy of the Notice to Proceed that Seller has delivered to the EPC Contractor for the Project, and (b) a written Certification substantially in the form attached hereto as Attachment A to Appendix IV-1.

1.40 "Contract Capacity" means the generation capacity designated for the Project in the Cover Sheet.

1.41 "Contract Capacity Commitment" means the amount of the Contract Capacity that may be constructed pursuant to the material Governmental Approvals received or obtained by Seller as of, for a New Project, the Guaranteed Commercial Operation Date (as may be extended pursuant to Section 3.9(c)), and for an Existing Project, the Expected Initial Energy Delivery Date specified on the Cover Sheet.

1.42 "Contract Price" means the price in United States dollars (\$U.S.) (unless otherwise provided for) to be paid by Buyer to Seller for the purchase of the Product, as specified in the Cover Sheet.

1.43 "Contract Quantity" means the quantity of Delivered Energy expected to be delivered by Seller during each Contract Year as set forth in the Cover Sheet.

1.44 "Contract Year" means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Initial Energy Delivery Date and each subsequent Contract Year shall commence on the anniversary of the Initial Energy Delivery Date.

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

1.46 "Cover Sheet" means the cover sheet to this Agreement, completed by Seller and incorporated into the Agreement.

1.47 "CPUC" or "Commission or successor entity" means the California Public Utilities Commission, or successor entity.

1.48 “CPUC Approval” means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer’s administration of the Agreement; and

(b) finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer’s compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

For purposes of this section, a CPUC Energy Division disposition which contains such findings or deems approved an advice letter requesting such findings shall be deemed to satisfy the CPUC decision requirement.

1.49 “Credit Rating” means, with respect to any entity, (a) the rating then assigned to such entity’s unsecured senior long-term debt obligations (not supported by third party credit enhancements) or (b) if such entity does not have a rating for its unsecured senior long-term debt obligations, then the rating assigned to such entity as an issuer rating by S&P and/or Moody’s. If the entity is rated by both S&P and Moody’s and such ratings are not equivalent, the lower of the two ratings shall determine the Credit Rating. If the entity is rated by either S&P or Moody’s, but not both, then the available rating shall determine the Credit Rating.

1.50 “Cure” has the meaning set forth in Section 8.5(b).

1.51 “Cure Payment Period” has the meaning set forth in Section 3.1(e)(iii).

1.52 “Curtailed Order” means any of the following:

(a) the CAISO, Reliability Coordinator, Balancing Authority or any other entity having similar authority or performing similar functions during the Delivery Term, orders, directs, alerts, or provides notice to a Party to curtail Energy deliveries, which may come in the form of a request to return to schedule consistent with the CAISO Tariff, for reasons including (i) any system emergency, as defined in the CAISO Tariff (“System Emergency”), (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes the CAISO’s electric system integrity or the integrity of other systems to which the CAISO is connected, or (iii) any warning, forecast, or anticipated overgeneration conditions;

(b) a curtailment ordered by the Participating Transmission Owner, distribution operator (if interconnected to distribution or sub-transmission system), or any other entity having similar authority or performing similar functions during the Delivery Term, for reasons including (i) any situation that affects normal function of the electric system including 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;

(c) scheduled or unscheduled maintenance or construction on the Participating Transmission Owner's or distribution operator's transmission or distribution facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Delivered Energy at the Delivery Point; or

(d) a curtailment in accordance with Seller's obligations under its interconnection agreement with the Participating Transmission Owner or distribution operator.

1.53 "Curtailment Period" means the period of time during which Seller reduces generation from the Project pursuant to a Curtailment Order.

1.54 "Damage Payment" means the dollar amount equal to the amount initially posted as Project Development Security pursuant to Section 8.4(a).

1.55 "DA Price" is defined as the resource specified locational marginal pricing ("LMP") price applied in the CAISO day ahead market.

1.56 "DA Scheduled Energy" is defined as the Day-Ahead Scheduled Energy as defined in the CAISO Tariff.

1.57 "Day-Ahead Availability Notice" has the meaning set forth in Section 3.4[(b)][(c)](iii)(C).

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

1.59 "Deemed Delivered Energy" means the amount of Energy expressed in MWh that the Project would have produced and delivered to the Delivery Point, but that is not produced by the Project and delivered to the Delivery Point during a Buyer Curtailment Period, which amount shall be ***[For As-Available Products the following bracketed language applies]*** [the result of the equation provided pursuant to Section 3.1(l)(i)(G) and using relevant Project availability, weather and other pertinent data for the period of time during the Buyer Curtailment Period.] ***[For Baseload Products the following bracketed language applies]*** [determined by reference to the relevant Project availability and historical data provided as required pursuant to Section 3.1(l); however, in the event a Buyer's Curtailment Period occurs prior to the fifth month of the first Contract Year, the amount of historical data accumulated to date shall be sufficient.]

1.60 "Defaulting Party" means the Party that is subject to an Event of Default.

1.61 "Deficient Month" has the meaning set forth in Section 3.1(k)(v).

1.62 "Delay" means a Permitting Delay or Transmission Delay, as set forth in Section 3.9(c).

1.63 "Deliverability Assessment" has the meaning set forth in the CAISO Tariff.

1.64 "Delivered Energy" means all Energy produced from the Project as measured in MWh at the CAISO revenue meter(s) of the Project based on a power factor of precisely one (1) and net of all Electrical Losses provided that Delivered Energy, in any hour, shall never exceed ***[As-Available Sellers, use the following bracketed language:]*** [one-hundred ten percent (110%) of Contract Capacity] ***[Baseload Sellers, use the following bracketed language:]*** [the Contract Capacity].

1.65 "Delivery Network Upgrades" has the meaning set forth in the CAISO Tariff or Participating TO's tariff, as applicable.

1.66 “Delivery Point” means the point at which Buyer receives Seller’s Product, as identified in Section 3.1(d).

1.67 “Delivery Term” has the meaning set forth in Section 3.1(c) and shall be of the length specified in the Cover Sheet.

1.68 “Delivery Term Security” means the Performance Assurance that Seller is required to maintain, as specified in Article Eight, to secure performance of its obligations during the Delivery Term.

1.69 “Disclosing Party” has the meaning set forth in Section 10.7(a)(v).

1.70 “Distribution Loss Factor” is a multiplier factor that reduces the amount of Delivered Energy produced by a Project connecting to a distribution system to account for the electrical distribution losses, including those related to distribution and transformation, occurring between the point of interconnection, where the Participating Transmission Owner’s meter is physically located, and the first Point of Interconnection, as defined in the CAISO Tariff, with the CAISO Grid.

1.71 “Distribution Upgrades” has the meaning set forth in the CAISO Tariff or Participating TO’s tariff, as applicable.

1.72 “DUNS” means the Data Universal Numbering System, which is a unique nine character identification number provided by Dun & Bradstreet, Inc.

1.73 “Early Termination Date” has the meaning set forth in Section 5.2(a).

1.74 “Effective Date” means the date on which all of the Conditions Precedent set forth in Section 2.4(a) have been satisfied or waived in writing by both Parties.

1.75 “Effective FCDS Date” means the date on which Seller provides Buyer Notice and documentation from CAISO that the Project has attained Full Capacity Deliverability Status, which Buyer subsequently finds, in its reasonable discretion, to be adequate evidence that the Project has attained Full Capacity Deliverability Status.

1.76 “Electrical Losses” means all applicable losses, including the following: (a) any transmission or transformation losses between the CAISO revenue meter(s) and the Delivery Point; and (b) the Distribution Loss Factor, if applicable.

1.77 “Electric System Upgrades” means any Network Upgrades, Distribution Upgrades, or Interconnection Facilities that are determined to be necessary by the CAISO or Participating Transmission Owner, as applicable, to physically and electrically interconnect the Project to the Participating Transmission Owner’s electric system for receipt of Energy at the Point of Interconnection (as defined in the CAISO Tariff) if connecting to the CAISO Grid, or the Interconnection Point, if connecting to a part of the Participating TO’s electric system that is not part of the CAISO Grid.

1.78 “Electrician” means any person responsible for placing, installing, erecting, or connecting any electrical wires, fixtures, appliances, apparatus, raceways, conduits, solar photovoltaic cells or any part thereof, which generate, transmit, transform or utilize energy in any form or for any purpose.

1.79 “Eligible Intermittent Resource Program” or “EIRP” means the Eligible Intermittent Resource Protocol, as may be amended from time to time, as set forth in the CAISO Tariff.

1.80 “Eligible LC Bank” means either a U.S. commercial bank, or a foreign bank issuing a Letter of Credit through its U.S. branch; and in each case the issuing U.S. commercial bank or foreign bank must be acceptable to Buyer in its sole discretion and such bank must have a Credit Rating of at least: (a) “A-, with a stable designation” from S&P and “A3, with a stable designation” from Moody’s, if such bank is rated by both S&P and Moody’s; or (b) “A-, with a stable designation” from S&P or “A3, with a stable designation” from Moody’s, if such bank is rated by either S&P or Moody’s, but not both, even if such bank was rated by both S&P and Moody’s as of the date of issuance of the Letter of Credit but ceases to be rated by either, but not both of those ratings agencies.

1.81 “Eligible Renewable Energy Resource” or “ERR” has the meaning set forth in California Public Utilities Code Section 399.12 and California Public Resources Code Section 25741, as either code provision is amended or supplemented from time to time.

1.82 “Energy” means three-phase, 60-cycle alternating current electric energy measured in MWh and net of auxiliary loads and station electrical uses (unless otherwise specified). For purposes of Section 1.128, “Green Attributes,” the word “energy” shall have the meaning set forth in this definition.

1.83 “Energy Deviation(s)” means the absolute value of the difference, in MWh, in any Settlement Interval between (a) the final accepted Bid (as defined in the CAISO Tariff) submitted for the Project for the hour of the Settlement Interval divided by the number of Settlement Intervals in the hour; and (b) Delivered Energy for the Settlement Interval.

1.84 “Energy Investment Tax Credit” or “ITC” means the tax credit for “energy property” described in Section 48(a)(3)(A)(i) and 48(a)(5) of the Internal Revenue Code of 1986, as it may be amended or supplemented from time to time.

1.85 “Energy Only Status Seller” or “EOS Seller” means a Seller that has selected Energy Only Status in the Cover Sheet. For avoidance of doubt, an EOS Seller does not have an obligation to have or obtain a Full Capacity Deliverability Status Finding.

1.86 “Energy Supply Bid” has the meaning set forth in the CAISO Tariff.

1.87 “EPC Contract” means the Seller’s engineering, procurement and construction contract with the EPC Contractor.

1.88 “EPC Contractor” means an engineering, procurement, and construction contractor, or if not utilizing an engineering, procurement and construction contractor, the entity having lead responsibility for the management of overall construction activities, selected by Seller, with substantial experience in the engineering, procurement, and construction of power plants of the same type of facility as the Seller’s; provided, however, that the Seller or the Seller’s affiliate(s) may serve as the EPC Contractor.

1.89 “Equitable Defenses” means any bankruptcy, insolvency, reorganization or other Laws affecting creditors’ rights generally and, with regard to equitable remedies, the discretion of the court before which proceedings may be pending to obtain same.

1.90 “Event of Default” has the meaning set forth in Section 5.1.

1.91 “Excess Sale” is the type of transaction described in Section 3.1(b)(ii).

1.92 “Exclusivity Period” has the meaning set forth in Section 3.9(e)(i) or Section 11.1(b)(i), as applicable.

1.93 “Execution Date” means the date specified in the Cover Sheet.

1.94 “Executive(s)” has the meaning set forth in Section 12.2(a).

1.95 “Exempt Wholesale Generator” has the meaning provided in 18 C.F.R. Section 366.1.

1.96 “Existing Project” is a Project that has achieved Commercial Operation on or prior to the Execution Date.

1.97 “Expected Construction Start Date” has the meaning set forth in the Cover Sheet.

1.98 “Expected Initial Energy Delivery Date” is the date specified (by an Existing Project) on the Cover Sheet.

1.99 “FERC” means the Federal Energy Regulatory Commission or any successor government agency.

1.100 “Final Output Report” means the unabridged and unredacted final report provided to Buyer as set forth in Section 3.9(a)(vii) concerning the Energy producing potential of the Site, inclusive of anticipated Planned Outages and Forced Outages on an annual basis, prepared by a Licensed Professional Engineer who shall be retained by Seller. The Energy producing potential of the Site as reflected in the Final Output Report may be expressed on a calendar year by calendar year basis, if necessary to reflect adjustments in such potential over time due to any anticipated degradation of the photovoltaic panels. *[For As-Available Product only]*

1.101 “Final True-Up” means the final payment made pursuant to this Agreement settling all invoices by the Party with an outstanding net amount due to the other Party for the Products delivered prior to the end of the Delivery Term or other amounts due pursuant to this Agreement incurred prior to the end of the Delivery Term.

1.102 “First Offer” has the meaning set forth in Section 3.9(e)(i) or Section 11.1(b)(i), as applicable.

1.103 “Force Majeure” means any event or circumstance which wholly or partly prevents or delays the performance of any material obligation arising under this Agreement, but only if and to the extent (i) such event is not within the reasonable control, directly or indirectly, of the Party seeking to have its performance obligation(s) excused thereby, (ii) the Party seeking to have its performance obligation(s) excused thereby has taken all reasonable precautions and measures in order to prevent or avoid such event or mitigate the effect of such event on such Party’s ability to perform its obligations under this Agreement and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by the exercise of due diligence it has been unable to overcome, and (iii) such event is not the direct or indirect result of the negligence or the failure of, or caused by, the Party seeking to have its performance obligations excused thereby.

(a) Subject to the foregoing, events that could qualify as Force Majeure include the following:

(i) flooding, lightning, landslide, earthquake, fire, drought, explosion, epidemic, quarantine, storm, hurricane, tornado, volcanic eruption, other natural disaster or unusual or extreme adverse weather-related events;

(ii) war (declared or undeclared), riot or similar civil disturbance, acts of the public enemy (including acts of terrorism), sabotage, blockade, insurrection, revolution, expropriation or confiscation;

(iii) except as set forth in subsection (b)(viii) below, strikes, work stoppage or other labor disputes (in which case the affected Party shall have no obligation to settle the strike or labor dispute on terms it deems unreasonable); or

(iv) emergencies declared by the Transmission Provider or any other authorized successor or regional transmission organization or any state or federal regulator or legislature requiring a forced curtailment of the Project or making it impossible for the Transmission Provider to transmit Energy, including Energy to be delivered pursuant to this Agreement; provided that, if a curtailment of the Project pursuant to this subsection (a)(iv) would also meet the definition of a Curtailment Period, then it shall be treated as a Curtailment Period for purposes of Section 3.1(i).

(b) Force Majeure shall not be based on:

(i) Buyer's inability economically to use or resell the Product purchased hereunder;

(ii) Seller's ability to sell the Product at a price greater than the price set forth in this Agreement;

(iii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Project, including a delay that could constitute a Permitting Delay unless caused solely by an Event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(iv) Seller's inability to complete interconnection or Electric System Upgrades by the Guaranteed Commercial Operation Date, including a delay that could constitute a Transmission Delay unless caused solely by an Event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(v) Seller's inability to obtain sufficient fuel, power or materials to operate the Project, except if Seller's inability to obtain sufficient fuel, power or materials is caused solely by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(vi) Seller's failure to obtain additional funds, including funds authorized by a state or the federal government or agencies thereof, to supplement the payments made by Buyer pursuant to this Agreement;

(vii) a Forced Outage except where such Forced Outage is caused by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(viii) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's Affiliates, the EPC Contractor or subcontractors thereof or any other third party employed by Seller to work on the Project;

(ix) any equipment failure except if such equipment failure is caused solely by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above; or

(x) a Party's inability to pay amounts due to the other Party under this Agreement, except if such inability is caused solely by a Force Majeure event that disables physical or electronic facilities necessary to transfer funds to the payee Party.

1.104 "Force Majeure Extension" has the meaning set forth in Section 3.9(c)(ii)(C).

1.105 "Force Majeure Failure" means either Force Majeure Project Failure or Force Majeure Development Failure, as applicable.

1.106 "Force Majeure Development Failure" has the meaning set forth in Section 11.1(a)(ii).

1.107 "Force Majeure Project Failure" has the meaning set forth in Section 11.1(a)(i).

1.108 "Forced Outage" means any unplanned reduction or suspension of the electrical output from the Project or unavailability of the Project in whole or in part from a Unit in response to a mechanical, electrical, or hydraulic control system trip or operator-initiated trip in response to an alarm or equipment malfunction and any other unavailability of a Unit for operation, in whole or in part, for maintenance or repair that is not a Planned Outage and not the result of Force Majeure.

1.109 "Forecasting Penalty" has the meaning set forth in Section 4.6(c)(iii), and "Forecasting Penalties" means more than one Forecasting Penalty. *[For As-Available Product only]*

1.110 "Full Buy/Sell" is the type of transaction described in Section 3.1(b)(i).

1.111 "Full Capacity Deliverability Status" or "FCDS" has the meaning set forth in the CAISO Tariff except that it applies to any Generating Facility (as defined in the CAISO Tariff).

1.112 "Full Capacity Deliverability Status Finding" or "FCDS Finding" means a written confirmation from the CAISO that the Project is eligible for FCDS.

1.113 "Full Capacity Deliverability Status Seller" or "FCDS Seller" means a Seller that selected Full Capacity Deliverability Status in the Cover Sheet and either has previously obtained, or is obligated to obtain per the terms of the Agreement, a Full Capacity Deliverability Status Finding.

1.114 "Gains" means with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 5.3 hereof. Factors used in determining economic benefit may include reference to information either available to it internally or supplied by one or more third parties, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading platforms (e.g., NYMEX), all of which should be calculated for the remaining Delivery Term to determine the value of the Product.

1.115 “Generally Accepted Accounting Principles” means the standards for accounting and preparation of financial statements established by the Federal Accounting Standards Advisory Board (or its successor agency) or any successor standards adopted pursuant to relevant SEC rule.

1.116 “Generator Interconnection Agreement” or “GIA” means, for Projects interconnecting at the transmission level, the agreement and associated documents (or any successor agreement and associated documentation approved by FERC) by and among Seller, the Participating Transmission Owner, and the CAISO governing the terms and conditions of Seller’s interconnection with the CAISO Grid, including any description of the plan for interconnecting to the CAISO Grid. For Projects interconnecting at the distribution level, it means the agreement and associated documents (or any successor agreement and associated documentation) by and between Seller and the Participating Transmission Owner governing the terms and conditions of Seller’s interconnection with the Participating TO’s distribution system, including any description of the plan for interconnecting to Participating TO’s distribution system.

1.117 “Generator Interconnection Process” or “GIP” means the Generator Interconnection Procedures set forth in the CAISO Tariff or Participating TO’s tariff, as applicable, and associated documents; provided that if the GIP is replaced by such other successor procedures governing interconnection (a) to the CAISO Grid or Participating TO’s distribution system, as applicable, or (b) of generating facilities with an expected net capacity equal to or greater than the Project’s Contract Capacity, the term “GIP” shall then apply to such successor procedure.

1.118 “Geothermal Reservoir Report” means a report obtained by Seller from an expert independent consulting firm qualified in geothermal reservoir assessment which assesses the geothermal potential at the Site. *[For Geothermal Projects only]*

1.119 “GEP Base Quantity” means *[for As-Available Products]* [one hundred sixty percent (160%) multiplied by the then-applicable Contract Quantity, except as applied to wind facilities it is one hundred forty percent (140%) multiplied by the Contract Quantity,] *[for Baseload Products]* [ninety percent (90%) of the then-applicable Contract Quantity] *[Photovoltaic facilities only to use the then-applicable Contract Quantities for the Performance Measurement Period]*.

1.120 “GEP Cure” has the meaning set forth in Section 3.1(e)(ii)(B).

1.121 “GEP Damages” has the meaning set forth in Section 3.1(e)(ii)(B).

1.122 “GEP Failure” means Seller’s failure to produce Delivered Energy in an amount equal to or greater than the Guaranteed Energy Production amount for the applicable Performance Measurement Period.

1.123 “GEP Shortfall” means the amount in MWh by which Seller failed to achieve the Guaranteed Energy Production in the applicable Performance Measurement Period.

1.124 “Good Utility Practice” has the meaning provided in the CAISO Tariff.

1.125 “Governmental Approval” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any governmental entity and shall include those siting and operating permits and licenses, and any of the foregoing under any applicable environmental Law, that are required for the construction, use and operation of the Project.

1.126 “Governmental Authority” means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, having jurisdiction as to the matter in question.

1.127 “Governmental Charges” has the meaning set forth in Section 9.2.

1.128 “Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emission 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;¹ (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser’s discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. 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 Project, (ii) production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the project 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 Project for compliance with local, state, or federal operating and/or air quality permits. If the Project is a biomass or biogas 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 Project.

1.129 “Guaranteed Commercial Operation Date” has the meaning set forth in Section 3.9(c)(i).

1.130 “Guaranteed Energy Production” or “GEP” has the meaning set forth in Section 3.1(e)(ii). The GEP provisions do not apply to small hydro Projects.

1.131 “Hour-Ahead Scheduling Process” has the meaning set forth in the CAISO Tariff.

1.132 “Imbalance Energy” has the meaning set forth in the CAISO Tariff.

1.133 “Initial Energy Delivery Date” has the meaning set forth in Section 3.1(c).

1.134 “Initial Negotiation End Date” has the meaning set forth in Section 12.2(a).

¹ Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Green Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

1.135 “Integrated Forward Market” has the meaning set forth in the CAISO Tariff.

1.136 “Interconnection Customer’s Interconnection Facilities” has the meaning set forth in the CAISO Tariff or Participating TO’s tariff, as applicable.

1.137 “Interconnection Facilities” has the meaning set forth in the CAISO Tariff or Participating TO’s tariff, as applicable.

1.138 “Interconnection Point” means the physical interconnection point of the Project as identified by Seller in the Cover Sheet.

1.139 “Interest Amount” means, with respect to an Interest Period, the amount of interest calculated as follows: (a) the sum of (i) the principal amount of Performance Assurance in the form of cash held by Buyer during that Interest Period, and (ii) the sum of all accrued and unpaid Interest Amounts accumulated prior to such Interest Period; (b) multiplied by the Interest Rate in effect for that Interest Period; (c) multiplied by the number of days in that Interest Period; (d) divided by 360.

1.140 “Interest Payment Date” means the date of returning unused Performance Assurance held in the form of cash.

1.141 “Interest Period” means the monthly period beginning on the first day of each month and ending on the last day of each month.

1.142 “Interest Rate” means the rate per annum equal to the “Monthly” Federal Funds Rate (as reset on a monthly basis based on the latest month for which such rate is available) as reported in Federal Reserve Bank Publication H.15(519), or its successor publication.

1.143 “JAMS” means JAMS, Inc. or its successor entity, a judicial arbitration and mediation service.

1.144 “Law” means any statute, law, treaty, rule, regulation, CEC guidance document, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Execution Date, and which becomes effective after the Execution Date; or any binding interpretation of the foregoing. For purposes of Sections 1.48 “CPUC Approval,” 1.128 “Green Attributes,” 10.2(b), “Seller Representations and Warranties” and 10.12 “Governing Law”, the term “law” shall have the meaning set forth in this definition.

1.145 “Letter of Credit” means an irrevocable, non-transferable standby letter of credit, the form of which must be substantially as contained in Appendix I to this Agreement; provided, that, if the issuer is a U.S. branch of a foreign commercial bank, Buyer may require changes to such form; the issuer must be an Eligible LC Bank on the date of Transfer; and the issuing Letter of Credit amount may not be greater than the Maximum Issuing Amount if the total amount of collateral posted by the Seller in the form of Letter of Credit exceeds ten million dollars (\$10,000,000.00) on the date of Transfer.

1.146 “Licensed Professional Engineer” means a person acceptable to Buyer in its reasonable judgment who (a) is licensed to practice engineering in California, (b) has training and experience in the power industry specific to the technology of the Project, (c) has no economic relationship, association, or nexus with Seller or Buyer, other than to meet the obligations of Seller pursuant to this Agreement, (d) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the

development of the Project or of a manufacturer or supplier of any equipment installed at the Project, and (e) is licensed in an appropriate engineering discipline for the required certification being made. ***[For As-Available Product only]***

1.147 “Losses” means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 5.3 hereof. Factors used in determining the loss of economic benefit may include reference to information either available to it internally or supplied by one or more third parties including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading platforms (e.g. NYMEX), all of which should be calculated for the remaining term of the Transaction to determine the value of the Product.

1.148 “Manager” has the meaning set forth in Section 12.2(a).

1.149 “Maximum Issuing Amount” means the amount of a Letter of Credit to be issued by an Eligible LC Bank, which cannot exceed the lesser of (a) sixty percent (60%) of the total collateral posted by Seller in the form of Letter of Credit including the Letter of Credit to be issued or (b) twenty-five million dollars (\$25,000,000.00), without Buyer’s prior written consent.

1.150 “Monthly Progress Report” means the report similar in form and content attached hereto as Appendix III.

1.151 “Monthly Period” has the meaning set forth in Section 4.2.

1.152 “Monthly TOD Payment” has the meaning set forth in Section 4.4(b).

1.153 “Moody’s” means Moody’s Investors Service, Inc., or its successor.

1.154 “MW” means megawatt alternating current or megawatt (AC).

1.155 “MWh” means megawatt-hour.

1.156 “NERC” means the North American Electric Reliability Council or a successor organization that is responsible for establishing reliability criteria and protocols.

1.157 “NERC Holidays” has the meaning set forth in Section 4.2.

1.158 “Network Upgrades” has the meaning set forth in the CAISO Tariff or the Participating TO’s tariff, as applicable.

1.159 “New Project” is a Project that has not achieved Commercial Operation on or prior to the Execution Date.

1.160 “NOAA” means National Oceanic and Atmospheric Administration or successor thereto.

1.161 “Non-Defaulting Party” has the meaning set forth in Section 5.2.

1.162 “Notice,” unless otherwise specified in the Agreement, means written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, facsimile or electronic messaging (e-mail). The Cover Sheet contains the names and addresses to be used for Notices.

1.163 “Notice to Proceed” means the notice provided by Seller to the EPC Contractor following execution of the EPC Contract between Seller and such EPC Contractor and satisfaction of all conditions to performance of such contract, by which Seller authorizes such EPC Contractor to begin construction of the Project without any delay or waiting periods.

1.164 “Obligor” means the Party breaching the terms of this Agreement.

1.165 “Outage Notification Procedures” means the procedures specified in Appendix VI, attached hereto. PG&E reserves the right to revise or change the procedures upon written Notice to Seller.

1.166 “Participating Intermittent Resource” or “PIRP” has the meaning set forth in the CAISO Tariff. [*For As-Available Product only*]

1.167 “Participating Transmission Owner” or “Participating TO” means an entity that (a) owns, operates and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities and (b) has transferred to the CAISO operational control of such facilities and/or entitlements to be made part of the CAISO Grid.

1.168 “Party” means the Buyer or Seller individually, and “Parties” means both collectively. For purposes of Section 10.12, Governing Law, the word “party” or “parties” shall have the meaning set forth in this definition.

1.169 “Performance Assurance” means collateral provided by Seller to Buyer to secure Seller’s obligations hereunder and includes Project Development Security and Delivery Term Security. Acceptable forms of collateral are cash or a Letter of Credit. A Form of Letter of Credit is attached hereto in Appendix I.

1.170 “Performance Measurement Period” has the meaning set forth in Section 3.1(e)(ii)(A).

1.171 “Performance Tolerance Band” shall be calculated as set forth in Section 4.6(c).

1.172 “Permitting Delay” has the meaning set forth in Section 3.9(c)(ii)(A).

1.173 “Permitted Extensions” means extensions to the Guaranteed Commercial Operation Date due to Permitting Delay, Transmission Delay, or Force Majeure Extension, as applicable, pursuant to Section 3.9(c).

1.174 “Permit Failure” has the meaning set forth in Section 3.9(d).

1.175 “Planned Outage” means the removal of equipment from service availability for inspection and/or general overhaul of one or more major equipment groups. To qualify as a Planned Outage, the maintenance (a) must actually be conducted during the Planned Outage, and in Seller’s sole discretion must be of the type that is necessary to reliably maintain the Project, (b) cannot be reasonably conducted during Project operations, and (c) causes the generation level of the Project to be reduced by at least ten percent (10%) of the Contract Capacity.

- 1.176 “PNode” has the meaning set forth in the CAISO Tariff.
- 1.177 “Preamble” means the paragraph that precedes Article One: General Definitions to this Agreement.
- 1.178 “Preschedule Day” has the meaning set forth in Section 3.4[(b)][(c)](iii)(C).
- 1.179 “Product” means the Energy, capacity and all ancillary products, services or attributes similar to the foregoing which are or can be produced by or associated with the Project, including renewable attributes, Renewable Energy Credits, Capacity Attributes and Green Attributes.
- 1.180 “Production Tax Credit” or “PTC” means the tax credit for electricity produced from certain renewable generation resources described in Section 45 of the Internal Revenue Code of 1986, as it may be amended or supplemented from time to time.
- 1.181 “Project” means all of the Unit(s) and the Site at which the generating facility is located and the other assets, tangible and intangible, that compose the generation facility, including the assets used to connect the Unit(s) to the Interconnection Point, as more particularly described in the Cover Sheet. For purposes of Section 1.128, “Green Attributes,” the word “project” shall have the meaning set forth in this definition.
- 1.182 “Project Development Security” is the collateral required of Seller, as specified and referred to in Section 8.4(a).
- 1.183 “Prolonged Outage” is any period of more than thirty (30) consecutive days during which the Project is or will be unable, for whatever reason, to provide at least sixty percent (60%) of the Contract Capacity.
- 1.184 “Qualifying Facility” has the meaning provided in the Public Utility Regulatory Policies Act (“PURPA”) and in regulations of the FERC at 18 C.F.R. §§ 292.201 through 292.207.
- 1.185 “RA Capacity” means the maximum megawatt amount that the CAISO recognizes from a Project that qualifies for Buyer’s Resource Adequacy Requirements and is associated with the Project’s Capacity Attributes.
- 1.186 “Real-Time Market” has the meaning set forth in the CAISO Tariff.
- 1.187 “Real-Time Price” means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff.
- 1.188 “Reductions” has the meaning set forth in Section 4.8(b).
- 1.189 “Referral Date” has the meaning set forth in Section 12.2(a).
- 1.190 “Reliability Coordinator” has the meaning set forth in the CAISO Tariff.
- 1.191 “Reliability Must-Run Contract” has the meaning set forth in the CAISO Tariff. ***[For Baseload Product only]***
- 1.192 “Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision 08-08-028, as may be amended from time to time or as further defined or supplemented by Law.

1.193 “Replacement Capacity Rules” means the program set forth in the CAISO Tariff, as it may be amended, supplemented or replaced (in whole or in part) from time to time, setting forth certain requirements to replace Resource Adequacy Capacity on planned outages.

1.194 “Resource Adequacy” means the procurement obligation of load serving entities, including Buyer, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10- 042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time in the CPUC Resource Adequacy Rulemakings (R.) 04-04-003 and (R.) 05-12-013 or by any successor proceeding, and all other Resource Adequacy obligations established by any other entity, including the CAISO.

1.195 “Resource Adequacy Requirements” has the meaning set forth in Section 3.3(a).

1.196 “Resource-Specific Settlement Interval LMP” has the meaning set forth in the CAISO Tariff.

1.197 “Retained Revenues” has the meaning set forth in Section 4.8(c).

1.198 “Revised Offer” has the meaning set forth in Section 3.9(e)(iii) or Section 11.1(b)(iii), as applicable.

1.199 “S&P” means the Standard & Poor’s Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.) or its successor.

1.200 “Satisfaction Date” has the meaning set forth in Section 2.5(a).

1.201 “Schedule” has the meaning set forth in the CAISO Tariff.

1.202 “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.

1.203 “SEC” means the U.S. Securities and Exchange Commission.

1.204 “Self-Schedule” has the meaning set forth in the CAISO Tariff.

1.205 “Seller” has the meaning set forth in the Cover Sheet.

1.206 “Seller Excuse Hours” means those hours during which Seller is unable to schedule or deliver Delivered Energy to Buyer as a result of (a) a Force Majeure event, (b) Buyer’s failure to perform, (c) Curtailment Period or (d) Buyer Curtailment Period; provided that, in the case of a Buyer Curtailment Period, for each hour in which less than 100% of the Project output is curtailed, the Seller Excuse Hours will increase by the product of (x) one hour multiplied by (y), where (y) is the ratio of (i) Deemed Delivered Energy associated with that hour to (ii) the sum of Deemed Delivered Energy associated with that hour plus Delivered Energy associated with that hour.

1.207 “Seller’s WREGIS Account” has the meaning set forth in Section 3.1(k)(i).

1.208 “Settlement Amount” means the amount in US\$ equal to the sum of Losses, Gains, and Costs, which the Non-Defaulting Party incurs as a result of the termination of this Agreement.

1.209 “Settlement Interval” means any one of the six ten (10) minute time intervals beginning on any hour and ending on the next hour (e.g. 12:00 to 12:10, 12:10 to 12:20, etc.).

1.210 “Settlement Interval Actual Available Capacity” means the sum of the capacity, in MWs, of all generating units of the Project that were available as of the end of such Settlement Interval, as indicated by the Actual Availability Report. *[For As-Available Product generated by EIRP-eligible facilities only]*

1.211 “Site” means the location of the Project as described in the Cover Sheet.

1.212 “System Emergency” has the meaning provided in Section 1.52 “Curtailed Order.”

1.213 “Term” has the meaning provided in Section 2.5(a).

1.214 “Terminated Transaction” means the Transaction terminated in accordance with Section 5.2 of this Agreement.

1.215 “Termination Payment” means the payment amount equal to the sum of (a) and (b), where (a) is the Settlement Amount and (b) is the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date.

1.216 “Test Period” means the period of not more than ninety (90) consecutive days, which period shall not commence earlier than the first date that the CAISO informs Seller in writing that Seller may deliver Energy from the Project to the CAISO Grid and ending when Seller advises Buyer of the occurrence of the Initial Energy Delivery Date.

1.217 “Third-Party SC” means a qualified third party designated by Buyer to provide the Scheduling Coordinator functions for the Project pursuant to this Agreement.

1.218 “TOD” means time of delivery of Delivered Energy from Seller to Buyer.

1.219 “TOD Factors” has the meaning set forth in Section 4.4(a).

1.220 “TOD Periods” has the meaning set forth in Section 4.2.

1.221 “Transaction” means the particular transaction described in its entirety in Section 3.1(b) of this Agreement.

1.222 “Transfer” with respect to Letters of Credit means the delivery of the Letter of Credit conforming to the requirements of this Agreement, by Seller or an Eligible LC Bank to Buyer or delivery of an executed amendment to such Letter of Credit (extending the term or varying the amount available to Buyer thereunder, if acceptable to Buyer) by Seller or Eligible LC Bank to Buyer.

1.223 “Transmission Delay” has the meaning set forth in Section 3.9(c)(ii)(B).

1.224 “Transmission Provider” means any entity or entities transmitting or transporting the Product on behalf of Seller or Buyer to or from the Delivery Point.

1.225 “Uninstructed Imbalance Energy” shall have the meaning set forth in the CAISO Tariff.

1.226 “Unit” means the technology used to produce the Products, which are identified in the Cover Sheet for the Transaction entered into under this Agreement.

1.227 “Variation(s)” means the absolute value of the difference, in MWh, in any Settlement Interval between (a) DA Scheduled Energy; and (b) Delivered Energy for the Settlement Interval. ***[For Baseload Product only]***

1.228 “WECC” means the Western Electricity Coordinating Council or successor agency.

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

1.230 “WREGIS Certificate Deficit” has the meaning set forth in Section 3.1(k)(v).

1.231 “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.

1.232 “WREGIS Operating Rules” means those operating rules and requirements adopted by WREGIS as of December 2010, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.233 “Work” means (a) work or operations performed by a Party or on a Party’s behalf, and (b) materials, parts or equipment furnished in connection with such work or operations, including (i) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “a Party’s work”, and (ii) the providing of or failure to provide warnings or instructions.

ARTICLE TWO: GOVERNING TERMS AND TERM

2.1 Entire Agreement. This Agreement, together with the Cover Sheet, Preamble and each and every appendix, attachment, amendment, schedule and any written supplements hereto, if any, between the Parties constitutes the entire, integrated agreement between the Parties.

2.2 Interpretation. The following rules of interpretation shall apply in addition to those set forth in Section 10.13:

(a) The term “month” shall mean a calendar month unless otherwise indicated, and a “day” shall be a 24-hour period beginning at 12:00:01 a.m. Pacific Prevailing Time and ending at 12:00:00 midnight Pacific Prevailing Time; provided that a “day” may be 23 or 25 hours on those days on which daylight savings time begins and ends.

(b) Unless otherwise specified herein, all references herein to any agreement or other document of any description shall be construed to give effect to amendments, supplements, modifications or any superseding agreement or document as then existing at the applicable time to which such construction applies.

(c) Capitalized terms used in this Agreement, including the appendices hereto, shall have the meaning set forth in Article One, unless otherwise specified.

(d) Unless otherwise specified herein, references in the singular shall include references in the plural and vice versa, pronouns having masculine or feminine gender will be deemed to

include the other, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality). Other grammatical forms of defined words or phrases have corresponding meanings.

(e) References to a particular article, section, subsection, paragraph, subparagraph, appendix or attachment shall, unless specified otherwise, be a reference to that article, section, subsection, paragraph, subparagraph, appendix or attachment in or to this Agreement.

(f) Any reference in this Agreement to any natural person, Governmental Authority, corporation, partnership or other legal entity includes its permitted successors and assigns or to any natural person, Governmental Authority, corporation, partnership or other legal entity succeeding to its functions.

(g) All references to dollars are to U.S. dollars.

2.3 Authorized Representatives. Each Party shall provide Notice to the other Party of the persons authorized to nominate and/or agree to a schedule or dispatch order for the delivery or acceptance of the Product or make other Notices on behalf of such Party and specify the scope of their individual authority and responsibilities, and may change its designation of such persons from time to time in its sole discretion by providing Notice.

2.4 Conditions Precedent.

(a) Conditions Precedent. Subject to Section 2.6 hereof, the Term shall not commence until the occurrence of all of the following:

(i) This Agreement has been duly executed by the authorized representatives of each of Buyer and Seller;

(ii) CPUC Approval has been obtained for the terms, conditions and pricing of this Agreement;

(iii) The advice letter submitting this Agreement to the CPUC becomes effective in accordance with CPUC General Order 96-B or its successor order, or as otherwise provided by CPUC order; and

(iv) Buyer receives from Seller the documentation listed in Appendix IX (Seller Documentation Condition Precedent).

(b) Failure to Meet All Conditions Precedent. If the Conditions Precedent set forth in Sections 2.4(a)(ii) and (iii) are not satisfied or waived in writing by both Parties on or before one hundred and eighty (180) days from the date on which Buyer files an advice letter submitting this Agreement to the CPUC, then either Party may terminate this Agreement effective upon receipt of Notice by the other Party. Neither Party shall have any obligation or liability to the other, including for a Termination Payment or otherwise, by reason of such termination.

2.5 Term.

(a) The term shall commence upon the satisfaction of the Conditions Precedent set forth in Section 2.4(a) of this Agreement and shall remain in effect until the conclusion of the Delivery

Term unless terminated sooner pursuant to Section 2.4(b), Section 5.2 or Section 11 of this Agreement (the “Term”); provided that this Agreement shall thereafter remain in effect (i) until the Parties have fulfilled all obligations with respect to the Transaction, including payment in full of amounts due pursuant to the Final True-Up, the Settlement Amount, or other damages (whether directly or indirectly such as through set-off or netting) and the undrawn portion of the Project Development Security or Delivery Term Security, as applicable, is released and/or returned as applicable (the “Satisfaction Date”) or (ii) in accordance with the survival provisions set forth in subpart (b) below.

(b) Notwithstanding anything to the contrary in this Agreement, (i) all rights under Section 10.5 (Indemnities) and any other indemnity rights shall survive the Satisfaction Date or the end of the Term (whichever is later) for an additional twelve (12) months; (ii) all rights and obligations under Section 10.7 (Confidentiality) shall survive the Satisfaction Date or the end of the Term (whichever is later) for an additional two (2) years; and (iii) the right of first offer in Section 11.1 (b) shall survive the Satisfaction Date for two (2) years.

2.6 Binding Nature.

(a) Upon Execution Date. This Agreement shall be effective and binding as of the Execution Date only to the extent required to give full effect to, and enforce, the rights and obligations of the Parties under:

- (i) Sections 5.1(a)(iv)-(v), and 5.1(b)(v);
- (ii) Section 5.1(a)(ii) only with respect to Section 10.2, and Section 5.1(a)(iii) only with respect to the Sections identified in this Section 2.6;
- (iii) Sections 5.2 through 5.7;
- (iv) Sections 8.3, 8.4(a)(i), 8.4(b), and 8.5;
- (v) Sections 10.2, 10.6 through 10.8, and Sections 10.12 through 10.15; and
- (vi) Articles One, Two, Seven, Twelve and Thirteen.

(b) Upon Effective Date. This Agreement shall be in full force and effect, enforceable and binding in all respects, upon occurrence of the Effective Date.

ARTICLE THREE: OBLIGATIONS AND DELIVERIES

3.1 Seller’s and Buyer’s Obligations.

(a) Product. The Product to be delivered and sold by Seller and received and purchased by Buyer under this Agreement is set forth in the Cover Sheet.

(b) Transaction. Unless specifically excused by the terms of this Agreement during the Delivery Term, Seller shall sell and deliver, or cause to be delivered, and Buyer shall purchase and receive, or cause to be received, the Product at the Delivery Point, pursuant to Seller’s election in the Cover Sheet of a Full Buy/Sell or Excess Sale arrangement as described in paragraphs 3.1(b)(i) and 3.1(b)(ii) below. Buyer shall pay Seller the Contract Price in accordance with the terms of this Agreement. In no event shall Seller have the right (1) to procure any element of the Product from sources other than the Project for sale or delivery to Buyer under this Agreement except with respect to Energy

delivered to Buyer in connection with Energy Deviations or Variations, as applicable, or (2) sell Product from the Project to a third party other than in connection with Energy Deviations or Variations, as applicable. Buyer shall have no obligation to receive or purchase Product from Seller prior to or after the Delivery Term, except during the Test Period. Seller shall be responsible for any costs or charges imposed on or associated with the Product or its delivery of the Product up to the Delivery Point. Buyer shall be responsible for any costs or charges imposed on or associated with the Product after its receipt at and from the Delivery Point. Seller shall comply with Buyer's Supplier Diversity Program in accordance with Appendix XIII. Each Party agrees to act in good faith in the performance of its obligations under this Agreement.

(i) Full Buy/Sell. If "Full Buy/Sell" is elected on the Cover Sheet, Seller agrees to sell to Buyer the Project's gross output of Product measured in kilowatt-hours, net of station use and transformation and transmission losses to and at the Delivery Point. Seller shall purchase all Energy required to serve the Project's on-site load, net of station use, from Buyer or applicable retail service provider pursuant to its applicable retail rate schedule.

(ii) Excess Sale. If "Excess Sale" is selected on the Cover Sheet, Seller agrees to sell to Buyer the Project's gross output of Product as measured in kilowatt-hours, net of station Use, any on-site load and transformation and transmission losses to the Delivery Point. Seller agrees to convey to Buyer all elements of Product associated with the Energy sold to Buyer.

(c) Delivery Term. "Delivery Term" shall mean the period of Contract Years indicated on the Cover Sheet, beginning on the first date that Seller delivers Product to Buyer from the Project ("Initial Energy Delivery Date") in connection with this Agreement and continuing until the end of the tenth, fifteenth or twentieth Contract Year (as applicable, based on the Cover Sheet election) unless terminated as provided by the terms of this Agreement. The Initial Energy Delivery Date shall occur as soon as practicable once all of the following have been satisfied: (i) the Commercial Operation Date has occurred; (ii) Buyer shall have received and accepted the Delivery Term Security in accordance with the relevant provisions of Article Eight of the Agreement, as applicable; (iii) Seller shall have obtained the requisite CEC Certification and Verification for the Project; (iv) all of the applicable Conditions Precedent in Section 2.4(a) of the Agreement have been satisfied or waived in writing, (v) Buyer shall have received written notice from the CAISO that the Project is certified as a Participating Intermittent Resource to the extent such status is available at such time as the conditions in subsections (i) through (iv) of this Section 3.1(c) are satisfied; provided that, for an Existing Project, the Initial Energy Delivery Date shall occur no earlier than thirty (30) days before the Expected Initial Energy Delivery Date. If subsection (v) is applicable, Seller shall obtain such certification no later than one hundred twenty (120) days following the Commercial Operation Date. As evidence of the Initial Energy Delivery Date, the Parties shall execute and exchange the "Initial Energy Delivery Date Confirmation Letter" attached hereto as Appendix II on the Initial Energy Delivery Date. Eighteen (18) months prior to the anticipated conclusion of the Delivery Term, the Parties shall provide notice of their intentions with respect to the Project, including if desired, any proposed extension of this Agreement.

(d) Delivery Point. The Delivery Point shall be the Interconnection Point.

(e) Contract Quantity and Guaranteed Energy Production.

(i) Contract Quantity. The Contract Quantity during each Contract Year is the amount set forth in the applicable Contract Year in the "Delivery Term Contract Quantity Schedule," set forth in the Cover Sheet, which amount is inclusive of outages.

(ii) **Guaranteed Energy Production.** The Parties agree that if the Project's technology type, as set forth on the Cover Sheet, is small hydro facility, then this Section 3.1(e)(ii) and definitions provided or referred to hereunder shall not apply to either Party and Section 5.1(b)(v) shall not apply to Seller.

(A) Throughout the Delivery Term, Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production in each Contract Year during the Delivery Term for Baseload Product, or over two (2) consecutive Contract Years during the Delivery Term for As-Available Product ("Performance Measurement Period"). "Guaranteed Energy Production" means an amount of Delivered Energy, as measured in MWh, equal to the product of (x) and (y), where (x) is the GEP Base Quantity, and (y) is the difference between (I) and (II), with the resulting difference divided by (I), where (I) is the number of hours in the applicable Performance Measurement Period and (II) is the aggregate number of Seller Excuse Hours in the applicable Performance Measurement Period. Guaranteed Energy Production is described by the following formula:

*Guaranteed Energy Production = (GEP Base Quantity) * [(Hrs in Performance Measurement Period - Seller Excuse Hrs in Performance Measurement Period) / Hrs in Performance Measurement Period]*

(B) If Seller has a GEP Failure, then within forty-five (45) days after the last day of the last month of such Performance Measurement Period, Buyer shall promptly notify Seller of such failure. Seller may cure the GEP Failure by delivering to Buyer no less than ninety percent (90%) of the Contract Quantity over the next following Contract Year ("GEP Cure"). If Seller fails to generate sufficient Delivered Energy to make the GEP Cure for a given Performance Measurement Period, Seller shall pay GEP Damages, calculated pursuant to Appendix V ("GEP Damages"). If Seller pays GEP Damages for the Contract Years in the applicable Performance Measurement Period, then for purposes of calculating the Guaranteed Energy Production in the following Performance Measurement Period, the amount of Delivered Energy for such Contract Year(s) shall thereafter be equal to the greater of the actual Delivered Energy for the Contract Year or eighty percent (80%) of Contract Quantity.

(C) The Parties agree that the damages sustained by Buyer associated with Seller's failure to achieve the Guaranteed Energy Production requirement would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive and therefore agree that Seller shall pay the GEP Damages to Buyer as liquidated damages. In no event shall Buyer be obligated to pay GEP Damages.

(iii) After the GEP Cure period has run, if Seller has not achieved the GEP Cure, Buyer shall have forty-five (45) days to notify Seller of such failure. Within forty-five (45) days of the end of the GEP Cure period, Buyer shall provide Notice to Seller in writing of the amount of the GEP Damages, if any, which Seller shall pay within sixty (60) days of receipt of the Notice (the "Cure Payment Period"). If Seller does not pay the GEP Damages within the Cure Payment Period, then Buyer may, at its option, declare an Event of Default pursuant to Section 5.1(b)(v)(A) within ninety (90) days following the Cure Payment Period. If Buyer does not (A) notify Seller of the GEP Failure or (B) declare an Event of Default pursuant to Section 5.1(b)(v) within the ninety (90) day period, if Seller has failed to pay the GEP Damages, then Buyer shall be deemed to have waived its right to declare an Event of Default based on Seller's failure with respect to the Performance Measurement Period which served as the basis for the notice of GEP Failure, GEP Damages, or default, subject to the limitations set forth in Section 5.1(b)(v)(B).

[The following bracketed version of Section 3.1(f) Contract Capacity applies to Full Buy/Sell transactions of As-Available Product only]

(f) Contract Capacity. The generation capability designated for the Project shall be the Contract Capacity designated in the Cover Sheet (the “Contract Capacity”). Throughout the Delivery Term, Seller shall sell all Product produced by the Project (net of station use) solely to Buyer and Buyer shall purchase all Product produced by the Project; provided, however, that in no event shall Buyer be obligated to receive or pay for, in any hour, any Delivered Energy that exceeds one hundred and ten percent (110%) of Contract Capacity.]

[The following bracketed version of Section 3.1(f) Contract Capacity applies to all Baseload Products and Excess Sale transactions of As-Available Products]

[(f) Contract Capacity. The capacity of the Project shall be the Contract Capacity listed in the Cover Sheet (the “Contract Capacity”). Throughout the Delivery Term, Seller shall sell all Product produced by the Project solely to Buyer. In no event shall Buyer be obligated to receive or pay for, in any hour, any Product, as measured by Delivered Energy, that exceeds the Contract Capacity.]

(g) Project.

(i) All Product provided by Seller pursuant to this Agreement shall be supplied from the Project only. Seller shall not make any alteration or modification to the Project which results in a change to the Contract Capacity or the anticipated output of the Project without Buyer’s prior written consent. The Project is further described in the Cover Sheet.

(ii) Seller shall not relinquish its possession or demonstrable exclusive right to control the Project without the prior written consent of Buyer, except under circumstances provided in Section 10.6(b). Seller shall be deemed to have relinquished possession of the Project if after the Commercial Operation Date Seller has ceased work on the Project or ceased production and delivery of Product for a consecutive thirty (30) day period and such cessation is not a result of a Force Majeure event or direct action of Buyer.

(h) Interconnection Facilities.

(i) Seller Obligations. Seller shall (A) arrange and pay independently for any and all necessary costs under any interconnection agreement with the Participating Transmission Owner; (B) cause the Interconnection Customer’s Interconnection Facilities, including metering facilities to be maintained; and (C) comply with the procedures set forth in the GIP and applicable agreements or procedures provided under the GIP.

(ii) Coordination with Buyer. Seller shall (A) provide to Buyer copies of all material correspondence related thereto; and (B) provide Buyer with written reports of the status of the GIA on a monthly basis. The foregoing shall not preclude Seller from executing a GIA that it reasonably determines allows it to comply with its obligations under this Agreement and applicable Law.

(i) Performance Excuses.

(i) Seller Excuse. For Seller selling As-Available Product, Seller shall be excused from achieving the Guaranteed Energy Production only for the applicable time period during Seller Excuse Hours. For Seller selling Baseload Product, Seller shall be excused from achieving the Guaranteed Energy Production and the Capacity Factor only for the applicable time period during Seller Excuse Hours.

(ii) Buyer Excuses. Buyer shall be excused from (A) receiving and paying for the Product only (I) during periods of Force Majeure, (II) by Seller's failure to perform, (III) during Curtailment Periods and (B) receiving Product during Buyer Curtailment Periods.

(iii) Curtailment. Notwithstanding Section 3.1(b) and this Section 3.1(i), Seller shall reduce output from the Project during any Curtailment Period or Buyer Curtailment Period.

(iv) No Excuse. Except for a failure or curtailment resulting from a Force Majeure or during a Curtailment Period, the failure of electric transmission or distribution service shall not excuse performance with respect to either Party for the delivery or receipt of Energy to be provided under this Agreement.

(A) Buyer Curtailment Requirements.

(I) Order and Limit.

(1) Buyer shall have the right to order Seller to promptly reduce generation from the Project pursuant to a Buyer Curtailment Order or cause Seller to be required to reduce generation from the Project pursuant to a Buyer Bid Curtailment, provided that (x) a Buyer Curtailment Period shall be limited to a quantity of not more than one-hundred (100) hours cumulatively per Contract Year; (y) a Buyer Curtailment Order shall be consistent with the operational characteristics set forth in the Master File, as that term is defined in the CAISO tariff; and (z) Buyer shall pay Seller for Deemed Delivered Energy pursuant to Article 4. Seller agrees to reduce the Project's generation by the amount and for the period set forth in the Buyer Curtailment Order.

(2) Advance notification required for Buyer Bid Curtailment or Buyer Curtailment Order shall be not less than the Real-Time Market (as defined in the CAISO Tariff). *[Note to Seller: As of May 2012, this is five (5) minutes.]*

(3) Buyer, as Scheduling Coordinator, may request that CAISO modify the Master File for the Project to reflect the findings of a CAISO audit of the Project and to ensure that the information provided by Seller is true and accurate.

(II) Failure to Comply. If Seller fails to comply with a Buyer Curtailment Order or Buyer Bid Curtailment, then, for each MWh of Delivered Energy that the Project generated in contradiction to the Buyer Curtailment Order or Buyer Bid Curtailment, Seller shall pay Buyer the greater of: (1) two hundred percent (200%) of the Contract Price for such hours plus any penalties or other charges resulting from Seller's failure to comply with the Buyer Curtailment Order; or (2) the absolute value of the CAISO Real-Time Price for the applicable PNode for such hours plus any penalties or other charges resulting from Seller's failure to comply with the Buyer Curtailment Order or Buyer Bid Curtailment.

(j) Greenhouse Gas Emissions Reporting. During the Term, Seller acknowledges that a Governmental Authority may require Buyer to take certain actions with respect to greenhouse gas emissions attributable to the generation of Energy, including reporting, registering, tracking, allocating for or accounting for such emissions. Promptly following Buyer's written request, Seller agrees to take all commercially reasonable actions and execute or provide any and all documents, information or instruments with respect to generation by the Project reasonably necessary to permit Buyer to comply with such requirements, if any, subject to the Compliance Cost Cap. Nothing in this Section 3.1(j) shall cause Buyer to assume any liability or obligation with respect to Seller's compliance obligations with respect to the Project under any new or existing Laws, rules, or regulations.

(k) WREGIS. Seller shall, at its sole expense, but subject to the Compliance Cost Cap, 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 Delivered Energy 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 even if Buyer does not accept and/or pay for the underlying energy per Section 3.1(f) or for Baseload Product only, pays less than the Contract Price for Delivered Energy per Section 4.6(c). 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. Seller shall be deemed to have satisfied the warranty in Section 3.1(k)(viii); provided that Seller fulfills its obligations under Sections 3.1(k)(i) through (vii) below. In addition:

(i) Prior to the Initial Energy Delivery Date, Seller shall register the Project 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 "Forward 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 Project 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.

(ii) Seller shall cause Forward 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 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.

(iii) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy for such calendar month as evidenced by the Project's metered data.

(iv) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Article 6, Buyer shall make an invoice payment for a given month in accordance Article 6 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 3.1(k). Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Article 6.

(v) A "WREGIS Certificate Deficit" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Delivered Energy for the same calendar month ("Deficient Month"). If any WREGIS Certificate Deficit is caused, or the result of any action or inaction, by Seller, then the amount of Delivered Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for the purposes of calculating Buyer's payment(s) to Seller under Article 6 and the Guaranteed Energy Production for the applicable Performance Measurement Period. Any amount owed by Seller to Buyer because of a WREGIS Certificate Deficit shall be made as an adjustment to Seller's next monthly invoice to Buyer in accordance with Article 6, and Buyer shall net such amount against Buyer's subsequent payment(s) to Seller pursuant to Article 6.

(vi) Without limiting Seller's obligations under this Section 3.1(k), 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.

(vii) If WREGIS changes the WREGIS Operating Rules after the Execution Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 3.1(k) after the Execution Date, the Parties promptly shall modify this Section 3.1(k) 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 Delivered Energy in the same calendar month.

(viii) 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.

(l) Access to Data and Installation and Maintenance of Weather Station.

(i) Commencing on the first date on which the Project generates Product to be delivered to the CAISO Grid or the Delivery Point, if different, and continuing throughout the Term, Seller shall provide to Buyer, in a form reasonably acceptable to Buyer, the data set forth below on a real-time basis; provided that Seller shall agree to make and bear the cost of changes to any of the data delivery provisions below, as requested by Buyer, throughout the Term, which changes Buyer determines are necessary to forecast output from the Project:

(A) read-only access to meteorological measurements, [inverter] ***[bracketed language applies to solar photovoltaic Projects only]*** and transformer availability, any other facility availability information, all parameters necessary for use in the equation under item (G) of this list;

(B) read-only access to energy output information collected by the supervisory control and data acquisition (SCADA) system for the Project; provided that if Buyer is unable to access the Project's SCADA system, then upon written request from Buyer, Seller shall provide energy output information and meteorological measurements to Buyer in 1-minute intervals in the form of a flat file to Buyer through a secure file transport protocol (FTP) system with an e-mail back up for each flat file submittal;

(C) read-only access to the Project's CAISO revenue meter(s) and all Project meter data at the Site;

(D) full, real-time access to the Project's Scheduling and Logging for the CAISO (SLIC) client application;

(E) net plant electrical output at the CAISO revenue meter(s);

[Subparts (F) through (G) below shall only apply to wind and solar facilities]

[(F) instantaneous data measurements at sixty (60) second or increased frequency for the parameters set forth in Appendix XI (Telemetry Parameters for Wind or Solar Facilities), which measurements shall be provided by Seller to Buyer in consolidated data report at least once every five minutes via flat file through a secure file transport protocol (FTP) system with an e-mail backup; and

(G) an equation, updated on an ongoing basis to reflect the potential generation of the Project as a function of solar insolation, temperature, wind speed, and, if applicable, wind direction. Such equation shall take into account the expected availability of the facility. For any month in which the above information and access was not available to Buyer for longer than twenty-four (24) continuous hours, Seller shall prepare and provide to Buyer upon Buyer's request a report with the Project's monthly Settlement Interval Actual Available Capacity in the form set forth in Appendix X ("Actual Availability Report"). Upon Buyer's request, Seller shall promptly provide to Buyer any additional and supporting documentation necessary for Buyer to audit and verify any matters set forth in the Actual Availability Report. Buyer shall exercise commercially reasonable efforts to notify Seller of any deficiency by Seller in meeting the requirements of this Section 3.1(l)(i); provided that any failure by Buyer to provide such deficiency notice shall not result in any additional liability to Buyer under this Agreement.]

(ii) Buyer reserves the right to validate the data provided pursuant to Section 3.1(l)(i) with information publicly available from NOAA and nearby weather stations and substitute such data for its scheduling purposes if Seller's data is inconsistent with the publicly available data or is missing; provided that Buyer shall notify Seller promptly of Buyer's substitution of such data.

(iii) Seller shall maintain at least a minimum of one hundred twenty (120) days' historical data for all data required pursuant to Section 3.1(l)(i), which shall be available on a minimum time interval of one hour basis or an hourly average basis, except with respect to the meteorological measurements which shall be available on a minimum time interval of ten (10) minute basis. Seller shall provide such data to Buyer within five (5) Business Days of Buyer's request.

(iv) Installation, Maintenance and Repair.

(A) Seller, at its own expense, shall install and maintain one (1) stand-alone meteorological station per Site to monitor and report the meteorological data required in Section 3.1(l)(i) of this Agreement. Seller, at its own expense, shall install and maintain a secure communication link in order to provide Buyer with access to the data required in Section 3.1(l)(i) of this Agreement.

(B) Seller shall maintain the meteorological stations, telecommunications path, hardware, and software necessary to provide accurate data to Buyer or Third-Party SC (as applicable) to enable Buyer or the Third-Party SC to meet current CAISO scheduling requirements. Seller shall promptly repair and replace as necessary such meteorological stations, telecommunications path, hardware and software and shall notify Buyer as soon as Seller learns that any such telecommunications paths, hardware and software are providing faulty or incorrect data.

(C) If Buyer notifies Seller of the need for maintenance, repair or replacement of the meteorological stations, telecommunications path, hardware or software, Seller shall maintain, repair or replace such equipment as necessary within five (5) days of receipt of such Notice.

(D) For any occurrence in which Seller's telecommunications system is not available or does not provide quality data and Buyer notifies Seller of the deficiency or Seller becomes aware of the occurrence, Seller shall transmit data to Buyer through any alternate means of verbal or written communication, including cellular communications from onsite personnel, facsimile, blackberry or equivalent mobile e-mail, or other method mutually agreed upon by the Parties, until the telecommunications link is re-established.

(v) Seller agrees and acknowledges that Buyer may seek from third parties any information relevant to its duties as SC for Seller, including from the Participating Transmission Operator. Seller hereby voluntarily consents to allow the Participating Transmission Operator to share Seller's information with Buyer in furtherance of Buyer's duties as SC for Seller, and agrees to provide the Participating Transmission Owner with written confirmation of such voluntary consent at least ninety (90) days prior to the Initial Energy Delivery Date.

(vi) For As-Available Product only, no later than ninety (90) days before the Initial Energy Delivery Date, Seller shall provide one (1) year, if available, but no less than six (6) months, of recorded meteorological data to Buyer in a form reasonably acceptable to Buyer from a weather station at the Site. (A) If the Product is solar, such weather station shall provide, via remote access to Buyer, all data relating to total global horizontal irradiance or direct normal insolation, air temperature, wind speed and direction, precipitation, barometric pressure, visibility in fog areas as applicable (forward scatter sensor) and humidity at the Site. If the Product is wind, such weather station shall provide, via remote access to Buyer, all data relating to wind speed and direction, standard deviation of wind direction, air temperature, barometric pressure, and humidity at the Site, and visibility in fog areas as applicable; (B) elevation, latitude and longitude of the weather station; and (C) any other data that would be required for participation in the EIRP.

(m) Prevailing Wage. Seller shall use reasonable efforts to ensure that all Electricians hired by Seller, Seller's contractors and subcontractors, are paid wages at rates not less than those prevailing for Electricians performing similar work in the locality as provided by Division 2, Part 7, Chapter 1 of the California Labor Code. Nothing herein shall require Seller, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code.

(n) Obtaining and Maintaining CEC Certification and Verification. Subject to the Compliance Cost Cap, Seller shall take all necessary steps including making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification throughout the Term.

(o) Compliance Cost Cap. Costs applicable to the Compliance Cost Cap are only those costs applicable under the definition of "Compliance Costs" (Section 1.36) and are new costs associated with a change in law occurring after the Execution Date (or such later date, as provided in Section 3.4(a)(i)). The Parties agree that the Compliance Costs Seller shall be required to bear during the Delivery Term shall be capped annually at ten thousand dollars (\$10,000.00) per MW of Contract Capacity and in the aggregate throughout the Delivery Term at twenty thousand dollars (\$20,000.00) per MW of Contract Capacity (collectively, the "Compliance Cost Cap"). In the event and to the extent that the Compliance Costs incurred by Seller exceed the Compliance Cost Cap, Buyer shall either reimburse Seller for such Compliance Costs that exceed the Compliance Cost Cap, or excuse Seller from performing the obligations of this Agreement that would otherwise cause it to incur Compliance Costs in excess of the Compliance Cost Cap. Within sixty (60) days after the change, amendment, repeal, or enactment of Law after the Execution Date (or such later date, as provided in Section 3.4(a)(i)) which Seller anticipates will cause it to incur Compliance Costs in excess of the Compliance Cost Cap, Seller shall provide to Buyer Notice with an estimate of the expected annual Compliance Costs caused by such change in Law. Within thirty (30) days of the delivery of such Notice with the estimate, Buyer shall provide Seller Notice of (i) Buyer's request for Seller to incur the Compliance Costs in excess of the Compliance Cost Cap, (ii) Buyer's initiation of dispute resolution under Article 12, or (iii) Buyer's waiver of Seller's performance of such obligations. The Parties shall agree on a reasonable allocation, as between Seller and Buyer, over the remaining Term of any such Compliance Costs that are incurred after the fifteenth (15th) Contract Year and that are expected to benefit the Project beyond the Term of this Agreement. Any reimbursement by Buyer to Seller referenced above in this Section 3.1(o) shall be subject to CPUC approval, and the amount

of such reimbursement shall not be paid by Buyer to Seller until such time as the CPUC has approved such payment. Seller shall be relieved from performing the obligations of this Agreement that would otherwise cause it to incur Compliance Costs in excess of the Compliance Cost Cap and which give rise to the payment that is the subject of the above referenced CPUC approval until such time as the CPUC issued its approval of the reimbursement payment in final and non-appealable form.

3.2 Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Project.

3.3 Resource Adequacy.

(a) During the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all of the Project's Contract Capacity, including Capacity Attributes, from the Project to enable Buyer to meet its Resource Adequacy or successor program requirements, as the CPUC, CAISO or other regional entity may prescribe ("Resource Adequacy Requirements"). Seller shall, at a minimum, comply with the terms set forth in Appendix VII in anticipation of and during the Delivery Term to enable Buyer to use all of the capacity, including Capacity Attributes, to be committed by Seller to Buyer pursuant to this Agreement to meet Buyer's Resource Adequacy Requirements during the Delivery Term.

(b) Seller shall be responsible for all costs, charges, expenses, penalties, and obligations resulting from Availability Standards, if applicable, and Seller shall be entitled to retain all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards, if applicable.

(c) Buyer shall be responsible for all costs, charges, expenses, penalties, and obligations resulting from the Replacement Capacity Rules, if applicable, provided that Seller has given Buyer Notice of the outages subject to the Replacement Capacity Rules by the earlier of ninety (90) days before the first day of the month for which the outage will occur or thirty (30) days before Buyer's monthly Resource Adequacy capacity showing in accordance with the CAISO Tariff or decision of the CPUC. If Seller fails to provide such Notice, then Seller shall be responsible for all costs, charges, expenses, penalties, and obligations resulting from the Replacement Capacity Rules for such outage.

(d) To the extent Seller has an exemption from the Availability Standards or the Replacement Capacity Rules under the CAISO Tariff, Sections 3.3(b) and 3.3(c) above shall not apply. If Seller would like to request an exemption for this Agreement from the CAISO, Seller shall provide to Buyer, as Seller's Scheduling Coordinator, Notice specifically requesting that Buyer seek certification or approval of this Agreement as an exempt contract pursuant to the CAISO Tariff; provided that Buyer's failure to obtain such exemption shall not be an Event of Default and Buyer shall not have any liability to Seller for such failure.

3.4 Transmission and Scheduling.

(a) Transmission.

(i) Seller's Transmission Service Obligations. As of the Test Period and during the Delivery Term:

(A) Seller shall arrange and pay independently for any and all necessary electrical interconnection, distribution and/or transmission (and any regulatory approvals required for the foregoing), sufficient to allow Seller to deliver the Product to the Delivery Point for sale pursuant to the terms of this Agreement.

(B) If Seller has elected Energy Only Status on the Cover Sheet, this Section 3.4(a)(i)(B) is not applicable. An FCDS Seller shall have either previously obtained, or is obligated to obtain per the terms of the Agreement, a FCDS Finding. If Seller's Project has not attained Full Capacity Deliverability Status prior to the Execution Date, Seller shall take all actions necessary or appropriate to cause the Delivery Network Upgrades necessary for it to obtain Full Capacity Deliverability Status to be constructed and placed into service. The cost of each Deliverability Assessment and any necessary Delivery Network Upgrades to ensure Full Capacity Deliverability Status shall be borne solely by Seller and shall not be subject to the Compliance Cost Cap. When the CAISO advises Seller that the Project has Full Capacity Deliverability Status, Seller shall Notify Buyer of such status within five (5) Business Days of the date it receives notification from the CAISO of such status by providing Buyer documentation from the CAISO. The Effective FCDS Date must occur on or before December 31, 2021. It shall be an Event of Default under Section 5.1(a)(iii), failure to perform any material covenant or obligation set forth in the Agreement, if the Effective FCDS Date does not occur on or before December 31, 2021. The Termination Payment for an Event of Default caused by Seller's failure to achieve the Effective FCDS Date on or before December 31, 2021 shall be capped at the amount of Seller's Delivery Term Security obligation under Section 8.4(a)(ii).

(C) if the Project has or obtains FCDS, Seller shall Notify Buyer of such status as of the Execution Date, if applicable, or within five (5) Business Days of the date it receives notification from the CAISO of such status by providing Buyer documentation from the CAISO. If Seller has elected Energy Only Status on the Cover Sheet, Seller shall continue to receive payment based on the Energy Only Status TOD Factors set forth in Section 4.4 regardless of whether or not Seller obtains FCDS.

(D) Seller shall bear all risks and costs associated with such transmission service, including any transmission outages or curtailment to the Delivery Point.

(E) Seller shall fulfill all contractual, metering and applicable interconnection requirements, including those set forth in the Participating Transmission Owner's applicable tariffs, the CAISO Tariff and implementing CAISO standards and requirements, so as to be able to deliver Product to the CAISO Grid.

(ii) Buyer's Transmission Service Obligations. As of the Test Period and during the Delivery Term,

(A) Buyer shall arrange and be responsible for transmission service at and from the Delivery Point.

(B) Buyer shall bear all risks and costs associated with such transmission service, including any transmission outages or curtailment from the Delivery Point.

(C) Buyer shall schedule or arrange for Scheduling Coordinator services with its Transmission Providers to receive the Product at the Delivery Point.

(D) Buyer shall be responsible for all CAISO costs and charges, electric transmission losses and congestion at and from the Delivery Point.

[The following Section (b) “EIRP Requirements” applies to EIRP-eligible facilities only]

(b) EIRP Requirements. Seller shall provide Buyer with a copy of the notice from CAISO certifying the Project as a Participating Intermittent Resource as soon as practicable after Seller’s receipt of such notice of certification. As of the first date of the Test Period and until the Project receives certification as a Participating Intermittent Resource, Seller, at its sole cost, shall comply with EIRP and all additional protocols issued by the CAISO for Eligible Intermittent Resources. Throughout the Delivery Term, (i) Seller, at its sole cost, shall participate in and comply with (A) EIRP and all additional protocols issued by the CAISO for a Participating Intermittent Resource (if directed by Buyer, in its sole discretion, to participate in such program) or, (B) if the EIRP is no longer available by the CAISO, then all protocols, rules or regulations issued by the CAISO for generating facilities providing energy on an intermittent basis; and (ii) Buyer in its limited capacity as Seller’s Scheduling Coordinator shall facilitate communication with the CAISO and provide other administrative materials to CAISO as necessary to satisfy Seller’s obligations as Seller’s Scheduling Coordinator and to the extent such actions are at *de minimis* cost to Buyer.

[(b)][(c)] Scheduling Coordinator. Buyer shall act as the Scheduling Coordinator for the Project. In that regard, Buyer and Seller shall agree to the following:

(i) Designation as Scheduling Coordinator.

(A) At least ninety (90) days before the beginning of the Test Period Seller shall take all actions and execute and deliver to Buyer all documents necessary to authorize or designate Buyer, or Third-Party SC, as Seller’s Scheduling Coordinator, and Buyer or Third-Party SC, as applicable, shall take all actions and execute and deliver to Seller or CAISO all documents necessary to become and act as Seller’s Scheduling Coordinator. If Buyer designates a Third-Party SC, then Buyer shall give Seller Notice of such designation at least ten (10) Business Days before the Third-Party SC assumes Scheduling Coordinator duties hereunder, and Seller shall be entitled to rely on such designation until it is revoked or a new Third-Party SC is appointed by Buyer upon similar Notice. Buyer shall be fully responsible for all acts and omissions of Third-Party SC and for all cost, charges and liabilities incurred by Third-Party SC to the same extent that Buyer would be responsible under this Agreement for such acts, omissions, costs, charges and liabilities if taken, omitted or incurred by Buyer directly.

(B) Seller shall not authorize or designate any other party to act as Scheduling Coordinator, nor shall Seller perform, for its own benefit, the duties of Scheduling Coordinator during the Test Period and Delivery Term.

(ii) Buyer’s Responsibilities as Scheduling Coordinator. Buyer or Third-Party SC shall comply with all obligations as Seller’s Scheduling Coordinator under the CAISO Tariff and shall conduct all Scheduling in full compliance with the terms and conditions of this Agreement, the applicable CAISO Tariff, all requirements of EIRP (if applicable), and protocols and scheduling practices for Energy on a Day-Ahead basis or pursuant to the Hour-Ahead Scheduling Process, as such terms are defined in the CAISO Tariff.

(iii) Available Capacity Forecasting. Seller shall provide the Available Capacity forecasts described below. ***[The following bracketed language applies to As-Available solar or wind Projects only]*** [Seller’s availability forecasts below shall include Project availability and updated status of ***[The following bracketed language applies to solar Projects only]*** [photovoltaic panels, inverters, transformers, and any other equipment that may impact availability] or ***[The following bracketed language applies to wind Projects only]*** [transformers, wind turbine unit status, and any other equipment that may impact availability].] ***[The following bracketed language applies to As-Available***

Product only] [To avoid Forecasting Penalties set forth in Section 4.6(c)(iii),] Seller shall use commercially reasonable efforts to forecast the Available Capacity of the Project accurately and to transmit such information in a format reasonably acceptable to Buyer. Buyer and Seller shall agree upon reasonable changes to the requirements and procedures set forth below from time-to-time, as necessary to comply with CAISO Tariff changes, accommodate changes to their respective generation technology and organizational structure and address changes in the operating and Scheduling procedures of Buyer, Third-Party SC (if applicable) and the CAISO, including automated forecast and outage submissions.

(A) Annual Forecast of Available Capacity. No later than (I) the earlier of July 1 of the first calendar year following the Execution Date or one hundred and eighty (180) days before the first day of the first Contract Year of the Delivery Term (“First Annual Forecast Date”), and (II) on or before July 1 for each calendar year from the First Annual Forecast Date for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer and Third-Party SC (if applicable) a non-binding forecast of the hourly Available Capacity for each day in each month of the following calendar year in a form reasonably acceptable to Buyer.

(B) Monthly Forecast of Available Capacity. Seller shall provide to Buyer and Third-Party SC (if applicable), pursuant to subsections (I) and (II) below, a non-binding forecast of the hourly Available Capacity for each day of the following month in a form reasonably acceptable to Buyer:

(I) by the earlier of ninety (90) days before the beginning of the Test Period or thirty (30) days before Buyer’s monthly Resource Adequacy capacity showing in accordance with the CAISO Tariff or decision of the CPUC, and

(II) throughout the Delivery Term, by the earlier of ninety (90) days before the beginning of each month or thirty (30) days before Buyer’s monthly Resource Adequacy capacity showing must be completed in accordance with the CAISO Tariff or decision of the CPUC.

(C) Daily Forecast of Available Capacity. During the Test Period and thereafter during the Delivery Term, Seller or Seller’s agent shall provide a binding day ahead forecast of Available Capacity (the “Day-Ahead Availability Notice”) to Buyer or Third-Party SC (as applicable) via Buyer’s internet site, as provided in Appendix VI, for each day no later than fourteen (14) hours before the beginning of the “Preschedule Day” (as defined by the WECC) for such day. The current industry standard Preschedule Day timetable in the WECC is as follows:

- (1) Monday - Preschedule Day for Tuesday
- (2) Tuesday - Preschedule Day for Wednesday
- (3) Wednesday - Preschedule Day for Thursday
- (4) Thursday - Preschedule Day for Friday and Saturday
- (5) Friday - Preschedule Day for Sunday and Monday

Exceptions to this standard Monday through Friday Preschedule Day timetable are presently set forth by the WECC in order to accommodate holidays, monthly transitions and other events. Exceptions are posted on the WECC website (www.wecc.biz) under the document title, “Preschedule Calendar.” Each Day-Ahead Availability Notice shall clearly identify, for each hour, Seller’s forecast of all amounts of Available Capacity pursuant to this Agreement. If the Available Capacity changes by at least one (1) MW as of a time that is less than fourteen (14) hours prior to the Preschedule Day but prior to the CAISO deadline for submittal of schedules into the Day-Ahead Market, then Seller must notify Buyer of such change by telephone and shall send a revised notice to Buyer’s

Internet site set forth in Appendix VI. Such Notices shall contain information regarding the beginning date and time of the event resulting in the change in Available Capacity, the expected end date and time of such event, the expected Available Capacity in MW, and any other necessary information.

Day-Ahead Desk

Primary Telephone: (415) 973-1971

Backup Telephone: (415) 973-4500

If Seller fails to provide Buyer with a Day-Ahead Availability Notice as required herein, then, (I) until Seller provides a Day-Ahead Availability Notice, Buyer may rely on the most recent Day-Ahead Forecast of Available Capacity submitted by Seller to Buyer and Seller and (II) to the extent Seller's failure contributes to Imbalance Energy, Seller shall be subject to the Forecasting Penalties set forth in Section 4.5(c)(ii).

(D) Hourly Forecast of Available Capacity. During the Test Period and thereafter during the Delivery Term, Seller shall notify Buyer of any changes in Available Capacity of one (1) MW or more, whether due to Forced Outage, Force Majeure or other cause, as soon as reasonably possible, but no later than one (1) hour before Buyer or Third-Party SC (as applicable) is required to submit schedules to the CAISO in accordance with the Hour-Ahead Scheduling Process. If the Available Capacity changes by at least one (1) MW as of a time that is less than one (1) hour prior to the Hour-Ahead Scheduling Process deadline, but before such deadline, then Seller must likewise notify Buyer. Such Notices shall contain information regarding the beginning date and time of the event resulting in the change in Available Capacity, the expected end date and time of such event, the expected Available Capacity in MW, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Outage, Seller shall use commercially reasonable efforts to notify Buyer of such outage within ten (10) minutes of the commencement of the Forced Outage. Seller shall inform Buyer of any developments that will affect either the duration of such event or the availability of the Project during or after the end of such event. These notices and changes to Available Capacity shall be communicated by telephone to Buyer's Real-Time Desk and shall be sent to Buyer's internet site as set forth in Appendix VI:

Real-Time Desk

Primary Telephone: (415) 973-4500

(iv) Replacement of Scheduling Coordinator.

(A) At least ninety (90) days prior to the end of the Delivery Term, or as soon as practicable before the date of any termination of this Agreement prior to the end of the Delivery Term, Seller shall take all actions necessary to terminate the designation of Buyer or the Third-Party SC, as applicable, as Seller's SC. These actions include (I) submitting to the CAISO a designation of a new SC for Seller to replace Buyer or the Third-Party SC (as applicable); (II) causing the newly-designated SC to submit a letter to the CAISO accepting the designation; and (III) informing Buyer and the Third-Party SC (if applicable) of the last date on which Buyer or the Third-Party SC (as applicable) will be Seller's SC.

(B) Buyer shall submit, or if applicable cause the Third-Party SC to submit, a letter to the CAISO identifying the date on which Buyer (or Third-Party SC, as applicable) resigns as Seller's SC on the first to occur of either (I) thirty (30) days prior to the end of the Delivery Term or (II) the date of any early termination of this Agreement.

3.5 Standards of Care.

(a) General Operation. Seller shall comply with all applicable requirements of Law, the CAISO, NERC and WECC relating to the Project (including those related to construction, ownership and/or operation of the Project).

(b) CAISO and WECC Standards. Each Party shall perform all generation, scheduling and transmission services in compliance with all applicable (i) operating policies, criteria, rules, guidelines, tariffs and protocols of the CAISO, (ii) WECC scheduling practices and (iii) Good Utility Practices.

(c) Reliability Standard. Seller agrees to abide by (i) CPUC General Order No. 167, “Enforcement of Maintenance and Operation Standards for Electric Generating Facilities”, and (ii) all applicable requirements regarding interconnection of the Project, including the requirements of the interconnected Participating Transmission Owner.

3.6 Metering. All output from the Project must be delivered through a single CAISO revenue meter and that meter must be dedicated exclusively to the Project. All Product purchased under this Agreement must be measured by the Project’s CAISO revenue meter(s) to be eligible for payment under this Agreement. Seller shall bear all costs relating to all metering equipment installed to accommodate the Project. In addition, Seller hereby agrees to provide all meter data to Buyer in a form acceptable to Buyer, and consents to Buyer obtaining from the CAISO the CAISO meter data applicable to the Project and all inspection, testing and calibration data and reports. Seller shall grant Buyer the right to retrieve the meter reads from the CAISO Operational Meter Analysis and Reporting (OMAR) web and/or directly from the CAISO meter(s) at the Project site. If the CAISO makes any adjustment to any CAISO meter data for a given time period, Seller agrees that it shall submit revised monthly invoices, pursuant to Section 6.2, covering the entire applicable time period in order to conform fully such adjustments to the meter data. Seller shall submit any such revised invoice no later than thirty (30) days from the date on which the CAISO provides to Seller such binding adjustment to the meter data.

3.7 Outage Notification.

(a) CAISO Approval of Outage(s). Buyer, in its capacity as Scheduling Coordinator, is responsible for securing CAISO approvals for Project outages, including securing changes in its outage schedules when CAISO disapproves Buyer’s schedules or cancels previously approved outages and for entering Project outages in the Scheduling and Logging system for the CAISO (SLIC). As Scheduling Coordinator, Buyer shall put forth commercially reasonable efforts to secure and communicate CAISO approvals for Project outages in a timely manner to Seller.

(b) Planned Outages. During the Delivery Term, Seller shall notify Buyer of its proposed Planned Outage schedule for the Project for the following calendar year by complying with [Section 3.4[(b)][(c)](iii)(A), (“Annual Forecast of Available Capacity”) and Section 3.4[(b)][(c)](iii)(B), (Monthly Forecast of Available Capacity”)] [*Applies to intermittent facilities only*] [3.4[(b)][(c)](iii)(A), (“Annual Forecast of Available Capacity”) and Section 3.4(b)(iii)(B), (Monthly Forecast of Available Capacity”)] [*Applies to all facilities other than intermittent facilities*] and implementing the notification procedures set forth in Appendix VIII no later than July 1st of each year during the Delivery Term. Seller shall also notify Buyer of the proposed Planned Outage schedule for the Project by the earlier of ninety (90) days before the beginning of each month or thirty (30) days before Buyer’s monthly Resource Adequacy capacity showing must be completed in accordance with the CAISO Tariff or decision of the CPUC. The Planned Outage schedule is subject to Buyer’s approval, which approval may not be unreasonably withheld or conditioned. Seller shall also confirm or provide updates to Buyer regarding the Planned Outage by the earlier of fourteen (14) days prior to each Planned Outage or two (2) Business Days prior to the CAISO deadline for submitting Planned Outages. Seller shall not conduct Planned

Outages during the months of January, May through September, and December. During all other months, Seller shall not schedule Planned Outages without the prior written consent of Buyer, which consent may not be unreasonably withheld or conditioned. Seller shall contact Buyer with any requested changes to the Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled Planned Outage consistent with Good Utility Practices. Seller shall not change its Planned Outage schedule without Buyer's approval, not to be unreasonably withheld or conditioned. Subject to Section 3.7(a), after any Planned Outage has been scheduled, at any time up to the commencement of work for the Planned Outage, Buyer may direct that Seller change its outage schedule as ordered by CAISO. For non-CAISO ordered changes to a Planned Outage schedule requested by Buyer, Seller shall notify Buyer of any incremental costs associated with such schedule change and an alternative schedule change, if any, that would entail lower incremental costs. If Buyer agrees to pay the incremental costs, Seller shall use commercially reasonable efforts to accommodate Buyer's request.

(c) Forced Outages. Seller shall notify Buyer of a Forced Outage within ten (10) minutes of the commencement of the Forced Outage and in accordance with the notification procedures set forth in Appendix VI. Buyer shall put forth commercially reasonable efforts to submit such outages to CAISO.

(d) Prolonged Outages. Seller shall notify Buyer of a Prolonged Outage as soon as practicable in accordance with the notification provisions in Appendix VI. Seller shall notify Buyer in writing when the Project is again capable of meeting its Contract Quantity on a *pro rata* basis also in accordance with the notification provisions in Appendix VI.

(e) Force Majeure. Within two (2) Business Days of commencement of an event of Force Majeure, the non-performing Party shall provide the other Party with oral notice of the event of Force Majeure, and within two (2) weeks of the commencement of an event of Force Majeure the non-performing Party shall provide the other Party with Notice in the form of a letter describing in detail the particulars of the occurrence giving rise to the Force Majeure claim. Failure to provide timely Notice constitutes a waiver of a Force Majeure claim. The suspension of performance due to a claim of Force Majeure must be of no greater scope and of no longer duration than is required by the Force Majeure. Buyer shall not be required to make any payments for any Products that Seller fails to deliver or provide as a result of Force Majeure during the term of a Force Majeure.

(f) Communications with CAISO. Buyer shall be responsible for all outage coordination communications with CAISO outage coordination personnel and CAISO operations management, including submission to CAISO of updates of outage plans, submission of clearance requests, and all other outage-related communications.

(g) Changes to Operating Procedures. Notwithstanding any language to the contrary contained in Sections 3.4, 3.6, 3.7 or 3.8 or Appendix VI, Seller understands and acknowledges that the specified access to data and installation and maintenance of weather stations, transmission and scheduling mechanisms, metering requirements, Outage Notification Procedures and operating procedures described in the above-referenced sections are subject to change by Buyer from time to time and, upon receipt of Notice of any such changes, Seller agrees to work in good faith to implement any such changes as reasonably deemed necessary by Buyer; provided that such change does not result in an increase cost of performance to Seller hereunder other than *de minimis* amounts.

3.8 Operations Logs and Access Rights.

(a) Operations Logs. Seller shall maintain a complete and accurate log of all material operations and maintenance information on a daily basis. Such log shall include information on

power production, [fuel consumption,] [Bracketed language for applicable Baseload Product only] efficiency, availability, maintenance performed, outages, results of inspections, manufacturer recommended services, replacements, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices. Seller shall provide this information electronically to Buyer within thirty (30) days of Buyer's request.

(b) Access Rights. Buyer, its authorized agents, employees and inspectors may, on reasonable advance notice (which no case shall be less than three (3) Business Days) visit the Project during normal business hours for purposes reasonably connected with this Agreement or the exercise of any and all rights secured to Buyer by Law, or its tariff schedules, PG&E Interconnection Handbook, Electric Rule 21, and rules on file with the CPUC. In connection with the foregoing, Buyer, its authorized agents, employees and inspectors must (i) at all times adhere to all safety and security procedures as may be required by Seller; (ii) not interfere with the operation of the Project; and (iii) unless waived in writing by Seller, be escorted by a representative of Seller. Buyer shall make reasonable efforts to coordinate its emergency activities with the Safety and Security Departments, if any, of the Project operator. Seller shall keep Buyer advised of current procedures for contacting the Project operator's Safety and Security Departments.

3.9 New Generation Facility.

(a) Seller, at no cost to Buyer, shall be responsible to:

(i) Design and construct the Project.

(ii) Perform all studies, pay all fees, obtain all necessary approvals and execute all necessary agreements with the CAISO, the Participating Transmission Owner, and the applicable distribution provider for the Interconnection Facilities to Schedule and deliver the Product.

(iii) Acquire all permits and other approvals necessary for the construction, operation, and maintenance of the Project.

(iv) Complete all environmental impact studies necessary for the construction, operation, and maintenance of the Project.

(v) At Buyer's request, provide to Buyer Seller's electrical specifications and design drawings pertaining to the Project for Buyer's review prior to finalizing design of the Project and before beginning construction work based on such specifications and drawings. Seller shall provide to Buyer reasonable advance Notice of any changes in the Project and provide to Buyer specifications and design drawings of any such changes.

(vi) Within fifteen (15) days after the close of each month from the first month following the Execution Date until the Commercial Operation Date, provide to Buyer a Monthly Progress Report and agree to regularly scheduled meetings between representatives of Buyer and Seller to review such monthly reports and discuss Seller's construction progress. The Monthly Progress Report shall indicate whether Seller is on target to meet the Guaranteed Commercial Operation Date.

[The following bracketed Section 3.9(a)(vii) applies to As-Available Products only]

[(vii) Provide to Buyer a copy of the Final Output Report, and any updates thereafter for the time period beginning on the Effective Date and ending on the last day of the first Contract Year.]

[The following bracketed Section 3.9(a)(vii) applies to geothermal Projects only]

[(vii) Provide to Buyer copies of all Geothermal Reservoir Reports and any revisions thereto, for the time period beginning on the Effective Date and ending on the last day of the first Contract Year.]

(b) Buyer shall have the right, but not the obligation, to:

(i) Notify Seller in writing of the results of the review within thirty (30) days of Buyer's receipt of all specifications for the Project, including a description of any flaws perceived by Buyer in the design.

(ii) Inspect the Project's construction site or on-site Seller data and information pertaining to the Project during business hours upon reasonable notice.

(c) Guaranteed Commercial Operation Date.

(i) The Parties agree time is of the essence in regards to the Agreement. As such, Seller shall have demonstrated Commercial Operation per the terms of Appendix IV by the date that is no later than twenty-four (24) months after the Effective Date of this Agreement, except as such date may be extended on a day for day basis for not more than a cumulative six (6) month period for a Permitted Extension (the "Guaranteed Commercial Operation Date").

(ii) Permitted Extensions. The Permitted Extensions to the Guaranteed Commercial Operation Date are as follows:

(A) Permitting Delay. The Guaranteed Commercial Operation Date may be extended on a day for day basis if Seller has used commercially reasonable efforts (including Seller's timely filing of required documents and payment of all applicable fees) to obtain permits necessary for the construction and operation of the Project, but is unable to obtain such permits and Seller has worked diligently to resolve the delay ("Permitting Delay");

(B) Transmission Delay. The Guaranteed Commercial Operation Date may be extended on a day for day basis if Seller has used commercially reasonable efforts (including compliance with all CAISO, PTO, FERC or other requirements, as applicable, and Seller's timely submission of all required documents and applicable fees) to have the Project physically interconnected to the CAISO Grid and to complete all Electric System Upgrades, if any, but such interconnection or Electric System Upgrades cannot be completed by the Guaranteed Commercial Operation Date, and such delay is not caused by Seller, and Seller has worked diligently to resolve the delay ("Transmission Delay");

(C) Force Majeure Extension. The Guaranteed Commercial Operation Date may be extended on a day for day basis in the event of Force Majeure ("Force Majeure Extension"); provided that Seller works diligently to resolve the effect of the Force Majeure and provides evidence of its efforts promptly to Buyer upon Buyer's written request; provided further that Seller may not claim Force Majeure for any reason that was the basis for or would qualify as a Permitting Delay or a Transmission Delay.

(iii) Notwithstanding the foregoing, if Seller claims more than one Permitted Extension under Section 3.9(c)(ii), such extensions cannot cumulatively exceed six (6) months and all Permitted Extensions taken shall be concurrent, rather than cumulative, during any overlapping days.

(iv) Notice of Permitted Extension.

(A) In order to request a Permitting Delay or Transmission Delay (individually and collectively, “Delay”), Seller shall provide Buyer with Notice of the requested Delay no later than sixty (60) days prior to the Guaranteed Commercial Operation Date, which Notice must clearly identify the Delay being requested, the length of the Delay requested (up to six (6) months), and include information necessary for Buyer to verify the length and qualification of the Delay. Buyer shall use reasonable discretion to grant or deny the requested extension, and shall provide Seller Notice of its decision within a reasonable time;

(B) In the case of a Force Majeure Extension, Seller shall provide Notice as soon as possible after the occurrence of the Force Majeure event.

(v) Failure to Meet Guaranteed Commercial Operation Date. Seller shall cause the Project to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date; provided, however, that the Commercial Operation Date shall not occur more than one hundred eighty (180) days prior to the Guaranteed Commercial Operation Date. If the Commercial Operation Date occurs after the Guaranteed Commercial Operation Date after giving effect to Permitted Extensions or Force Majeure, then Buyer shall be entitled to declare an Event of Default and collect a Termination Payment pursuant to Article Five.

[The following subsections (d) and (e) are applicable solely to a New Project:]

/(d) Resize of Project Due to Permit Failure.

(i) If Seller has not received or obtained by the earlier of the Expected Construction Start Date and the date that is six months after the Effective Date final and non-appealable material Governmental Approvals required for the construction of the Project with the Contract Capacity set forth in the Cover Sheet, after using commercially reasonable efforts to do so (including timely filings with all applicable Governmental Authorities and timely payment of any required fees) (“Permit Failure”), Seller may make a Contract Capacity Commitment on the Expected Construction Start Date (as may be extended), equal to, at a minimum, seventy percent (70%) of the Contract Capacity set forth in the Cover Sheet, provided that such amount shall also be the maximum amount of the generation capacity permitted under the final and non-appealable material Governmental Approvals that Seller has received as of the Expected Construction Start Date (as may be extended), and may not be under one (1) MW, and provided further that for a period of two (2) years from any such resizing pursuant to this Section 3.9(d), Seller must offer Buyer a Right of First Offer for any Products from the Project up to the Contract Capacity set forth in the Cover Sheet as further provided in Section 3.9(e), below. Seller shall provide Notice of such Contract Capacity Commitment to Buyer no later than ten (10) Business Days following the Expected Construction Start Date.

(ii) In the event that the Contract Capacity is reduced pursuant to Section 3.9(d)(i) above, the Contract Quantity during each Contract Year set forth in the Delivery Term Contract Schedule in the Cover Sheet shall be adjusted proportionately with such reduction.

(iii) In the event that the Contract Capacity and Contract Quantity are reduced pursuant to Sections 3.9(d)(i) and (ii), the revised Contract Capacity and Contract Quantity shall be used to determine Seller’s performance under the Agreement, including the amount of Guaranteed Energy Production under Section 3.1(e) and the amount of Delivery Term Security required under Section 8.4.

(iv) If the final Contract Capacity is less than the initial Contract Capacity due to a resize of the Project pursuant to Sections 3.1(e)(ii) and 3.9(d)(i), then Seller shall forfeit a proportional share of the Project Development Security on a percent-for-percent basis.

(e) Right of First Offer.

(i) If Seller resizes the Project due to Permit Failure, then for a period of two (2) years from the date on which Seller Notifies Buyer of the Contract Capacity Commitment (“Exclusivity Period”), neither Seller, its successors and assigns, nor its Affiliates shall enter into an obligation or agreement to sell or otherwise transfer any Products from the Project in excess of the Contract Capacity Commitment, up to the Contract Capacity set forth in the Cover Sheet, to any third party, unless Seller first offers, in writing, to sell to Buyer such Products from the Project on the same terms and conditions as this Agreement, subject to permitted modifications identified in subpart (ii) below, (the “First Offer”) and Buyer either accepts or rejects such First Offer in accordance with the provisions herein.

(ii) If Buyer accepts the First Offer, Buyer shall Notify Seller within thirty (30) days of receipt of the First Offer subject to Buyer’s management approval and CPUC Approval (“Buyer’s Notice”), and then the Parties shall have not more than ninety (90) days from the date of Buyer’s Notice to enter into a new power purchase agreement, in substantially the same form as this Agreement, or amend this Agreement, subject to CPUC Approval, if necessary; provided that the Contract Price may only be increased to reflect Seller’s documented incremental costs in overcoming the Permit Failure.

(iii) If Buyer rejects or fails to accept Seller’s First Offer within thirty (30) days of receipt of such offer, Seller shall thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, any Products from the Project to any third party, so long as the material terms and conditions of such sale or transfer are not more favorable to the third party than those of the First Offer to Buyer. If, during the Exclusivity Period, Seller desires to enter into an obligation or agreement with a third party, Seller shall deliver to Buyer a certificate of an authorized officer of Seller (A) summarizing the material terms and conditions of such agreement and (B) certifying that the proposed agreement with the third party will not provide Seller with a lower rate of return than that offered in the First Offer to Buyer. If Seller is unable to deliver such a certificate to Buyer, then Seller may not sell or otherwise transfer, or enter into an agreement to sell or otherwise transfer, the Products from the Project without first offering to sell or otherwise transfer such Products to Buyer on such more favorable terms and conditions (the “Revised Offer”) in accordance with subpart (ii) above. If within thirty (30) days of receipt of Seller’s Revised Offer the Buyer rejects, or fails to accept by Notice to Seller, the Revised Offer, then Seller will thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, such Products from the Project to any third party on such terms and conditions as set forth in the certificate.]

ARTICLE FOUR: COMPENSATION; MONTHLY PAYMENTS

4.1 Contract Price. The Contract Price for each MWh of Product as measured by Delivered Energy in each Contract Year is set forth in the Cover Sheet.

4.2 TOD Periods. The time of delivery periods (“TOD Periods”) specified below shall be referenced by the following designations:

Monthly Period	TOD PERIOD		
	1. Super-Peak	2. Shoulder	3. Night
A. June – Sept.	A1	A2	A3
B. Oct. - Feb.	B1	B2	B3
C. Mar. - May	C1	C2	C3

Monthly Period Definitions. The Monthly Periods are defined as follows:

- A. June - September;
- B. October - February; and
- C. March - May.

TOD Period Definitions. The TOD Periods are defined as follows:

1. **Super-Peak** (5x8) = hours ending 13 - 20 (Pacific Prevailing Time (PPT)) Monday - Friday (except NERC Holidays) in the applicable Monthly Period.
2. **Shoulder** = hours ending 7 - 12, 21 and 22 PPT Monday - Friday (except NERC Holidays); and hours ending 7 - 22 PPT Saturday, Sunday and all NERC Holidays in the applicable Monthly Period.
3. **Night** (7x8) = hours ending 1 - 6, 23 and 24 PPT all days (including NERC Holidays) in the applicable Monthly Period.

“NERC Holidays” mean the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Three of these days, Memorial Day, Labor Day, and Thanksgiving Day, occur on the same day each year. Memorial Day is the last Monday in May; Labor Day is the first Monday in September; and Thanksgiving Day is the fourth (4th) Thursday in November. New Year’s Day, Independence Day, and Christmas Day occur on the same date each year, but in the event any of these holidays occur on a Sunday, the “NERC Holiday” is celebrated on the Monday immediately following that Sunday; and if any of these holidays occur on a Saturday, the “NERC Holiday” remains on that Saturday. Notwithstanding anything to the contrary in this Section 4.2, NERC Holidays shall be calculated as “Shoulder” hours for all non-“Night” hours and any remaining hours shall be calculated as “Night” hours.

4.3 Capacity Factor. The Capacity Factor shall be calculated by TOD Period and defined as the percentage amount resulting from Delivered Energy in the applicable TOD Period divided by the product resulting from multiplying the Contract Capacity times the number of hours in the applicable TOD Period minus Seller Excuse Hours in the applicable TOD Period (“Capacity Factor”):

$$\text{Capacity Factor} = \text{Delivered Energy} / (\text{Contract Capacity} \times (\text{Hours in TOD Period} \text{ minus Seller Excuse Hours})).$$

4.4 TOD Factors and Monthly TOD Payment.

(a) TOD Factors. In accordance with all other terms of this Article Four, the Contract Price for Delivered Energy and Deemed Delivered Energy shall be adjusted by the following Time of Delivery Factors (“TOD Factors”) for each of the specified TOD Periods in which Delivered Energy or Deemed Delivered Energy is delivered:

TOD FACTORS FOR EACH TOD PERIOD		
TOD Period	Energy Only Status	Full Capacity Deliverability Status
A1	1.157	2.297
A2	1.011	1.069
A3	0.951	0.798
B1	1.071	0.953
B2	1.018	0.857
B3	0.963	0.808
C1	0.907	1.041
C2	0.937	0.819
C3	0.987	0.828

(b) Monthly TOD Payment. For each month, Buyer shall pay Seller for Delivered Energy and Deemed Delivered Energy in each TOD Period (“Monthly TOD Payment”) the amount resulting from multiplying the Contract Price times the TOD Factor for the applicable TOD Period, times the Delivered Energy plus Deemed Delivered Energy in each hour:

$$\text{Monthly TOD Payment} = \sum_{\text{hour}=1}^n \text{Contract Price } \$ * \text{TOD Factor} * (\text{Delivered Energy } MW_{\text{hour}} + \text{Deemed Delivered Energy } MW_{\text{hour}})$$

Notwithstanding the foregoing, for Baseload Products, the payment obligation is modified as provided in Section 4.6(c).

(c) Applicability of Full Capacity Deliverability Status TOD Factors. This Section 4.4(c) only applies to Sellers that elected to be FCDS Sellers in the Cover Sheet. The Full Capacity Deliverability Status TOD Factors shall apply as of the first day of the month immediately following the date that is forty-five (45) calendar days from the Effective FCDS Date.

[Section 4.5 Excess Delivered Energy below applies to Full Buy-Sell transactions of As-Available Product only]

[4.5 Excess Delivered Energy. In any Contract Year, if the amount of Delivered Energy plus the amount of Deemed Delivered Energy exceeds one hundred fifteen percent (115%) of the annual Contract Quantity amount, the Contract Price for such Delivered Energy and Deemed Delivered Energy in excess of such one hundred fifteen percent (115%) shall be adjusted to be seventy-five percent (75%) of the applicable Contract Price.]

4.6 CAISO Charges.

(a) Seller shall assume all liability and reimburse Buyer for any and all CAISO Penalties incurred by Buyer because of Seller’s failure to perform any covenant or obligation set forth in this Agreement. Buyer shall assume all liability and reimburse Seller for any and all CAISO Penalties, incurred by Seller as a result of Buyer’s actions, including those resulting in a Buyer Curtailment Period.

(b) Buyer, as Scheduling Coordinator, shall (i) be responsible for all costs and charges assessed by the CAISO with respect to Scheduling and Imbalance Energy, subject to Section 4.6(a) and (c) and (ii) retain the credits and other payments received as a result of Energy from the Project delivered to the Integrated Forward Market or Real-Time Market, including revenues associated with CAISO dispatches. Seller and Buyer shall cooperate to minimize such charges and Uninstructed

Imbalance Energy to the extent possible. Seller shall use commercially reasonable efforts to monitor imbalances and shall promptly notify Buyer as soon as possible after it becomes aware of any material imbalance that is occurring or has occurred. Such notification shall not alter Seller's and Buyer's respective responsibilities for payment for Imbalance Energy and costs and CAISO Penalties under this Agreement. Throughout the Delivery Term, Buyer shall be entitled to all Integrated Forward Market Load Uplift Obligation credits (as defined or required for MRTU under the CAISO Tariff) associated with the Energy generated from the Project.

(c) Forecasting Penalties.

(i) Subject to Force Majeure, in the event Seller does not in a given hour either (A) provide the access and information required in Section 3.1(l)(i); (B) comply with the installation, maintenance and repair requirements of Section 3.1(l)(iv); or (C) provide the forecast of Available Capacity required in Section 3.4[(b)][(c)](iii), and the sum of Energy Deviations for each of the six Settlement Intervals in the given hour exceeded the Performance Tolerance Band defined below, then Seller will be responsible for Forecasting Penalties as set forth below.

(ii) The Performance Tolerance Band is five percent (5%) multiplied by Contract Capacity multiplied by one (1) hour.

(iii) Forecasting Penalties. The Forecasting Penalty shall be equal to one hundred fifty percent (150%) of the Contract Price for each MWh of Energy Deviation outside the Performance Tolerance Band, or any portion thereof, in every hour for which Seller fails to meet the requirements in this Section 4.6(c)(i). Settlement of Forecasting Penalties shall occur as set forth in Section 6.1 of this Agreement.

4.7 Test Period Payments. During the Test Period Seller's full compensation for Product sold to Buyer shall be the CAISO Revenues for the Delivered Energy, which revenues Buyer shall forward promptly to Seller in accordance with the schedule described in Section 6.1.

4.8 Additional Compensation.

(a) To the extent not otherwise provided for in this Agreement, in the event that Seller is compensated by a third party for any Products produced by the Project, including compensation for Resource Adequacy or Green Attributes, Seller shall remit all such compensation directly to Buyer; provided that for avoidance of doubt, nothing herein precludes Seller from retaining credits related to Electric System Upgrades contemplated in Section 3.1(h)(i).

(b) To the extent that during the Delivery Term Seller (at a nominal or no cost to Seller) is exempt from, reimbursed for or receives any refunds, credits or benefits from CAISO for congestion charges or Congestion Revenue Rights (as defined in the CAISO Tariff), whether due to any adjustments in Congestion Revenue Rights or any Locational Marginal Price (as defined in the CAISO Tariff), market adjustments, invoice adjustments, or any other hedging instruments associated with the Product (collectively, any such refunds, credits or benefits are referred to as "Reductions"), then, at Buyer's option, either (i) Seller shall transfer any such Reductions and their related rights to Buyer less any costs incurred by Seller in connection with such Reductions; or (ii) Buyer shall reduce payments due to Seller under this Agreement in amounts equal to the Reductions less any costs incurred by Seller in connection with such Reduction and Seller shall retain the Reductions.

(c) Reliability Must-Run Contract and Capacity Procurement Mechanism Obligations. Seller with an existing RMR Contract will assign all of the proceeds of any RMR Contract

affecting the Project to Buyer, except as provided below. Buyer shall retain all revenues from said RMR Contract, except for Monthly Surcharge Payments, the CAISO Repair Share, and Motoring Charges for Ancillary Services Dispatch (“Retained Revenues”), as each is defined in the applicable RMR Contract, all of which shall be remitted to Seller. If the CAISO and/or Seller wish to negotiate or renegotiate an RMR Contract or contract related to the Capacity Procurement Mechanism (as defined in the CAISO Tariff) or similar capacity commitment under the CAISO Tariff that pertains to Unit(s) under this Agreement as of the Execution Date of this Agreement, Seller shall include Buyer in any such negotiations. If Seller enters into any new RMR Contract or contract related to the Capacity Procurement Mechanism or similar capacity commitment affecting the Project, Seller shall assign the revenues from such contract, except for Retained Revenues Monthly Surcharge Payments, the CAISO Repair Share, and Motoring Charges for Ancillary Services Dispatch to Buyer.

ARTICLE FIVE: EVENTS OF DEFAULT; PERFORMANCE REQUIREMENT; REMEDIES

5.1 Events of Default. An “Event of Default” shall mean,

(a) with respect to a Party that is subject to the Event of Default, the occurrence of any of the following:

(i) the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written Notice is received by the Party failing to make such payment;

(ii) any representation or warranty made by such Party herein (A) is false or misleading in any material respect when made or (B) with respect to Section 10.2(b), becomes false or misleading in any material respect during the Delivery Term; provided that, if a change in Law occurs after the Execution Date that causes the representation and warranty made by Seller in Section 10.2(b) to be materially false or misleading, such breach of the representation or warranty in Section 10.2(b) shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in Law during the Delivery Term in order to make the representation and warranty no longer false or misleading.

(iii) the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default), if such failure is not remedied within forty-five (45) days after Notice from the Non-Defaulting Party, which time period shall be extended if the Defaulting Party is making diligent efforts to cure such failure to perform, provided that such extended period shall not exceed forty-five (45) additional days;

(iv) such Party becomes Bankrupt; or

(v) 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) if at any time during the Term of this Agreement, Seller delivers or attempts to deliver to the Delivery Point for sale under this Agreement Energy that was not generated by the Project;

(ii) failure by Seller to meet the Guaranteed Commercial Operation Date as extended by any Permitted Extensions, due solely to Seller's inability to achieve, after the use of commercially reasonable efforts, by the Guaranteed Commercial Operation Date the permits necessary to construct or operate the Project, the physical interconnection of the Project to the CAISO or any necessary Electric System Upgrades, if applicable.

(iii) failure by Seller for any reason other than those explicitly provided in Section 5.1(b)(ii) above and Section 11.1(a)(ii) to meet the Guaranteed Commercial Operation Date as may be extended by Permitted Extensions;

(iv) failure by Seller to satisfy the creditworthiness/collateral requirements agreed to pursuant to Sections 8.3, 8.4, or 8.5 of this Agreement and such failure is not cured within any applicable cure period;

(v) other than for a Project with small hydro facility as the technology type, failure by Seller to achieve the Guaranteed Energy Production requirement as set forth in Section 3.1(e)(ii) of this Agreement as follows:

(A) after the one (1) year GEP Cure period Seller has failed to cure the GEP Failure and has failed to pay GEP Damages in the time period set forth in Section 3.1(e)(ii); or

(B) if, after any Performance Measurement Period the cumulative GEP Shortfall for all preceding Performance Measurement Periods occurring during the Delivery Term equals or exceeds two times the Contract Quantity (as may be adjusted pursuant to Sections 3.9(d) and 3.1(e)(ii)); provided, however, that if all or a portion of the GEP Shortfall during an applicable Performance Measurement Period is principally caused by a non-Force Majeure major equipment malfunction, breakdown, or failure resulting in a reduction of Energy production of the Project by at least fifty percent (50%) of the Contract Quantity in one or both years of the Performance Measurement Period, as applicable, and such malfunction, breakdown, or failure was not caused by Seller and could not have been avoided through the exercise of Good Utility Practice, such failure shall be excluded from the calculation of the cumulative GEP Shortfall for purposes of this subsection.

5.2 Remedies. If an Event of Default with respect to a Defaulting Party shall have occurred and is continuing, the other Party ("Non-Defaulting Party") shall have the following rights:

(a) 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");

(b) accelerate all amounts owing between the Parties, terminate the Transaction and end the Delivery Term effective as of the Early Termination Date;

(c) (i) collect the Damage Payment in accordance with Section 5.8 below, if the Event of Default arose under Section 5.1(b)(ii), or (ii) collect the Termination Payment for any other Event of Default;

(d) withhold any payments due to the Defaulting Party under this Agreement;

- (e) suspend performance;
- (f) exercise its rights pursuant to Section 8.4 to draw upon and retain Performance Assurance;
- (g) demand payment for damages due to Buyer's unexcused failure to take delivery or pay for Product; and
- (h) exercise any other rights or remedies available at Law or in equity (including the collection of monetary damages) to the extent otherwise permitted under this Agreement.

Notwithstanding anything to the contrary contained herein, Seller may exercise the rights or remedies set forth in Sections 5.2(e), (g), and (h) without terminating this Agreement.

5.3 Calculation of Termination Payment.

(a) 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 dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. If the Non-Defaulting Party uses the market price for a comparable transaction to determine the Gains or Losses, such price should be determined by using the average of market quotations provided by three (3) or more bona fide unaffiliated market participants. If the number of available quotes is three, then the average of the three quotes shall be deemed to be the market price. Where a quote is in the form of bid and ask prices, the price that is to be used in the averaging is the midpoint between the bid and ask price. The quotes shall be obtained in a commercially reasonable manner and shall be: (i) for a like amount, (ii) of the same Product, (iii) at the same Delivery Point, and (iv) for the remaining Delivery Term. Regardless of the method chosen by the Non-Defaulting Party to calculate the Settlement Amount, the Settlement Amount must still be reasonable under the circumstances.

(b) If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of the Terminated Transaction, the Settlement Amount shall be zero.

(c) The Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount.

5.4 Notice of Payment of Termination Payment. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether 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.

5.5 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 ten (10) 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 Twelve.

5.6 Rights And Remedies Are Cumulative. The rights and remedies of a Party pursuant to this Article Five shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

5.7 Duty to Mitigate. Buyer and Seller shall each have a duty to mitigate damages pursuant to this Agreement, and each shall use reasonable efforts to minimize any damages it may incur as a result of the other Party's non-performance of this Agreement, including with respect to termination of this Agreement.

5.8 Damage Payment for Failure to Achieve Guaranteed Dates. The Parties agree that the Damage Payment to be paid by Seller for an Event of Default arising under Section 5.1(b)(ii) associated with Seller's failure to achieve the Guaranteed Commercial Operation Date shall be considered liquidated damages and not a penalty, in accordance with Section 7.1.

ARTICLE SIX: PAYMENT

6.1 Billing and Payment; Remedies. On or about the tenth (10th) day of each month beginning with the second month of either the Test Period or the first Contract Year, whichever occurs first, and every month thereafter, and continuing through and including the first month following the end of the Delivery Term, Seller shall provide to Buyer (a) records of metered data, including CAISO metering and transaction data sufficient to document and verify the generation of Product by the Project for any CAISO settlement time interval during the preceding months, (b) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy or amount of any Reductions; and (c) an invoice, in the format specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of Article Four. Seller shall continue to provide to Buyer an invoice of CAISO charges, net any sums Buyer owes Seller under this Agreement, on or about the tenth (10th) day of each month until the date of the Final True-Up. Buyer shall pay the undisputed amount of such invoices less the amount of any Forecasting Penalties (as applicable), on or before the later of the twenty-fifth (25th) day of each month and fifteen (15) days after receipt of the invoice. If either the invoice date or payment date is not a Business Day, then such invoice or payment shall be provided on the next following Business Day. Each Party will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any undisputed amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full. Invoices may be sent by facsimile or e-mail.

6.2 Disputes and Adjustments of Invoices. In the event an invoice or portion thereof or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with Notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Subject to Section 3.6, in the event adjustments to payments are required as a result of inaccurate meter(s), Buyer shall use corrected measurements to recompute the amount due from Buyer to Seller for the Product delivered under the Transaction during the period of inaccuracy. The Parties agree to use good faith efforts to resolve the dispute or identify the adjustment as soon as possible. Upon resolution of the dispute or calculation of the adjustment, any required payment shall be made within fifteen (15) days of such resolution along with interest accrued at the Interest Rate from and including the due date, but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment, but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is

notified in accordance with this Section 6.2 within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made; provided that such waiver shall not apply to any adjustment or dispute related to Seller's performance under any applicable RMR Contract. If an invoice is not rendered within twelve (12) months after the close of the month during which performance under the Transaction occurred, the right to payment for such performance is waived.

ARTICLE SEVEN: LIMITATIONS

7.1 Limitation of Remedies, Liability and Damages. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF SECTION 10.5 (INDEMNITIES), 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 CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

ARTICLE EIGHT: CREDIT AND COLLATERAL REQUIREMENTS

8.1 Buyer Financial Information. If requested by Seller, Buyer shall deliver to Seller (a) within one hundred twenty (120) days after the end of each fiscal year with respect to PG&E Corporation, a copy of PG&E Corporation's annual report containing audited consolidated financial statements for such fiscal year and (b) within sixty (60) days after the end of each of PG&E Corporation's first three fiscal quarters of each fiscal year, a copy of PG&E Corporation's quarterly report containing unaudited consolidated financial statements for each accounting period prepared in accordance with Generally Accepted Accounting Principles. Buyer shall be deemed to have satisfied such delivery requirement if the applicable report is publicly available on www.pge-corp.com or on the SEC EDGAR information retrieval system; provided however, that should such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default, so long as such statements are provided to Seller upon their completion and filing with the SEC.

8.2 Seller Financial Information. If requested by Buyer, Seller shall deliver to Buyer (a) within one hundred twenty (120) days following the end of each fiscal year, a copy of Seller's annual report containing unaudited consolidated financial statements for such fiscal year (or audited consolidated financial statements for such fiscal year if otherwise available) and (b) within sixty (60) days after the end

of each of its first three fiscal quarters of each fiscal year, a copy of such Party's quarterly report containing unaudited consolidated financial statements for such fiscal quarter. In all cases the statements shall be for the most recent accounting period and shall be prepared in accordance with Generally Accepted Accounting Principles; provided, however, that should any such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default so long as such Party diligently pursues the preparation, certification and delivery of the statements.

8.3 Grant of Security Interest/Remedies. To secure its obligations under this Agreement and to the extent Seller delivers the Project Development Security or Delivery Term Security, as applicable, hereunder, Seller hereby grants to Buyer, as the secured party, a first priority security interest in, and lien on (and right of setoff against), and assignment of, all such Performance Assurance posted with Buyer in the form of cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, Buyer. Within thirty days of the delivery of the Project Development Security or Delivery Term Security, as applicable, Seller agrees to take such action as Buyer reasonably requires in order to perfect a first-priority security interest in, and lien on (and right of setoff against), such Performance Assurance and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default or an Early Termination Date, Buyer, as the Non-Defaulting Party, may do any one or more of the following: (a) exercise any of the rights and remedies of a secured party with respect to all Project Development Security or Delivery Term Security, as applicable, including any such rights and remedies under the Law then in effect; (b) exercise its rights of setoff against any and all property of Seller, as the Defaulting Party, in the possession of the Buyer or Buyer's agent; (c) draw on any outstanding Letter of Credit issued for its benefit; and (d) liquidate all Project Development Security or Delivery Term 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 the Agreement (Seller remaining liable for any amounts owing to Buyer after such application), subject to the Buyer's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

8.4 Performance Assurance.

(a) Project Development Security; Delivery Term Security. Seller agrees to deliver to Buyer collateral to secure its obligations under this Agreement, which Seller shall maintain in full force and effect for the period posted with Buyer, as follows:

(i) Project Development Security pursuant to this Section 8.4(a)(i) in the amount of \$60/\$90 /kW multiplied by the capacity of the Project as reflected in the Cover Sheet for As-Available/Baseload resources, respectively and in the form set forth on the Cover Sheet within five (5) Business Days following the Effective Date of this Agreement until Seller posts Delivery Term Security pursuant to Section 8.4(a)(ii) below with Buyer.

(ii) Delivery Term Security pursuant to this Section 8.4(a)(ii) in the amount of five percent (5%) of expected total project revenues and in the form set forth on the Cover Sheet from the date required pursuant to Section 3.1(c) as a condition precedent to the Initial Energy Delivery Date, until the end of the Term; provided that, with Buyer's consent, Seller may elect to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Delivery Term Security posted pursuant to this Section 8.4(a)(ii).

Except as provided in Section 5.2(c), the amount of Performance Assurance required under this Agreement shall not be deemed a limitation of damages. Except as specifically provided for in this Section 8.4(a), Buyer acknowledges that Seller shall not be required to post any additional security.

(b) Use of Project Development Security. Buyer shall be entitled draw upon the Project Development Security for any damages arising upon Buyer's declaration of an Early Termination Date.

(c) Termination of Project Development Security. If after the Initial Energy Delivery Date, no damages are due and owing to Buyer under this Agreement, then Seller shall no longer be required to maintain the Project Development Security, and Buyer shall return to Seller the Project Development Security, less the amounts drawn in accordance with Section 8.4(b). The Project Development Security (or portion thereof) due to Seller shall be returned to Seller within five (5) Business Days of Seller's provision of the Delivery Term Security unless, with Buyer's consent, Seller elects to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Delivery Term Security posted pursuant to Section 8.4(a)(ii).

(d) Payment and Transfer of Interest. Buyer shall pay interest on cash held as Project Development Security or Delivery Term Security, as applicable, at the Interest Rate; provided that, such interest shall be retained by Buyer until Seller posts the Delivery Term Security pursuant to Section 8.4(a)(ii). Upon Seller's posting of the Delivery Term Security, all accrued interest on the Project Development Security shall be transferred to Seller in the form of cash by wire transfer to the bank account specified under "Wire Transfer" in the Cover Sheet (Notices List). After Seller posts the Delivery Term Security, Buyer shall transfer (as described in the preceding sentence) on or before each Interest Payment Date the Interest Amount due to Seller for such Delivery Term Security.

(e) Return of Delivery Term Security. Buyer shall return the unused portion of Delivery Term Security, including the payment of any interest due thereon, pursuant to Section 8.4(d) above, to Seller promptly after the following has occurred: (i) the Term of the Agreement has ended, or subject to Section 8.3, an Early Termination Date has occurred, as applicable; and (ii) all payment obligations of the Seller arising under this Agreement, including payments pursuant to Section 4.6 (CAISO Charges), Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting).

(f) Adjustment of Security Amounts for Project Resizing. The required amount of Delivery Term Security shall be proportionally and automatically adjusted in connection with any resizing of the Project under Section 3.9(d), and Buyer shall promptly return to Seller the unused portion of Delivery Term Security in connection with any such adjustment.

8.5 Letter of Credit. Performance Assurance provided in the form of a Letter of Credit shall be subject to the following provisions:

(a) If Seller has provided a Letter of Credit pursuant to any of the applicable provisions in this Article Eight, then Seller shall renew or cause the renewal of each outstanding Letter of Credit on a timely basis in accordance with this Agreement.

(b) In the event the issuer of such Letter of Credit at any time (i) fails to maintain the requirements of an Eligible LC Bank or Letter of Credit, (ii) indicates its intent not to renew such Letter of Credit, or (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit, Seller shall cure such occurrence by complying with either (A) or (B) below in an amount equal to the outstanding Letter of Credit, and by completing the action within five (5) Business Days after the date of

Buyer's Notice to Seller of an occurrence listed in this subsection (Seller's compliance with either (A) or (B) below is considered the "Cure"):

(A) providing a substitute Letter of Credit that is issued by an Eligible LC Bank, other than the bank which is the subject of Buyer's Notice to Seller in Section 8.5(b) above, or

(B) posting cash.

If Seller fails to Cure or if such Letter of Credit expires or terminates without a full draw thereon by Buyer, or fails or ceases to be in full force and effect at any time that such Letter of Credit is required pursuant to the terms of this Agreement, then Seller shall have failed to meet the creditworthiness or collateral requirements of Article Eight.

(c) Notwithstanding the foregoing in Section 8.5(b), if, at any time, the issuer of such Letter of Credit has a Credit Rating on "credit watch" negative or developing by S&P, or is on Moody's "watch list" under review for downgrade or uncertain ratings action (either a "Watch"), then Buyer may make a demand to Seller by Notice ("LC Notice") to provide a substitute Letter of Credit that is issued by an Eligible LC Bank, other than the bank on a Watch ("Substitute Letter of Credit"). The Parties shall have thirty (30) Business Days from the LC Notice to negotiate a Substitute Letter of Credit ("Substitute Bank Period").

(i) If the Parties do not agree to a Substitute Letter of Credit by the end of the Substitute Bank Period, then Buyer shall provide Seller with Notice within five (5) Business Days following the expiration of the Substitute Bank Period ("Ineligible LC Bank Notice Period") that either:

(A) Buyer agrees to continue accepting the then currently outstanding Letter of Credit from the bank that is the subject of the LC Notice, but such bank shall no longer be an Eligible LC Bank ("Ineligible LC Bank") and Buyer will not accept future or renewals of Letters of Credit from the Ineligible LC Bank; or

(B) the bank that is the subject of the LC Notice is an Ineligible LC Bank and Seller shall then have thirty (30) days from the date of Buyer's Notice to Cure pursuant to Section 8.5(b) and, if Seller fails to Cure, then the last paragraph in Section 8.5(b) shall apply to Seller.

(ii) If the Parties have not agreed to a Substitute Letter of Credit and Buyer fails to provide a Notice during the Ineligible LC Bank Notice Period above, then Seller may continue providing the Letter of Credit posted immediately prior to the LC Notice.

(d) In all cases, the reasonable costs and expenses of establishing, renewing, substituting, canceling, increasing, reducing, or otherwise administering the Letter of Credit shall be borne by Seller.

ARTICLE NINE: GOVERNMENTAL CHARGES

9.1 Cooperation. Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

9.2 Governmental Charges. Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority ("Governmental Charges") on or with respect to the Product or the Transaction

arising at the Delivery Point, including ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the Project. Buyer shall pay or cause to be paid all Governmental Charges on or with respect to the Product or the Transaction from the Delivery Point. In the event Seller is required by Law or regulation to remit or pay Governmental Charges which are Buyer's responsibility hereunder, Buyer shall promptly reimburse Seller for such Governmental Charges. If Buyer is required by Law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, Buyer may deduct such amounts from payments to Seller with respect to payments under the Agreement; if Buyer elects not to deduct such amounts from Seller's payments, Seller shall promptly reimburse Buyer for such amounts upon request. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the Law. A Party that is exempt at any time and for any reason from one or more Governmental Charges bears the risk that such exemption shall be lost or the benefit of such exemption reduced; and thus, in the event a Party's exemption is lost or reduced, each Party's responsibility with respect to such Governmental Charge shall be in accordance with the first four sentences of this Section.

ARTICLE TEN: MISCELLANEOUS

10.1 Recording. Unless a Party expressly objects to a recording at the beginning of a telephone conversation, each Party consents to the creation of a tape or electronic recording of all telephone conversations between Buyer's employees or representatives performing a Scheduling Coordinator function as provided in Section 3.4[(b)][(c)] and any representative of Seller. The Parties agree that any such recordings will be retained in confidence, secured from improper access, and may be submitted in evidence in any proceeding or action relating to this Agreement. Each Party waives any further notice of such monitoring or recording, and agrees to notify its officers and employees of such monitoring or recording and to obtain any necessary consent of such officers and employees.

10.2 Representations and Warranties.

(a) General Representations and Warranties. On the Execution Date, each Party represents and warrants to the other Party that:

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

(ii) it has all regulatory authorizations necessary for it to perform its obligations under this Agreement, except for (A) CPUC Approval in the case of Buyer, and (B) all permits necessary to install, operate and maintain the Project in the case of Seller;

(iii) the execution, delivery and performance of this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Laws applicable to it;

(iv) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses;

(v) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

(vi) there is not pending or, to its knowledge, threatened against it or any of its Affiliates, any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;

(vii) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

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

(ix) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or the ability to make or take delivery of the Product as provided in this Agreement.

(b) Seller Representations and Warranties. 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.

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.

(c) The term “commercially reasonable efforts” as used in Section 10.2(b) of this Agreement shall not require Seller to incur Compliance Costs in excess of the Compliance Cost Cap.

10.3 Covenants.

(a) General Covenants. Each Party covenants that throughout the Delivery Term:

(i) it shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation;

(ii) it shall maintain (or obtain from time to time as required, including through renewal, as applicable) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement and the Transaction; and

(iii) it shall perform its obligations under this Agreement and the Transaction in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Law, rule, regulation, order or the like applicable to it.

(b) Seller Covenants.

(i) Seller covenants throughout the Delivery Term that it will take no action or permit any other person or entity (other than Buyer) to take any action that would impair in any way Buyer's ability to rely on the Project in order to satisfy its Resource Adequacy Requirements; and

(ii) Seller covenants that it shall comply with all CAISO Tariff requirements and/or Participating TO tariff requirements, as applicable, that are applicable to an Interconnection Customer (as defined in the CAISO Tariff or Participating TO's tariff, as applicable) and shall take any other necessary action, including payment of fees and submission of requests, applications or other documentation, to promote the completion of the Electric System Upgrades prior to the Commercial Operation Date.

[The following clause (iii) applies to Existing Projects only:]

[(iii) Seller covenants that the Initial Energy Delivery Date shall occur no later than the Expected Initial Energy Delivery Date specified on the Cover Sheet, except as provided pursuant to Section 11.1(a)(ii).]

10.4 Title and Risk of Loss. Title to and risk of loss related to the Product shall transfer from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Product free and clear of all liens, security interests, Claims and encumbrances or any interest therein or thereto by any person or entity arising prior to or at the Delivery Point.

10.5 Indemnities.

(a) Indemnity by Seller. Seller shall release, indemnify and hold harmless Buyer or Buyers' respective directors, officers, agents, and representatives against and from any and all loss, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of or in any way connected with (i) the Product delivered under this Agreement to the Delivery Point, or (ii) Seller's operation and/or maintenance of the Project, including any loss, Claim, action or suit, for or on account of injury to, bodily or otherwise, or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only such loss, Claim, action or suit as may be caused solely by the willful misconduct or gross negligence of Buyer, its Affiliates, or Buyers' and Affiliates' respective agents, employees, directors, or officers.

(b) Indemnity by Buyer. Buyer shall release, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of or in any way connected with the Product delivered by Seller under this Agreement after the Delivery Point, including any loss, Claim, action or suit, for or on account of injury to, bodily or otherwise, or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only such loss, Claim, action or suit as may be caused solely by the willful misconduct or gross negligence of Seller, its Affiliates, or Seller's and Affiliates' respective agents, employees, directors, or officers.

(c) No Dedication. Without limitation of each Party's obligations under Sections 10.5(a) and 10.5(b) herein, nothing in this Agreement shall be construed to create any duty to, any

standard of care with reference to, or any liability to any person or entity not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or the public, nor affect the status of Buyer as an independent public utility corporation or Seller as an independent individual or entity.

10.6 Assignment.

(a) General Assignment. Except as provided in Sections 10.6(b) and (c), neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld so long as among other things (i) the assignee assumes the transferring Party's payment and performance obligations under this Agreement, (ii) the assignee agrees in writing to be bound by the terms and conditions hereof, (iii) the transferring Party delivers evidence satisfactory to the non-transferring Party of the proposed assignee's technical and financial capability to fulfill the assigning Party's obligations hereunder and (iv) the transferring Party delivers such tax and enforceability assurance as the other Party may reasonably request. Notwithstanding the foregoing and except as provided in Section 10.6(b), consent shall not be required for an assignment of this Agreement where the assigning Party remains subject to liability or obligation under this Agreement, provided that (i) the assignee assumes the assigning Party's payment and performance obligations under this Agreement, (ii) the assignee agrees in writing to be bound by the terms and conditions hereof, and (iii) the assigning Party provides the other Party hereto with at least thirty (30) days' prior written notice of the assignment.

(b) Assignment to Financing Providers. Seller shall be permitted to assign this Agreement as collateral for any financing or refinancing of the Project (including any tax equity or lease financing) without the prior written consent of the Buyer; provided that the financing provider(s), enter(s) into a Consent to Assignment in form and substance substantially similar to the form attached hereto as Appendix VIII under which such financing provider(s) shall agree that upon exercising its rights to assume the Agreement, it shall be bound by the terms and conditions hereof; and provided further that Seller shall be responsible at Buyer's request for Buyer's reasonable costs associated with the review, execution and delivery of documents in connection with such assignment, including attorneys' fees.

(c) Notice of Change in Control. Except in connection with public market transactions of the equity interests or capital stock of Seller or Seller's Affiliates', Seller shall provide Buyer notice of any direct change of control of Seller (whether voluntary or by operation of Law).

(d) Unauthorized Assignment. Any assignment or purported assignment in violation of this Section 10.6 is void.

10.7 Confidentiality.

(a) Neither Party shall disclose the non-public terms or conditions of this Agreement to a third party, other than as follows:

(i) to the Party's Affiliates, the Party's or its Affiliates' respective employees, lenders, investors, counsel, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential,

(ii) for disclosure to Buyer's Procurement Review Group, as defined in CPUC Decision D. 02-08-071, subject to a confidentiality agreement,

- (iii) to the CPUC under seal for purposes of review,
- (iv) for disclosure of those certain terms specified in and pursuant to Section 10.8 of this Agreement;
- (v) in order to comply with any applicable Law, regulation, or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over the disclosing Party (“Disclosing Party”), other than to those entities set forth in subsection (vi); or
- (vi) in order to comply with any applicable regulation, rule, or order of the CPUC, CEC, or the FERC.

(b) The Parties agree that the confidentiality provisions under this Section 10.7 are separate from, and shall not impair or modify any other confidentiality agreements that may be in place between the Parties or their Affiliates; provided however, that the confidentiality provisions of this Section 10.7 shall govern confidential treatment of all information exchanged between the Parties as of and after the Effective Date.

10.8 RPS Confidentiality. Notwithstanding Section 10.7(a) of this Agreement, at any time on or after the date on which the Buyer makes its advice filing letter seeking CPUC Approval of this Agreement, either Party shall be permitted to disclose the following terms with respect to such Transaction: Party names, the number of bids per company, Project size, resource type, Delivery Term, Project location, Contract Capacity and Contract Capacity, Commercial Operation Date, Expected Initial Energy Delivery Date, Contract Quantity, Delivery Point, and the achievement of project development milestones.

10.9 Audit. Each Party has the right, at its sole expense and during normal working hours, after reasonable Notice, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement including amounts of Delivered Energy. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid; provided, however, that no adjustment for any statement or payment will be made unless objection to the accuracy thereof was made prior to the lapse of twelve (12) months from the rendition thereof, and thereafter any objection shall be deemed waived.

10.10 Insurance. Throughout the Term, Seller shall, at its sole cost and expense, obtain and maintain the following insurance coverages and be responsible for its subcontractors, including Seller’s EPC Contractors, maintaining sufficient limits of the appropriate insurance coverage.

- (a) Workers’ Compensation and Employers’ Liability.
 - (i) Workers’ Compensation insurance indicating compliance with any applicable labor codes, acts, Laws or statutes, state or federal, where Seller performs Work.
 - (ii) Employers’ Liability insurance shall not be less than one million dollars (\$1,000,000.00) for injury or death occurring as a result of each accident.

(b) Commercial General Liability.

(i) Coverage shall be at least as broad as the Insurance Services Office Commercial General Liability Coverage “occurrence” form, with no alterations to the coverage form.

(ii) The limit shall not be less than three million dollars (\$3,000,000.00) each occurrence for bodily injury, property damage, personal injury and products/completed operations. Defense costs shall be provided as an additional benefit and not included within the limits of liability. Coverage limits may be satisfied using an umbrella or excess liability policy or an Owners Contractors Protective (OPC) policy. Limits shall be on a per project basis.

(iii) Coverage shall:

(A) by “Additional Insured” endorsement add as insured PG&E, its directors, officers, agents and employees with respect to liability arising out of the Work performed by or for the Seller. In the event the Commercial General Liability policy includes a “blanket endorsement by contract,” the following language added to the certificate of insurance will satisfy Buyer’s requirement: “PG&E, its directors, officers, agents and employees with respect to liability arising out of the Work performed by or for the Seller has been endorsed by blanket endorsement;”

(B) be endorsed to specify that the Seller’s insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it; and

(C) include a severability of interest clause.

(c) Business Auto.

(i) Coverage shall be at least as broad as the Insurance Services Office Business Auto Coverage form covering Automobile Liability, code 1 “any auto”.

(ii) The limit shall not be less than one million dollars (\$1,000,000.00) each accident for bodily injury and property damage.

(iii) If scope of Work involves hauling hazardous materials, coverage shall be endorsed in accordance with Section 30 of the Motor Carrier Act of 1980 (Category 2) and the CA 99 48 endorsement.

(d) Professional Liability Insurance.

(i) Errors and Omissions Liability insurance appropriate to the Seller’s profession. Coverage shall be for a professional error, act or omission arising out of the scope of services shown in the Agreement, including coverage for bodily injury, property damage, and consequential financial loss.

(ii) The limit shall not be less than two million dollars (\$2,000,000.00) per claim,

(iii) Coverage shall:

(A) be endorsed to specify that the Seller’s insurance is primary and that any Insurance or self-insurance maintained by PG&E shall not contribute with it; and

(B) be endorsed to specify that the selection of counsel, paid for by the insurer, to defend PG&E and its officers, directors, agents, and employees against covered or potentially covered claims shall be by mutual consent of PG&E and insurer.

(e) Additional Insurance Requirements.

(i) Before commencing performance of the Work, Seller shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Seller.

(ii) The documentation shall state that coverage shall not be cancelled except after thirty (30) days prior written Notice has been given to PG&E.

(iii) PG&E uses a third-party vendor, Exigis, to confirm and collect insurance documents. Certificates of insurance and endorsements shall be signed and submitted by a person authorized by that insurer to issue certificates of insurance and endorsements on its behalf, and submitted via email or fax to:

Certificate Holder:
PG&E
c/o EXIGIS LLC
support@exigis.com
Fax: 646-755-3327

(iv) Reviews of such insurance may be conducted by PG&E on an annual basis and, in addition, PG&E may inspect the original policies or require complete certified copies at any time.

(v) Upon request, Seller shall furnish Buyer evidence of insurance for its subcontractors.

(f) Form And Content.

All policies or binders with respect to insurance maintained by Seller shall waive any right of subrogation of the insurers hereunder against PG&E, its officers, directors, employees, agents and representatives of each of them, and any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under such policy. 10.11 Access to Financial Information. The Parties agree that Generally Accepted Accounting Principles and SEC rules require Buyer to evaluate if Buyer must consolidate Seller's financial information. Buyer will require access to financial records and personnel to determine if consolidated financial reporting is required. If Buyer determines that consolidation is required, Buyer shall require the following during every calendar quarter for the Term:

(a) Complete financial statements and notes to financial statements; and

(b) Financial schedules underlying the financial statements, all within fifteen (15) days after the end of each fiscal quarter.

Any information provided to Buyer pursuant to this Section 10.11 shall be considered confidential in accordance with the terms of this Agreement and shall only be disclosed on an aggregate basis with other similar entities for which Buyer has power purchase agreements. The information will

only be used for financial statement purposes and shall not be otherwise shared with internal or external parties.

10.12 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.

10.13 General. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of drafting or execution hereof. The term “including” when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation. Except to the extent provided for, no amendment or modification to this Agreement shall be enforceable unless reduced to writing and executed by both Parties. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

The headings used herein are for convenience and reference purposes only. Facsimile or PDF transmission will be the same as delivery of an original document; provided that at the request of either Party, the other Party will confirm facsimile or PDF signatures by signing and delivering an original document; provided, however, that the execution and delivery of this Agreement and its counterparts shall be subject to Section 10.15. This Agreement shall be binding on each Party’s successors and permitted assigns.

10.14 Severability. If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

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

10.16 Mobile Sierra. Notwithstanding any 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 the FERC pursuant to the 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, a non-Party, or the FERC acting *sua sponte* shall be the “public interest” standard of review set forth in *United States 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).

ARTICLE ELEVEN: TERMINATION EVENT

11.1 Force Majeure Termination Event.

(a) Force Majeure Failure. Buyer shall have the right, but not the obligation, to terminate this Agreement after the occurrence of the following:

(i) if after the Initial Energy Delivery Date, the Project fails to deliver at least forty percent (40%) of the Contract Quantity (as may be adjusted pursuant to Sections 3.1(e)(ii) or 3.9(d)) to the Delivery Point for a period of twelve (12) consecutive rolling months following a Force Majeure event that materially and adversely impacts the Project (“Force Majeure Project Failure”); provided that:

(A) if the Project may be capable of resuming normal production, then Seller shall be entitled to an additional period of time (not to exceed six (6) months) to remedy the Force Majeure if within forty-five (45) days of receipt of Notice from Buyer that a Force Majeure Project Failure has occurred, Seller presents Buyer with a plan for mitigation of the effect of the Force Majeure which plan is commercially reasonable and satisfactory to Buyer, as evidenced by Buyer’s written acknowledgement of such plan, and Seller diligently pursues such mitigation plan throughout said additional period; or

(B) if the Project is destroyed or rendered inoperable by a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third-party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.

[The following bracketed clause (ii) is applicable to New Projects:]

[(ii) if prior to the Commercial Operation Date Seller is unable, due solely to a Force Majeure event, to place the Project into Commercial Operation by the Guaranteed Commercial Operation Date, as set forth Section 3.9(c)(iii) (a “Force Majeure Development Failure”); provided that in the event of a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third-party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.]

[The following bracketed clause (ii) is applicable to Existing Projects:]

[(ii) if prior to the Expected Initial Energy Delivery Date, Seller is unable, due solely to a Force Majeure event, to achieve the Initial Energy Delivery Date on or prior to the Expected Initial Energy Delivery Date (a “Force Majeure Development Failure”); provided that in the event of a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third-party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.]

(b) Right of First Offer.

(i) If Buyer exercises its termination right in connection with the Force Majeure Failure, then for a period of two (2) years from the date on which Buyer Notifies Seller of such

termination (“Exclusivity Period”), neither Seller, its successors and assigns, nor its Affiliates shall enter into an obligation or agreement to sell or otherwise transfer any Products from the Project to any third party, unless Seller first offers, in writing, to sell to Buyer such Products from the Project on the same terms and conditions as this Agreement, subject to permitted modifications identified in subpart (ii) below, (the “First Offer”) and Buyer either accepts or rejects such First Offer in accordance with the provisions herein.

(ii) If Buyer accepts the First Offer, Buyer shall Notify Seller within thirty (30) days of receipt of the First Offer subject to Buyer’s management approval and CPUC Approval (“Buyer’s Notice”), and then the Parties shall have not more than ninety (90) days from the date of Buyer’s Notice to enter into a new power purchase agreement, in substantially the same form as this Agreement, or amend this Agreement, subject to CPUC Approval, if necessary; provided that the Contract Price may only be increased to reflect Seller’s documented incremental costs in overcoming the Force Majeure event.

(iii) If Buyer rejects or fails to accept Seller’s First Offer within thirty (30) days of receipt of such offer, Seller shall thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, any Products from the Project to any third party, so long as the material terms and conditions of such sale or transfer are not more favorable to the third party than those of the First Offer to Buyer. If, during the Exclusivity Period, Seller desires to enter into an obligation or agreement with a third party, Seller shall deliver to Buyer a certificate of an authorized officer of Seller (A) summarizing the material terms and conditions of such agreement and (B) certifying that the proposed agreement with the third party will not provide Seller with a lower rate of return than that offered in the First Offer to Buyer. If Seller is unable to deliver such a certificate to Buyer, then Seller may not sell or otherwise transfer, or enter into an agreement to sell or otherwise transfer, the Products from the Project without first offering to sell or otherwise transfer such Products to Buyer on such more favorable terms and conditions (the “Revised Offer”) in accordance with subpart (ii) above. If within thirty (30) days of receipt of Seller’s Revised Offer the Buyer rejects, or fails to accept by Notice to Seller, the Revised Offer, then Seller will thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, such Products from the Project to any third party on such terms and conditions as set forth in the certificate.

ARTICLE TWELVE: DISPUTE RESOLUTION

12.1 Intent of the Parties. Except as provided in the next sentence, the sole procedure to resolve any claim arising out of or relating to this Agreement is the dispute resolution procedure set forth in this Article Twelve. The lone exception to the foregoing is that either Party may seek an injunction in Superior Court in San Francisco, California if such action is necessary to prevent irreparable harm, in which case both Parties nonetheless will continue to pursue resolution of all other aspects of the dispute by means of this procedure.

12.2 Management Negotiations.

(a) The Parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement by prompt negotiations between each Party’s Authorized Representative, or such other person designated in writing as a representative of the Party (each a “Manager”). Either Manager may request a meeting, to be held in person or telephonically, to initiate negotiations to be held within ten (10) Business Days of the other Party’s receipt of such request, at a mutually agreed time and place. If the matter is not resolved within fifteen (15) Business Days of their first meeting (“Initial Negotiation End Date”), the Managers shall refer the matter to the designated senior officers of their respective companies (“Executive(s)”), who shall have authority to settle the dispute.

Within five (5) Business Days of the Initial Negotiation End Date (“Referral Date”), each Party shall provide one another written Notice confirming the referral and identifying the name and title of the Executive who will represent the Party.

(b) Within five (5) Business Days of the Referral Date, the Executives shall establish a mutually acceptable location and date to meet, which date shall not be greater than thirty (30) days from the Referral Date. After the initial meeting date, the Executives shall meet, as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute.

(c) All communication and writing exchanged between the Parties in connection with these negotiations shall be deemed confidential and subject to the confidentiality provisions of this Agreement. All such communication and writing shall be inadmissible as evidence such that it cannot be used or referred to in any subsequent binding adjudicatory process between the Parties, whether with respect to this dispute or any other.

(d) If the matter is not resolved within forty-five (45) days of the Referral Date, or if the Party receiving the written request to meet, pursuant to Section 12.2(a), refuses or does not meet within the ten (10) Business Day period specified in Section 12.2(a), either Party may initiate mediation of the controversy or claim according to the terms of the following Section 12.3.

12.3 Arbitration Initiation. If the dispute cannot be resolved by negotiation as set forth in Section 12.2 above, then the Parties shall resolve such controversy through Arbitration. The Arbitration shall be adjudicated by one retired judge or justice from the JAMS panel. The Arbitration shall take place in San Francisco, California, and shall be administered by and in accordance with JAMS’s Commercial Arbitration Rules (“Arbitration”). If the Parties cannot mutually agree on the arbitrator who will adjudicate the dispute, then JAMS shall provide the Parties with an arbitrator pursuant to its then-applicable Commercial Arbitration Rules. The arbitrator shall have no affiliation with, financial or other interest in, or prior employment with either Party and shall be knowledgeable in the field of the dispute. Either Party may initiate Arbitration by filing with the JAMS a notice of intent to arbitrate within one hundred and twenty (120) days of service of the Referral Date.

12.4 Arbitration Process. At the request of a Party, the arbitrator shall have the discretion to order depositions of witnesses to the extent the arbitrator deems such discovery relevant and appropriate. Depositions shall be limited to a maximum of three (3) per Party and shall be held within thirty (30) days of the making of a request. Additional depositions may be scheduled only with the permission of the arbitrator, and for good cause shown. Each deposition shall be limited to a maximum of six (6) hours duration unless otherwise permitted by the arbitrator for good cause shown. All objections are reserved for the Arbitration hearing except for objections based on privilege and proprietary and confidential information. The arbitrator shall also have discretion to order the Parties to exchange relevant documents. The arbitrator shall also have discretion to order the Parties to answer interrogatories, upon good cause shown.

(a) Each of the Parties shall submit to the arbitrator, in accordance with a schedule set by the arbitrator, offers in the form of the award it considers the arbitrator should make. If the arbitrator requires the Parties to submit more than one such offer, the arbitrator shall designate a deadline by which time the Parties shall submit their last and best offer. In such proceedings the arbitrator shall be limited to awarding only one of the two “last and best” offers submitted, and shall not determine an alternative or compromise remedy.

(b) The arbitrator shall have no authority to award punitive or exemplary damages or any other damages other than direct and actual damages and the other remedies contemplated by this Agreement.

(c) The arbitrator's award shall be made within nine (9) months of the filing of the notice of intention to arbitrate (demand) and the arbitrator shall agree to comply with this schedule before accepting appointment. However, this time limit may be extended by agreement of the Parties or by the arbitrator, if necessary. The California Superior Court of the City and County of San Francisco may enter judgment upon any award rendered by the arbitrator. The Parties are aware of the decision in *Advanced Micro Devices, Inc. v. Intel Corp.*, 9 Cal. 4th 362 (1994) and, except as modified by this Agreement, intend to limit the power of the arbitrator to that of a Superior Court judge enforcing California Law.

(d) The prevailing Party in this dispute resolution process is entitled to recover its costs and reasonable attorneys' fees.

(e) The arbitrator shall have the authority to grant dispositive motions prior to the commencement of or following the completion of discovery if the arbitrator concludes that there is no material issue of fact pending before him or her.

(f) Except as may be required by Law, neither a Party nor an arbitrator may disclose the existence, content, or results of any Arbitration hereunder without the prior written consent of both Parties.

ARTICLE THIRTEEN: NOTICES

Whenever this Agreement requires or permits delivery of a "Notice" (or requires a Party to "notify"), the Party with such right or obligation shall provide a written communication in the manner specified herein; provided, however, that notices of Outages or other Scheduling or dispatch information or requests, as provided in Appendix VI, shall be provided in accordance with the terms set forth in the relevant section of this Agreement. Notices may be sent by facsimile or e-mail. A Notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5:00 p.m. (and if received after 5:00 p.m., on the next Business Day) and a Notice of overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party. Either Party may periodically change any address, phone number, e-mail, or contact to which Notice is to be given it by providing Notice of such change to the other Party.

SIGNATURES

Agreement Execution

In WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the dates provided below:

[SELLER, a (*include place of formation and business type*)]

**PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation**

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX I

FORM OF LETTER OF CREDIT

Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXXX

Date: [insert issue date]

Beneficiary: Pacific Gas and Electric Company
77 Beale Street, Mail Code B28L
San Francisco, CA 94105
Attention: Credit Risk Management

Applicant: [Insert name and address of Applicant]

Letter of Credit Amount: [insert amount]

Expiry Date: [insert expiry date]

Ladies and Gentlemen:

By order of **[insert name of Applicant]** (“Applicant”), we hereby issue in favor of Pacific Gas and Electric Company (the “Beneficiary”) our irrevocable standby letter of credit No. **[insert number of letter of credit]** (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ **[insert amount in figures followed by (amount in words)]** (“Letter of Credit Amount”). This Letter of Credit is available with **[insert name of issuing bank, and the city and state in which it is located]** by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on **[insert expiry date]** (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. **[insert number]** and stating the amount of the demand; and
2. One of the following statements signed by an authorized representative or officer of Beneficiary:
 - A. “Pursuant to the terms of that certain **[insert name of the agreement]** (the “Agreement”), dated **[insert date of the Agreement]**, between Beneficiary and **[insert name of Seller under the Agreement]**, Beneficiary is entitled to draw under Letter of Credit No. **[insert number]** amounts owed by **[insert name of Seller under the Agreement]** under the Agreement; or
 - B. “Letter of Credit No. **[insert number]** will expire in thirty (30) days or less and **[insert name of Seller under the Agreement]** has not provided replacement security acceptable to Beneficiary.

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable; and
4. The Expiry Date of this Letter of Credit shall be automatically extended without a written amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to extend the Expiry Date of this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at our offices at **[insert issuing bank's address for drawings]**.

All demands for payment shall be made by presentation of originals or copies of documents; or by facsimile transmission of documents to **[insert fax number]**, Attention: **[insert name of issuing bank's receiving department]**, with originals or copies of documents to follow by overnight mail. If presentation is made by facsimile transmission, you may contact us at **[insert phone number]** to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the sixth (6th) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at **[insert number and any other necessary details]**.

Very truly yours,

[insert name of issuing bank]

By: _____
 Authorized Signature

Name: _____ **[print or type name]**

Title: _____

Exhibit A SIGHT DRAFT

TO
[INSERT NAME AND ADDRESS OF PAYING BANK]

AMOUNT: \$ _____ DATE: _____

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC
COMPANY THE AMOUNT OF U.S.\$ _____ (_____ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO. XXXXXX.

REMIT FUNDS AS FOLLOWS:

[INSERT PAYMENT INSTRUCTIONS]

DRAWER

BY: _____
NAME AND TITLE

APPENDIX II

INITIAL ENERGY DELIVERY DATE CONFIRMATION LETTER

In accordance with the terms of that certain Power Purchase Agreement dated _____ (“Agreement”) by and between _____ (“Buyer”) and _____ (“Seller”), this letter (“Initial Energy Delivery Date Confirmation Letter”) serves to document the Parties’ further agreement that (i) the Conditions Precedent to the occurrence of the Initial Energy Delivery Date have been satisfied, and (ii) Seller has scheduled and Buyer has received the Product, as specified in the Agreement, as of this _____ day of _____, _____ (the “Initial Energy Delivery Date”). All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

Seller represents to Buyer that it has been granted status as an [Exempt Wholesale Generator] [Qualifying Facility]. Additionally Seller provides the following FERC Tariff information for reference purposes only:

Tariff: Dated: Docket Number:

IN WITNESS WHEREOF, each Party has caused this Initial Energy Delivery Date Confirmation Letter to be duly executed by its authorized representative as of the date of last signature provided below:

[SELLER]

PACIFIC GAS AND ELECTRIC COMPANY

Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

APPENDIX III

**FORM OF MONTHLY
PROGRESS REPORT**

**Monthly Progress Report
For:**

[Project Name]

By:

[Seller Name]

(“Seller”)

On:

[Report Date]

For month of:

[Report Month]

**Provided to
Pacific Gas and Electric Company
 (“Buyer”)**

GENERAL PROJECT SPECIFICATIONS

Site Address, City, State:

Facility Description (*Technology type, number of units, etc*):

Generator nameplate capacity:

Site size (*acres, square miles, square feet*):

1. Instructions

- 1.1. Please complete the form monthly and forward it to your PG&E Contract Manager by the 15th of each month.
- 1.2. You may add new information to the prior month's report without editing the prior month's information to reflect current status. For ease of review, please add a date in parenthesis in front of each new entry.

ie: (11/4/09) Grading has started for the roads and turbine sites.

(10/4/09) Construction of maintenance buildings has been completed.
- 1.3. See the Requirements for this report in Section 15.

2. Executive Summary

Please provide a general Project overview statement.

2.1 Major activities Performed and/or Completed – Inception to Date

Please provide a cumulative summary of the major activities completed for each of the following aspects of the Project (provide details in subsequent sections of this report):

- 2.1.1 Financing
- 2.1.2 Permitting and Governmental Approvals
- 2.1.3 Site Control
- 2.1.4 Design and Engineering
- 2.1.5 Major Equipment Procurement
- 2.1.6 Construction
- 2.1.7 Interconnection
- 2.1.8 Startup Testing and Commissioning

2.2 Major Activities Planned for Next Month

Please provide a summary of the major activities to be performed during the current month for each of the following aspects of the Project (provide details in subsequent sections of this report):

- 2.2.1 Financing
- 2.2.2 Permitting and Governmental Approvals
- 2.2.3 Site Control
- 2.2.4 Design and Engineering
- 2.2.5 Major Equipment Procurement
- 2.2.6 Construction
- 2.2.7 Interconnection
- 2.2.8 Startup Testing and Commissioning

3. Guaranteed Commercial Operation Date

	Guaranteed Commercial Operation Date Specified in the Agreement	Status (e.g., on schedule, delayed due to [<i>specify reason</i>]; current expected completion date)

4. Financing

Please provide the schedule Seller intends to follow to obtain financing for the Project. Include information about each stage of financing.

Activity (e.g., obtain \$xx for yy stage from zz)	Completion Date
	__/__/____ (expected / actual)
	__/__/____ (expected / actual)

5. Project Schedule

Please provide a copy of the current version of the overall Project development schedule (e.g., Work Breakdown Structure, Gantt chart, MS Project report, etc.). Include all major activities for Governmental Approvals, design and engineering, procurement, construction, interconnection and testing.

6. Permitting and Governmental Approvals

6.1 Environmental Impact Review

Please provide information about the primary environmental impact review for the Project. Indicate whether dates are expected or actual.

Agency [*e.g., the lead agency as required under the California Environmental Quality Act (CEQA)*]

Date of application/submission __/__/____ (expected / actual)

Date application/submission deemed complete by agency __/__/____ (expected / actual)

Date of initial study (*if applicable*) __/__/____ (expected / actual)

Process (*e.g., Notice of Exemption, Negative Declaration, Mitigated Negative Declaration, Environmental Impact Report*)

Date of Notice of Preparation __/__/____ (expected / actual)

Date of Draft Negative Declaration – Mitigated Negative __/__/____ (expected / actual)

Declaration - Environmental Impact Report

Date Notice of Determination filed at CA Office of Planning and __/__/____ (expected / actual)
Research or County Clerk

6.2 Federal, State, Regional, County or Local Governmental Approvals

Please describe each of the major Governmental Approvals to be obtained by Seller and the status of each:

Agency / Approval <i>e.g., California Energy Commission (CEC) / Application for Certification (AFC)</i> <i>[name] County / Conditional Use Permit (CUP)</i>	Status Summary <i>e.g., dates of application / hearing / notice / etc. (note whether dates are anticipated or actual); major activities (indicate whether planned, in progress and/or completed); primary reasons for possible delay, etc.</i>

6.3 Governmental Approval activities recently performed

Please list all Governmental Approval activities that occurred since the previous report.

6.4 Governmental Approval activities expected during the current month

Please list all Governmental Approval activities that are expected to occur during the current month.

6.5 Governmental Approval Notices received from EPC Contractor

Please attach to this Monthly Progress Report copies of any notices related to Governmental Approval activities received since the previous report, whether from EPC Contractor or directly from Governmental Agencies.

7. Site Control

7.1 Table of Site Control schedule

If not obtained prior to execution of the Agreement, please provide the schedule Seller intends to follow to obtain control of the Project Site (e.g., purchase, lease).

Activity	Completion Date
	__/__/____ (expected / actual)
	__/__/____ (expected / actual)

7.2 Site Control activities recently performed

Please explain in detail the property acquisition activities that were performed since the previous report.

7.3 Site Control activities expected during the current month.

Please explain in detail the site control activities that are expected to be performed during the current month.

8. Design and Engineering

8.1 Design and engineering schedule

Please provide the name of the EPC Contractor, the date of execution of the EPC Contract, and the date of issuance of a full notice to proceed (or equivalent).

Please list all major design and engineering activities, both planned and completed, to be performed by Seller and the EPC Contractor.

Name of EPC Contractor / Subcontractor	Activity	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

8.2 Design and engineering activities recently performed

Please explain in detail the design and engineering activities that were performed since the previous report.

8.3 Design and engineering activities expected during the current month

Please explain in detail the design and engineering activities that are expected to be performed during the current month.

9. Major Equipment Procurement

9.1 Major equipment to be procured

Please list all major equipment to be procured by Seller or the EPC Contractor:

Equipment Description	Manufacturer	Delivery Date (indicate whether expected or actual)	Installation Date (indicate whether expected or actual)
		__/__/____ (expected / actual)	__/__/____ (expected / actual)
		__/__/____ (expected / actual)	__/__/____ (expected / actual)

Equipment Description	No. Ordered	No. Made	No. On-Site	No. Installed	No. Tested

9.2 Major Equipment procurement activities recently performed

Please explain in detail the major equipment procurement activities that were performed since the previous report.

9.3 Major Equipment procurement activities expected during the current month.

Please explain in detail the major equipment procurement activities that are expected to be performed during the current month.

10. Construction

10.1 Construction activities

Please list all major construction activities, both planned and completed, to be performed by Seller or the EPC contractor.

Activity	EPC Contractor / Subcontractor	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

10.2 Construction activities recently performed

Please explain in detail the construction activities that were performed since the previous report.

10.3 Construction activities expected during the current month

Please explain in detail the construction activities that are expected to be performed during the current month.

10.4 EPC Contractor Monthly Construction Progress Report

Please attach a copy of the Monthly Construction Progress Reports received since the previous report from the EPC Contractor pursuant to the construction contract between Seller and EPC Contractor, if any, certified by the EPC Contractor as being true and correct as of the date issued.

11. Interconnection and Transmission

11.1 Interconnection activities

Please list all major interconnection activities, both planned and completed, to be performed by Seller or the EPC Contractor.

Activity	Name of EPC Contractor / Subcontractor	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

11.2 Interconnection activities recently performed

Please explain in detail the interconnection activities that were performed since the previous report.

11.3 Interconnection activities expected during the current month

Please explain in detail the interconnection activities that are expected to be performed during the current month.

12. Startup Testing and Commissioning

12.1 Startup testing and commissioning activities

Please list all major startup testing and commissioning activities, both planned and completed, to be performed by Seller or the EPC Contractor.

Activity	Name of EPC Contractor / Subcontractor	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

12.2 Startup testing and commissioning activities recently performed

Please explain in detail the startup testing and commissioning activities that were performed since the previous report.

12.3 Startup testing and commissioning activities expected during the current month

Please explain in detail the startup testing and commissioning activities that are expected to be performed during the current month.

13. Safety and Health Reports

13.1 Accidents

Please describe all Project-related accidents reported since the previous report.

13.2 Work stoppages

Please describe all Project-related work stoppages from that occurred since the previous report.

Please describe the effect of work stoppages on the Project schedule.

14. Certification

I, _____, on behalf of and as an authorized representative of [_____], do hereby certify that any and all information contained in this Seller's Monthly Progress Report is true and accurate, and reflects, to the best of my knowledge, the current status of the construction of the Units as of the date specified below.

By: _____

Name: _____

Title: _____

Date: _____

15. Requirements

Any capitalized terms used in this report which are not defined herein shall have the meaning ascribed to them in the Power Purchase Agreement by and between _____, (“Seller”) and Pacific Gas and Electric Company dated _____, (the “Agreement”).

Seller shall review the status of each major activity performed of the construction schedule (the “Schedule”) for the Project and identify such matters referenced in clauses (i)-(v) below as known to Seller and which in Seller’s reasonable judgment are expected to adversely affect the Schedule, and with respect to any such matters, shall state the actions which Seller intends to take to ensure that the project development milestones will be attained by their required dates, as set forth in the Cover Sheet. Such matters may include:

- (i) Any material matter or issue arising in connection with a Governmental Approval, or compliance therewith, with respect to which there is an actual or threatened dispute over the interpretation of a Law, actual or threatened opposition to the granting of a necessary Governmental Approval, any organized public opposition, any action or expenditure required for compliance or obtaining approval that Seller is unwilling to take or make, or in each case which could reasonably be expected to materially threaten or prevent financing of the Units or related Project, attaining any milestone, or obtaining any contemplated agreements with other parties which are necessary for attaining any milestone or which otherwise reasonably could be expected to materially threaten Seller’s ability to attain any milestone.
- (ii) Any development or event in the financial markets or the independent power industry, any change in taxation or accounting standards or practices or in Seller’s business or prospects which reasonably could be expected to materially threaten financing of the Units or related Project, attainment of any milestone or materially threaten any contemplated agreements with other parties which are necessary for attaining any milestone or could otherwise reasonably be expected to materially threaten Seller’s ability to attain any milestone;
- (iii) A change in, or discovery by Seller of, any legal or regulatory requirement which would reasonably be expected to materially threaten Seller’s ability to attain any milestone;
- (iv) Any material change in the Seller’s schedule for initiating or completing any material aspect of Project;
- (v) The status of any matter or issue identified as outstanding in any prior Monthly Construction Progress Report and any material change in the Seller’s proposed actions to remedy or overcome such matter or issue.

For the purpose of this report, “EPC Contractor” means the contractor responsible for engineering, procurement and construction of the Project, including Seller if acting as contractor, and including all subcontractors.

APPENDIX IV

CONSTRUCTION START AND COMMERCIAL OPERATION CERTIFICATION FORMS AND PROCEDURES

Appendix IV-1: CONSTRUCTION START FORM OF CERTIFICATION [*This applies to BOTH As-Available and Baseload Product*]

Appendix IV-2: COMMERCIAL OPERATION CERTIFICATION FORM AND PROCEDURES [*Use the version designated for either As-Available or Baseload Product*]

[Appendix IV-1 applies to BOTH As-Available and Baseload Products]

APPENDIX IV-1

**CONSTRUCTION START
FORM OF CERTIFICATION**

This certification (“Certification”) is delivered by _____ LLC (“Seller”) to Pacific Gas and Electric Company (“Buyer”) in accordance with the terms of that certain Power Purchase and Sale Agreement dated _____ (“Agreement”) by and between Seller and Buyer. 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 that the Construction Start Date has been achieved on _____:

Seller attaches hereto a copy of the Final Notice to Proceed that Seller delivered to the EPC Contractor.

_____, LLC
 (“Seller”)

Signature: _____

Name: _____

Title: _____

Date: _____

[Use the version designated for either As-Available or Baseload Product]

APPENDIX IV-2

COMMERCIAL OPERATION CERTIFICATION FORM AND PROCEDURES

[This version of Appendix IV-2 only applies to As-Available Product]

APPENDIX IV-2 –Attachment A

**COMMERCIAL OPERATION
FORM OF CERTIFICATION**

This certification (“Certification”) of Commercial Operation is delivered by _____ (“Seller”) to Pacific Gas and Electric Company (“Buyer”) in accordance with the terms of that certain Power Purchase Agreement dated as of the Execution Date (“Agreement”) by and between Seller and Buyer. 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. The Unit or Units representing at least ninety-five percent (95%) of the Contract Capacity are capable of generating energy in accordance with the manufacturer’s specifications (“Unit Mechanical Completion”), as certified by the manufacturer, and provided to Buyer.
2. The electrical collection system related to the Unit or Units referenced in (1) above is complete, functional, and energized for the Project.
3. Seller’s collector substation is complete and capable of delivering Product as described in the Agreement.
4. The Participating Transmission Provider or distribution provider has provided documentation supporting; (1) full unrestricted release for Commercial Operation, (2) Seller’s ability to deliver the Product to the Delivery Point. If applicable, the CAISO has provided notification of Commercial Operation, in accordance with the CAISO tariff. Such documentation and notification shall be provided to Buyer.

A certified statement of the Licensed Professional Engineer, attached hereto, has been provided as evidence of Commercial Operation of the Project to provide an As-Available Product and meet, at a minimum, the requirements indicated herein.

EXECUTED by SELLER this _____ day of _____, 20__.

By: _____

Name: _____

Title: _____

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Name: _____

Title: _____

[This version of Appendix IV-2 only applies to Baseload Product]

APPENDIX IV-2

COMMERCIAL OPERATION CERTIFICATION PROCEDURE

AND PROCEDURE FOR CAPACITY TESTING

During the period of initial start-up operations of the Facility, Seller shall conduct a performance test of the Facility to demonstrate that the Facility is capable of delivering the Contract Capacity as of the Commercial Operation Date (“Capacity Test”). The Capacity Test shall consist of the following:

1. The Facility must deliver an average instantaneous net plant generation of at least ninety-five percent (95%) of the Contract Capacity, as metered by the plant's CAISO revenue meter, which shall be calculated as the total metered generation delivered to the Delivery Point divided by the number of hours in performance test period,
2. The performance test period shall consist of seventy-two (72) consecutive hours of continuous plant generation,
3. With all plant equipment operating normally for the duration of the performance test,
4. The CAISO meter reads shall not be corrected for ambient conditions,
5. The Buyer has the right but not the obligation to witness the performance test, including inspection of the plant equipment, systems, and records, to assess normal operations,
6. The Seller will deliver written results of the performance test to Buyer within (5) business days of completing the performance test, which include the result of the performance test, CAISO raw meter reads for the performance test period in electronic file format approved by the Buyer, and a copy of the latest CAISO meter calibration certificate.

APPENDIX V

GEP DAMAGES CALCULATION

In accordance with the provisions in Section 3.1(e)(ii), GEP Damages means the liquidated damages payment due by Seller to Buyer, calculated as follows:

$$[(A-B) \times (C-D)]$$

Where:

A = the Guaranteed Energy Production for the Performance Measurement Period, in MWh

B = Sum of Delivered Energy over the Performance Measurement Period, in MWh

C = Replacement price for the Performance Measurement Period, in \$/MWh, which is the sum of (a) the simple average of the Integrated Forward Market hourly price, as published by the CAISO, for the Existing Zone Generation Trading Hub (as defined in the CAISO Tariff), in which the PNode resides, plus (b) \$50/MWh

D = the unweighted Contract Price specified in the Cover Sheet for the Performance Measurement Period, in \$/MWh

The Parties agree that in the above calculation of GEP Damages, the result of “(C-D)” shall not be less than \$20/MWh.

APPENDIX VI

NOTIFICATION REQUIREMENTS FOR AVAILABLE CAPACITY AND PROJECT OUTAGES

A. NOTIFICATION REQUIREMENTS FOR ROUTINE START-UP AND SHUTDOWNS

Prior to paralleling or after disconnecting from the electric system, notify the applicable Participating Transmission Owner's (PTO) switching center

- Call the applicable Participating Transmission Owner's (PTO) switching center and advise of the intent to parallel.
- Call the applicable Participating Transmission Owner's (PTO) switching center after the unit has been paralleled and report the parallel time and intended unit output.
- Call the applicable Participant Transmission Owner's (PTO) switching center after any routine separation.

B. SUBMISSION OF AVAILABLE CAPACITY AND PLANNED OUTAGES

1. Submit information by posting on PG&E's current website.
2. If the website is unavailable, implement the procedures set forth below:
 - a. **For all email correspondence, enter the following in the email subject field: Company Name, Contract Name, Email Purpose, Date Range (For example: "XYZ Company Project #2, Daily Forecast of Available Capacity, dd/mm/yyyy through dd/mm/yyyy")**
 - b. For Annual Forecasts of Available Capacity, email to DAenergy@pge.com and Bilat Settlements@pge.com.
 - c. For Monthly and Daily Forecasts of Available Capacity, email to DAenergy@pge.com.
 - d. For Daily Forecasts of Available Capacity after fourteen (14) hours before the WECC Preschedule Day, but before the CAISO deadline for submitting schedules into the Day-Ahead Market, call primary phone (415) 973-1971 or backup phone (415) 973-4500. Also send email to DAenergy@pge.com.
 - e. For Hourly Forecasts of Available Capacity, call PG&E's Real Time Desk at (415) 973-4500 and email to RealTime@pge.com.
 - f. For Planned Outages and Prolonged Outages, complete the specifics below and submit by email to PGOutageCoordination@pge.com, DAenergy@pge.com and Bilat_Settlements@pge.com.
 - i. **Email subject field: Company Name, Contract Name, Email Purpose, Date Range (For example: "XYZ Company Project #2, Daily Forecast of Available Capacity, dd/mm/yyyy through dd/mm/yyyy")**

ii. Email body:

- 1. Type of Outage: Planned Outage or Prolonged Outage*
- 2. Start Date and Start Time*
- 3. Estimated or Actual End Date and End Time*
- 4. Date and time when reported to PG&E and name(s) of PG&E representative(s) contacted*
- 5. Text description of additional information as needed, including, but not limited to, changes to a Planned Outage or Prolonged Outage.*

C. FORCED OUTAGE REPORTING

1. Forced Outages – Seller shall notify PG&E Merchant Generation desk verbally within ten (10) minutes of event or as soon as reasonably possible, after the safety of all personnel and securing of all facility equipment.
 - a. Verbal notification shall include time of forced outage, cause, current availability and estimated return date and time.
 - b. After verbally notifying PG&E Merchant Generation desk of the forced outage, Seller shall also put forth commercially reasonable efforts to notify PG&E Settlements via PG&E’s website.
 - c. If the PG&E website is unavailable, submit the following information via email to Bilat_Settlements@pge.com.
 - i. **Email subject field: Company Name, Contract Name, Email Purpose, Date Range (For example: “XYZ Company Project #2, Daily Forecast of Available Capacity, dd/mm/yyyy through dd/mm/yyyy”)**

ii. Email body:

- 1. Type of Outage: Forced Outage*
- 2. Start Date and Start Time*
- 3. Estimated or Actual End Date and End Time*
- 4. Date and time when reported to PG&E and name(s) of PG&E representative(s) contacted.*
- 5. Text description of additional information as needed.*

APPENDIX VII

RESOURCE ADEQUACY

All capitalized terms not defined in this appendix shall have the meaning set forth in the Agreement and if not defined in the Agreement, the term shall have the meaning set forth in the CAISO Tariff.

1. Seller and Buyer agree that the Parties shall take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to enable Buyer to use the RA Capacity to satisfy Buyer's Resource Adequacy Requirements.
 - A. Such commercially reasonable actions may include the following:
 - (i) Cooperating with and encouraging the regional entity, including the CAISO, if applicable, responsible for Resource Adequacy administration to certify or qualify the Contract Capacity for Resource Adequacy Requirements purposes. This includes following requirements the CAISO and/or CPUC has established and may establish in the future, including calculation of RA Capacity over all hours required for Resource Adequacy Requirement eligibility, and delivery of the RA Capacity to the Interconnection Point; and
 - (ii) Negotiating in good faith to make necessary amendments, if any, to this Agreement to conform this Agreement to subsequent clarifications, revisions or decisions of the CPUC or any other entity, including the CAISO, with respect to Resource Adequacy.
 - B. For EOS Sellers only, such commercially reasonable actions do not include any actions for the sole purpose of pursuing or obtaining a Full Capacity Deliverability Status Finding such as participating in deliverability studies and funding Deliverability Network Upgrades.
2. Seller shall comply with the Resource Adequacy reporting requirements set forth in Section 40 of the CAISO Tariff as may be changed from time to time, including the following:
 - A. Taking all actions to register the Project with the CAISO to ensure that the Project's Capacity Attributes and/or Contract Capacity is able to be recognized and counted as RA Capacity;
 - B. Coordinating with Buyer on the submission to the CAISO of the Resource Adequacy Plan, as defined in the CAISO Tariff;
 - C. Complying with the dispatch requirements applicable to the Project's resource type, as set forth in Section 40 of the CAISO Tariff; and
 - D. Complying with the applicable reporting requirements, such as submitting Supply Plan to the CAISO.
3. RA Capacity Delivery Point. The delivery point for the Project, with respect to Buyer's Resource Adequacy Requirements, shall be the Interconnection Point for the Project.

APPENDIX VIII

FORM OF CONSENT TO ASSIGNMENT

CONSENT AND AGREEMENT

This CONSENT AND AGREEMENT (“Consent and Agreement”) is entered into as of [_____, 2___], between PACIFIC GAS AND ELECTRIC COMPANY (“PG&E”), and [_____] , as collateral agent (in such capacity, “Financing Provider”), for the benefit of various financial institutions (collectively, the “Secured Parties”) providing financing to [_____] (“Seller”). PG&E, Seller, and the Financing Provider shall each individually be referred to a “Party” and collectively as the “Parties”.

Recitals

A. Pursuant to that certain Power Purchase Agreement dated as of _____, 2___ (as amended, modified, supplemented or restated from time to time, as including all related agreements, instruments and documents, collectively, the “Assigned Agreement”) between PG&E and Seller, PG&E has agreed to purchase energy from Seller.

B. The Secured Parties have provided, or have agreed to provide, to Seller financing (including a financing lease) pursuant to one or more agreements (the “Financing Documents”), and require that Financing Provider be provided certain rights with respect to the “Assigned Agreement” and the “Assigned Agreement Accounts,” each as defined below, in connection with such financing.

C. In consideration for the execution and delivery of the Assigned Agreement, PG&E has agreed to enter into this Consent and Agreement for the benefit of Seller.

Agreement

1. Definitions. Any capitalized term used but not defined herein shall have the meaning specified for such term in the Assigned Agreement.

2. Consent. Subject to the terms and conditions below, PG&E consents to and approves the pledge and assignment by Seller to Financing Provider pursuant to the Loan Agreement and/or Security Agreement of (a) the Assigned Agreement, and (b) the accounts, revenues and proceeds of the Assigned Agreement (collectively, the “Assigned Agreement Accounts”).

3. Limitations on Assignment. Financing Provider acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Financing Document executed by Seller, Financing Provider shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Financing Provider or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured and which are not personal to the Seller, (b) executes and delivers to PG&E a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to PG&E, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, (d) provides such tax and enforceability assurance as PG&E may reasonably request, and (e) is a Permitted Transferee (as defined below). Financing Provider further acknowledges that the assignment of the Assigned Agreement and the Assigned Agreement Accounts is for security purposes only and that Financing Provider has no

rights under the Assigned Agreement or the Assigned Agreement Accounts to enforce the provisions of the Assigned Agreement or the Assigned Agreement Accounts unless and until an event of default has occurred and is continuing under the Financing Documents between Seller and Financing Provider (a “Financing Default”), in which case Financing Provider shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Financing Provider were an original party to the Assigned Agreement.

“Permitted Transferee” means any person or entity who is reasonably acceptable to PG&E. Financing Provider may from time to time, following the occurrence of a Financing Default, notify PG&E in writing of the identity of a proposed transferee of the Assigned Agreement, which proposed transferee may include Financing Provider, in connection with the enforcement of Financing Provider’s rights under the Financing Documents, and PG&E shall, within thirty (30) business days of its receipt of such written notice, confirm to Financing Provider whether or not such proposed transferee is a “Permitted Transferee” (together with a written statement of the reason(s) for any negative determination) it being understood that if PG&E shall fail to so respond within such thirty (30) business day period such proposed transferee shall be deemed to be a “Permitted Transferee”.

4. Cure Rights.

(a) Notice to Financing Provider by PG&E. PG&E shall, concurrently with the delivery of any notice of an event of default under the Assigned Agreement (each, an “Event of Default”) to Seller (a “Default Notice”), provide a copy of such Default Notice to Financing Provider pursuant to Section 9(a) of this Consent and Agreement. In addition, Seller shall provide a copy of the Default Notice to Financing Provider the next business day after receipt from PG&E, independent of any agreement of PG&E to deliver such Default Notice.

(b) Cure Period Available to Financing Provider Prior to Any Termination by PG&E. Upon the occurrence of an Event of Default, subject to (i) the expiration of the relevant cure periods provided to Seller under the Assigned Agreement, and (ii) Section 4(a) above, PG&E shall not terminate the Assigned Agreement unless it or Seller provides Financing Provider with notice of the Event of Default and affords Financing Provider an Additional Cure Period (as defined below) to cure such Event of Default. For purposes of this Agreement “Additional Cure Period” means (i) with respect to a monetary default, ten (10) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement, and (ii) with respect to a non-monetary default, thirty (30) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement.

(c) Failure by PG&E to Deliver Default Notice. If neither PG&E nor Seller delivers a Default Notice to Financing Provider as provided in Section 4(a), the Financing Provider’s applicable cure period shall begin on the date on which notice of an Event of Default is delivered to Financing Provider by either PG&E or Seller. Except for a delay in the commencement of the cure period for Financing Provider and a delay in PG&E’s ability to terminate the Assigned Agreement (in each case only if both PG&E and Seller fail to deliver notice of an Event of Default to Financing Provider), failure of PG&E to deliver any Default Notice shall not waive PG&E’s right to take any action under the Assigned Agreement and will not subject PG&E to any damages or liability for failure to provide such notice.

(d) Extension for Foreclosure Proceedings. If possession of the Project (as defined in the Assigned Agreement) is necessary for Financing Provider to cure an Event of Default and Financing Provider commences foreclosure proceedings against Seller within thirty (30) days of receiving notice of an Event of Default from PG&E or Seller, whichever is received first, Financing Provider shall be

allowed a reasonable additional period to complete such foreclosure proceedings, such period not to exceed ninety (90) days; provided, however, that Financing Provider shall provide a written notice to PG&E that it intends to commence foreclosure proceedings with respect to Seller within ten (10) business days of receiving a notice of such Event of Default from PG&E or Seller, whichever is received first. In the event Financing Provider succeeds to Seller's interest in the Project as a result of foreclosure proceedings, the Financing Provider or a purchaser or grantee pursuant to such foreclosure shall be subject to the requirements of Section 3 of this Consent and Agreement.

5. Setoffs and Deductions. Each of Seller and Financing Provider agrees that PG&E shall have the right to set off or deduct from payments due to Seller each and every amount due PG&E from Seller whether or not arising out of or in connection with the Assigned Agreement. Financing Provider further agrees that it takes the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts subject to any defenses or causes of action PG&E may have against Seller.

6. No Representation or Warranty. Seller and Financing Provider each recognizes and acknowledges that PG&E makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement or the Assigned Agreement Accounts. Financing Provider is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement, and Financing Provider releases PG&E from any liability resulting from the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts.

7. Amendment to Assigned Agreement. Financing Provider acknowledges and agrees that PG&E may agree with Seller to modify or amend the Assigned Agreement, and that PG&E is not obligated to notify Financing Provider of any such amendment or modification to the Assigned Agreement. Financing Provider hereby releases PG&E from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

8. Payments under Assigned Agreement. PG&E shall make all payments due to Seller under the Assigned Agreement from and after the date hereof to [_____], as depositary agent, to ABA No. [_____], Account No. [_____], and Seller hereby irrevocably consents to any and all such payments being made in such manner. Each of Seller, PG&E and Financing Provider agrees that each such payment by PG&E to such depositary agent of amounts due to Seller from PG&E under the Assigned Agreement shall satisfy PG&E's corresponding payment obligation under the Assigned Agreement.

9. Miscellaneous.

(a) Notices. All notices hereunder shall be in writing and shall be deemed received (i) at the close of business of the date of receipt, if delivered by hand or by facsimile or other electronic means, or (ii) when signed for by recipient, if sent registered or certified mail, postage prepaid, provided such notice was properly addressed to the appropriate address indicated on the signature page hereof or to such other address as a party may designate by prior written notice to the other parties, at the address set forth below:

If to Financing Provider:	
Name:	
Address:	
Attn:	
Telephone:	
Facsimile:	
Email:	

If to PG&E:	
Name:	
Address:	
Attn:	
Telephone:	
Facsimile:	
Email:	

(b) No Assignment. This Consent and Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of PG&E, and shall be binding on and inure to the benefit of the Financing Provider, the Secured Parties and their respective successors and permitted transferees and assigns under the loan agreement and/or security agreement.

(c) No Modification. This Consent and Agreement is neither a modification of nor an amendment to the Assigned Agreement.

(d) Choice of Law. The parties hereto agree that this Consent and Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

(e) No Waiver. No term, covenant or condition hereof shall be deemed waived and no breach excused unless such waiver or excuse shall be in writing and signed by the party claimed to have so waived or excused.

(f) Counterparts. This Consent and Agreement may be executed in one or more duplicate counterparts, and when executed and delivered by all the parties listed below, shall constitute a single binding agreement.

(g) No Third Party Beneficiaries. There are no third party beneficiaries to this Consent and Agreement.

(h) Severability. The invalidity or unenforceability of any provision of this Consent and Agreement shall not affect the validity or enforceability of any other provision of this Consent and Agreement, which shall remain in full force and effect.

(i) Amendments. This Consent and Agreement may be modified, amended, or rescinded only by writing expressly referring to this Consent and Agreement and signed by all parties hereto.

IN WITNESS WHEREOF, each of PG&E and Financing Provider has duly executed this Consent and Agreement as of the date first written above.

PACIFIC GAS AND ELECTRIC COMPANY (PG&E)

By: _____
Name: _____
Title: _____

[_____] (Financing Provider), as collateral agent

By: _____
Name: _____
Title: _____

ACKNOWLEDGEMENT

The undersigned hereby acknowledges the Consent and Agreement set forth above, makes the agreements set forth therein as applicable to Seller, including the obligation of Seller to provide a copy of any Default Notice it receives from PG&E to Financing Provider the next business day after receipt by Seller, and confirms that the Financing Provider identified above and the Secured Parties have provided or are providing financing to the undersigned.

[_____] [name of Seller]

By: _____
Name: _____
Title: _____

APPENDIX IX

SELLER DOCUMENTATION CONDITION PRECEDENT

Seller shall provide to Buyer all of the following documentation no later than two (2) Business Days after the Execution Date:

1. A copy of each of (A) the articles of incorporation, certificate of incorporation, operating agreement or similar applicable organizational document of Seller and (B) the by-laws or other similar document of Seller (collectively, "Charter Documents") as in effect on the Execution Date.
2. A certificate signed by an authorized officer of Seller, dated the Execution Date, certifying (A) that attached thereto is a true and complete copy of the Charter Documents of the Seller, as in effect at all times from the date on which the resolutions referred to in clause (B) below were adopted to and including the date of such certificate; (B) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors (or other equivalent body) or evidence of all corporate or limited liability company action, as the case may be, of Seller, authorizing the execution, delivery and performance of this Agreement, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, and (C) as to the name, incumbency and specimen signature of each officer of Seller executing this Agreement.
3. A certificate from the jurisdiction of Seller's incorporation or organization certifying that Seller is duly organized, validly existing and in good standing under the laws of such jurisdiction.
4. Evidence of Site control (e.g. lease with redacted price terms) satisfactory to Buyer.
5. Evidence of CEC Certification and Verification (pre-certification) satisfactory to Buyer.
6. A copy of the most recent financial statements (which may be unaudited) from Seller together with a certificate from the Chief Financial or equivalent officer of Seller, dated the Execution Date, to the effect that, to the best of such officer's knowledge, (A) such financial statements are true, complete and correct in all material respects and (B) there has been no material adverse change in the financial condition, operations, Properties, business or prospects of Seller since the date of such financial statements.
7. An executed Letter of Concurrence substantially in the form specified in Appendix XII.

[Only include this Appendix for As-Available Product]

APPENDIX X

FORM OF ACTUAL AVAILABILITY REPORT

Pursuant to Section 3.1(l)(i), Seller shall prepare an Actual Availability Report in accordance with the procedures described in this Appendix X.

- (a) Availability Workbook. Seller shall (i) collect the measurement data, listed in (b) below, in one (1) or more Microsoft Excel Workbooks (the “Availability Workbook”) provided in a form and naming convention approved by Buyer and (ii) electronically send the Availability Workbook to an address provided by Buyer. The Actual Availability Report shall reflect the sum of the Settlement Interval Actual Available Capacity of all generators as measured by such generator’s internal turbine controller.
- (b) Log of Availability. The Availability Workbook shall be created on a single, dedicated Excel worksheet and shall be in the form of Attachment A to this Appendix X.

APPENDIX X

Attachment A

Form of Actual Availability Report

Seller's Actual Availability Report

All amounts are in MWs

Settlement Interval No.	Date	HE1	HE2	HE3	HE4	HE5	HE6	HE7	HE8	HE9	HE10	HE11	HE12	HE13	HE14	HE15	HE16	HE17	HE18	HE19	HE20	HE21	HE22	HE23	HE24
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Date/Time of Submittal _____

APPENDIX XI

TELEMETRY PARAMETERS FOR WIND OR SOLAR FACILITY

Technology Type	Telemetry Parameters	Units	
Solar Photovoltaic	Back Panel Temperature	°C	
	Global Horizontal Irradiance	W/m ²	
	Plane of Array Irradiance (If PV is fixed) Direct Normal Irradiance (If PV is Tracking)	W/m ²	
	Wind Speed	m/s	
	Peak Wind Speed (Within 1 minute)	m/s	
	Wind Direction	Degrees	
	Ambient Air Temperature	°C	
	Dewpoint Air Temperature or Relative Humidity	°C	
	Horizontal Visibility	m	
	Precipitation (Rain Rate)	mm/hr	
	Precipitation (Running 30 day total)	mm	
	Barometric Pressure	Millibars Or Hecto Pascals (HPa)	
	Solar Thermal or Solar Trough	Global Horizontal Irradiance	W/m ²
		Plane of Array Irradiance (If PV is fixed) Direct Normal Irradiance (If PV is Tracking)	W/m ²
Wind Speed		m/s	
Peak Wind Speed (Within 1 minute)		m/s	
Wind Direction		Degrees	
Ambient Air Temperature		°C	
Dewpoint Air Temperature or Relative Humidity		°C	
Horizontal Visibility		m	
Precipitation (Rain Rate)		mm/hr	
Precipitation (Running 30 day total)		mm	
Barometric Pressure		Millibars Or Hecto Pascals (HPa)	
Wind		Wind Speed	m/s
		Peak Wind Speed (Within 1 minute)	m/s
	Wind Direction	Degrees	
	Wind Speed Standard Deviation	--	
	Wind Direction Standard Deviation	--	
	Barometric Pressure	Millibars Or Hecto Pascals (HPa)	
	Ambient Temperature	°C	

APPENDIX XII

FORM OF LETTER OF CONCURRENCE

[Date]

[Name]

[Position]

[Company]

[Address]

Re: Letter of Concurrence Regarding Control of [Name] Facility

This letter sets forth the understanding of the degree of control exercised by Pacific Gas and Electric Company (“PG&E”) and [Company Name] with respect to [Facility Name (the “Facility”)] for the purposes of facilitating compliance with the requirements of the Federal Energy Regulatory Commission’s (“Commission”) Order No. 697.¹ Specifically, Order No. 697 requires that sellers filing an application for market-based rates, an updated market power analysis, or a required change in status report with regard to generation specify the party or parties they believe have control of the generation facility and extent to which each party holds control.² The Commission further requires that “a seller making such an affirmative statement seek a ‘letter of concurrence’ from other affected parties identifying the degree to which each party controls a facility and submit these letters with its filing.”³

PG&E and [Company Name] have executed a [power purchase and sale agreement (the “Agreement”)] with regard to the Facility. The Facility is a [XX] MW [description] facility located in [County, State]. Pursuant to the Agreement, [Company Name] maintains sole control of the Facility. [Company Name] agrees to provide subsequent Letters of Concurrence as may be necessary should any of the information provided herein change after the execution date of this letter.

If you concur with the statements made in this letter, please countersign the letter and send a copy to me.

Best regards,

[Author]

[Position]

Pacific Gas and Electric Company

¹ *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697 at P 186-187, FERC Stats. & Regs. ¶ 31,252, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh’g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 (2008), *clarified*, 124 FERC ¶ 61,055 (2008), *order on reh’g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh’g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh’g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010).

² Order No. 697 at P 186.

³ Order No. 697 at P 187.

Concurring Statement

On behalf of [Company Name], I am authorized to countersign this letter in concurrence with its content.

By: _____

[Name]

[Company Position]

[Company Name]

APPENDIX XIII

SUPPLIER DIVERSITY PROGRAM

1. Women-, Minority-, and service Disabled Veteran-owned Business Enterprises, as verified pursuant to the procedures prescribed in Section 2 of CPUC General Order 156 (“WMDVBE”), shall have the maximum practicable opportunity to participate in the performance of work supporting Seller’s development of the Project.
2. Upon request from Buyer, Seller shall provide a separate “Supplier Plan” consisting of a specific list of suppliers that may participate in the performance of the work supporting development of the Project, and a statement setting forth any additional efforts Seller will employ to increase the participation of WMDVBE suppliers supporting development of the Project.
3. Upon request from Buyer, but no less than once per 365 day period of time between the execution of the PPA and the Commercial Operation Date, Seller shall report its spend with WMDVBE owned suppliers per instructions to be provided by PG&E.
4. Seller’s supplier diversity spend target for work supporting the Project is ____%.
5. Seller agrees that the obligations established through this Appendix XIII are material obligations.

[Bracketed language applicable to WMDVBE Sellers only]

6. Seller is a WMDVBE, as certified by _____ *[please identify the certifying agency]*.

Renewable Auction Mechanism (RAM) Request for Offers

Full Legal Project Name:

Project Location:

Street Address:

City, State, Zip:

Description of land control, project permit plan, and whether the project is consistent with local land use zoning ordinances.

- a. If you have site control, how is it exercised, e.g. ownership, leasehold interest, site option, etc. Documents demonstrating site control and ability to operate project as proposed will be required prior to contract execution.
- b. Describe the permit plan for the project, including permits necessary for electric interconnection and plans to mitigate environmental impacts. List all environmental and land use permits and discretionary approvals required from local, state, federal, and/or tribal authorities, application filing date, status of approvals, permit duration, and schedule to complete permits (i.e., conditional use permit, endangered species act permits, etc).
- c. Is the project consistent with local land use zoning ordinances and General Plan, including General Plan Energy Elements? If the project requires zoning changes or variances, describe the plan to obtain approval of the zoning changes.
- d. Describe plans to obtain project support from local land use authorities and the nearby community/residents, including whether the project needs any specific planning commission, city council or board of supervisor approvals.
- e. Is the project located on designated agricultural land or within an agricultural preserve? If so, please indicate the classification (e.g., Prime Farmland, Farmland of Statewide Importance, Unique Farmland, Farmland of Local Importance, or Grazing Land).
- f. Does the project have a Williamson Act Contract? If yes, describe how the Williamson Act Contract will be cancelled or terminated, as applicable.

Provide the following information describing the site and site location:

- a. Provide map showing site location and key project facilities. Please provide the map in either one of the following formats:
 - i. Google kml/kmz, ESRI shape or other GIS data file of the project boundary. Specify projection information for GIS files or

Renewable Auction Mechanism (RAM) Request for Offers

- ii. A digital map (.pdf, .jpg, tiff, etc.) of the project boundary, access roadways and the rights-of-way for all interconnecting utilities on aerial street or USGS topo background.
- b. Provide at least one of the following sets of information for GIS mapping:
 - i. County Assessor’s parcel number for the proposed site; or
 - ii. Coordinates and parcel size of the project

Site Control Attestation

Participant hereby represents warrants and covenants that:

1. Participant has site control of the site where the project is located or will be located, which is: [\[insert project address\]](#);
2. Participant is the entity that will execute the PPA with PG&E if PG&E enters into a PPA with the Participant as a result of the Solar PV PPA RFO;
3. Participant will promptly notify PG&E in writing of any changes in the status of the Participant’s site control; and
4. Execution and delivery of this attestation are within Participant’s powers and have been duly authorized by all necessary action.

“Site control” has the meaning set forth in section III.B.2 of the RAM RFO Protocol Document dated June 3, 2013.

Very Truly Yours,

By: _____
Authorized Signature

Name: [print or type name]

Title: _____

Renewable Auction Mechanism (RAM)

Full Legal Project Name (“Participant”):

Project Location:

Street Address:

City, State, Zip:

Full Legal Name of Site Owner (“Site Owner”):

Business Address of Site Owner:

Street Address:

City, State, Zip:

Subject: Acknowledgement of Site Owner Regarding Alternate Program
Availability – California Solar Initiative and Net Energy Metering
Programs

Pacific Gas and Electric Company:

[Insert Site Owner’s full legal name] owns the real property located at [Insert complete Property address] (the “Property”), and leases or intends to lease all or a portion of the Property (the “Site”) to [Insert Participant’s s legal name].

[Site Owner] avows that it is informed of and has investigated the benefits offered by, alternative government-sponsored renewable generation subsidy programs such as the California Solar Initiative (“CSI”) and the Net Energy Metering (“NEM”) programs.

[Site Owner] further acknowledges that if Pacific Gas and Electric Company (“PG&E”) executes a power purchase agreement with [Participant] as part of PG&E’s Renewable Auction Mechanism (“RAM”) RFO and receives California Public Utilities Commission approval of that power purchase agreement, then [Participant] will install a renewable eligible generating facility and other ancillary equipment on a defined portion of the Property, and will exclusively sell to PG&E, pursuant to the power purchase agreement, the contract capacity output of the electric generating facility, including all attributes related thereto.

Finally, [Site Owner] attests that it has not participated in, nor submitted any claim for receipt of funds under, the CSI and NEM, programs for any generating facility located at the Site. [Site Owner] further acknowledges that if PG&E selects [Participant] as part of PG&E’s RAM Program and receives California Public Utilities Commission approval of the power purchase agreement, [Site Owner] will be precluded from participating in the CSI and NEM programs for the electric generating facility for the entire term of the power purchase agreement.

Acknowledgement and Commitment of Site Owner: Appendix D

Renewable Auction Mechanism (RAM)

Execution of this letter agreement by [Site Owner] does not prevent [Site Owner] from participating in the CSI or NEM programs for other projects, other than the electric generating facility on the Site, including other projects on the same Property.

Very Truly Yours,

[Insert Site Owner's full legal name]

By: _____

Name: _____

Title: _____

Date: _____

Renewable Auction Mechanism (RAM)

Please answer the questions below about the Participating Company (or Leading Participant in the case of a Team of Participants).

- Is Participant a certified California woman, minority or disabled veteran business enterprise (WMDVBE)? If so, please identify the certifying agency:
- If your company is woman, minority or service disabled veteran-owned but not certified by the CPUC or Department of General Services, does your company hold a Women’s Business Enterprise National Council (WBENC), National Minority Supplier Development Council (NMSDC) or United States Small Business Administration 8(a) certification. Please provide certification number and expiration date.
- Does Participant commit to PG&E's Supplier Diversity Program which can be found at <http://www.pge.com/b2b/purchasing/supplierdiversity/>
- Does Participant intend to use WMDVBE suppliers in Participant's materials and services supply chain?
- Does your company have a supplier diversity program? If so, describe efforts your company has made to increase business with WMDVBE firms (i.e. does your company have a policy statement, participate in outreach activities, promote diverse firm subcontracting, publicize contract opportunities, provide certification assistance, etc.?). Please provide examples.
- If your company has a supplier diversity program, does your company mentor WMDVBE suppliers? Please provide examples.

If Participant is not a WMDVBE supplier, and if Participant intends to use WMDVBE suppliers to support its RAM RFO project if its Offer is executed, then Participant shall list in the table below a plan for how the total cost of each RAM project proposed would be split among those WMDVBE subcontracts. Please provide a separate table for each Offer submitted, if more than one. Where applicable, Participant shall also indicate names of subcontractors that may perform those categories of work. Include all potential spend from subcontractor relationships and partnerships.

Component	Planned Spend % by Category	Supplier Names
Installation	%	
Engineering	%	
Major Equipment (modules, inverters, transformers, switchgear)	%	
Other Materials	%	

Supplier Diversity Questionnaire: Appendix E

Renewable Auction Mechanism (RAM)

Freight, Delivery and Logistics	%	
Other (please specify below)	%	
Total Planned WMDVBE Spend as a % of Total Program Spend (%)	%	

- If you used the "Other" category, please define what materials and services these firms will provide.
- How much was your company's overall spend with WMDVBE firms over your total purchasing spend in the U.S. in 2012 (%)?
- Please describe in detail how you will assist PG&E in reaching its enterprise-wide diversity spend goal (WMDVBE participation) of 30% in 2012.

ATTACHMENT B

**Redlined versions of applicable RAM Protocol documents including
RAM PPA**



Renewable Auction Mechanism (RAM) Request for Offers

Issuance Date: May 28, 2013

Deleted: November 15, 2012

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Pacific Gas and Electric Company

Renewable Auction Mechanism (RAM) Request for Offers

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I. Introduction and Overview:

A. Overview

Pacific Gas and Electric Company (“PG&E”) is issuing its Fourth Renewable Auction Mechanism (“RAM”) Program Request for Offers (“RFO”). The statewide goal of the RAM Program is to procure up to 1,000 megawatts (“MW”) of renewable system-side energy projects that are eligible for the California Renewables Portfolio Standard (“RPS”) Program over a two year period. The CPUC Decision¹ establishing the RAM Program (the “RAM Decision”) allocates 420.9 MW of this statewide capacity goal to PG&E. With this RFO, PG&E is implementing the RAM Decision and requests that interested parties submit offers (each an “Offer”) in compliance with the procedures, eligibility criteria, and timeline more fully described below.

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PG&E filed Advice Letter 4216-E with the Commission concluding its Third RAM auction on April 30, 2013. This RFO represents the Fourth² solicitation.

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On May 9, 2013, the Commission issued Resolution E-4582 authorizing the modification to the capacity allocation targets for RAM 4. Given the requirements that the RAM projects much achieve commercial operation within 24 months of CPUC approval, it would be expected that a project selected from RAM 4 would achieve commercial operation by approximately December 25, 2015. The procurement target remaining for RAM is 122 MW of which 82 MW will be procured in RAM 4. As directed by the Commission, each IOU must reserve one third of their remaining authorized, yet unsubscribed RAM capacity. Although PG&E’s objective is to procure 82 MW through this RFO, if less than 82 MW of Offers are selected or if the projects that were selected through this RFO withdraw from the RAM Program, then the remaining MW will be added to the RAM 5 which will occur no later than June 27, 2014.

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This RFO seeks Offers for the sale of Product³ for a contract term of 10, 15, or 20 years from generating Projects that are more than 3 MW to 20 MW in size. The Project producing the Product must be connected to one of the following three investor-owned utilities’ (“IOU”) electric distribution or transmission systems: PG&E, Southern California Edison (“SCE”) or San Diego Gas and Electric (“SDG&E”). Except as noted in the RAM PPA at Appendix B to this RFO, the Project must be commercially operational no later than 24 months following final and non-appealable CPUC approval of the RAM PPA associated with the Project.

¹ California Public Utilities Commission (“CPUC”) Decision (“D.”) 10-12-048, adopted on December 17, 2010.

² The first RAM Program year began when PG&E’s Advice Letter 3905-E submitted on September 19, 2011 became effective and resulted in the procurement of 63 MWs. The second RAM Program began when PG&E Advice Letter 4032-E submitted on April 26, 2012 became effective and resulted in 120.1 MWs. The third RAM program began when Advice Letter 4114-E submitted on September 28, 2012 and supplemental Advice Letter 4114-E-A on October 26, 2012 became effective.

³ Product means the electricity generated by a Project (the eligible renewable energy resource described in an Offer, together with all capacity and ancillary products, services or attributes which can be produced by or associated with the Project, and any other attributes required by the California Public Utilities Commission (“CPUC”) and/or the California Energy Commission (“CEC”) to count the electricity toward PG&E’s Renewable Portfolio Standard (“RPS”) requirements.

The solicitations for all three IOUs will be conducted simultaneously. An entity submitting a bid into this RFO (a “Participant”) may bid into all three solicitations. However, if PG&E notifies a Participant its Offer has been selected, the Participant must submit a signed PPA and provide all required documentation as shown in Appendix IX to the RAM PPA to PG&E within 10 calendar days of selection notification. PG&E reserves the ability to place some Offers on a waiting list to account for the potential that some selected Offers could be withdrawn prior to submission of signed PPA.

B. Schedule

1. Schedule Overview

The RAM Decision requires that the three major IOUs hold their RAM auctions simultaneously. The final RFO schedule is subject to change to conform to any CPUC requirement and otherwise at the discretion of PG&E at any time. PG&E will endeavor to notify Participants of any schedule change via notification on PG&E’s RAM RFO Website.⁴ As further described below, Participants may register at PG&E’s RFO website at <http://www.pge.com/rfo/> to receive notice of these and other RFO changes by electronic mail. PG&E will have no liability or responsibility to any Participant for any change in the schedule or for failing to provide notice of any change.

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The expected schedule for this RFO is (all times are in Pacific Prevailing Time (“PPT”)):

Date/Time	Event
Ongoing	Participants may register online to receive notices regarding the RFO
May 28, 2013	PG&E issues the RAM 4 RFO
June 10, 2013	Deadline for Participants to submit registration for Bidders’ Conference
June 13, 2013	Bidders’ Conference for RAM 4 RFO (via webinar)
June 28, 2013 no later than 12:00 P.M.(PPT)	Offers Due. Projects must provide a completed System Impact Study, a Phase I interconnection study, or documentation showing that the project passed the WDAT/WDT or CAISO Fast Track screens. Projects must have a queue position and remain in the queue. Offer evaluation begins.
September 6, 2013	PG&E selects offers. PG&E notifies Selected Participants and any Waitlisted Participants.
September 11, 2013	Primary and Waitlisted Participants that wish to continue in PG&E’s RAM RFO must return required documentation
September 12, 2013	Waitlisted Participants are notified
September 17, 2013 no later than 1:00 P.M.(PPT)	Submittal of Signed PPA. Selected Participants that wish to continue participation in PG&E’s RFO must return a signed RAM PPA and required documentation as shown in Appendix IX of the PPA to PG&E.
September 24, 2013	Selected Waitlisted Participants that wish to continue participation in

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⁴ www.pge.com/rfo

Renewable Auction Mechanism (RAM) Request for Offers

Date/Time	Event
no later than 1:00 P.M.(PPT)	PG&E’s RFO must return a signed RAM PPA with required documentation as shown in Appendix IX of the RAM PPA
October 14, 2013	PG&E executes RAM PPAs
November 15, 2013	Advice Letter Filing for executed RAM PPAs

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The RAM Decision requires PG&E to seek CPUC approval of each RAM PPA resulting from this RFO. Accordingly, the RAM PPAs will not be effective unless approved by the CPUC and any applicable review or appeal period has lapsed. As further described in Section V, one of the requirements for this RFO is that Participants do not make changes to the non-price terms and conditions in the form RAM PPA.

2. RFO Process

- 1. Registration.** Participants may register online to receive announcements and updates about this RFO. Go to the RAM RFO Website and click on RFO Bidder Registration. Alternatively, go directly to: <http://www.pge.com/rfo/>.
- 2. Bidders’ Webinar.** Registration will be required to attend the Bidders’ Webinar. The registration form is available on the RAM RFO website.
- 3. Offers Due.** Participant’s Offer must be submitted by e-mail to both PG&E and the Independent Evaluator (“IE”)⁵ and must include all of the documents described in Section VII. By responding to this RFO, the Participant agrees to be bound by all of the terms, conditions and other provisions of this RFO and any changes or supplements to it that may be issued by PG&E.
- 4. PG&E Selects Offers.** Participants whose Offers have been selected will be notified via email. PG&E will select Offers within each Product Category described below according to the evaluation criteria described in Section IV. Some of the next-best Offers beyond those selected may be placed on a waiting list to be selected in order of priority should any selected Offers fail to complete the RFO process.
- 5. Submittal of Signed PPA.** Participants with selected Offers must submit a signed RAM PPA with all required documentation in accordance with the timeline described above. If a Participant fails to submit a signed RAM PPA with required documentation for one or more Selected Offers as described above, PG&E will disqualify the originally selected Offer and will select the next-best Offer on the waiting list. A waitlisted Participant whose Offer is selected must return a signed RAM PPA and the required documentation in accordance with the timeline described above.

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⁵ Charles Adkins of Ventyx Energy Software, Inc. will be providing IE services for this RFO. His email address is Charles.Adkins@abb.ventyx.com.

6. Execution and Regulatory Approval. Once PG&E has fully executed each of the RAM PPAs resulting from this RFO, it will submit all such RAM PPAs to the CPUC for approval via a Tier 2 advice filing.

C. Disclaimers for Rejecting Offers and/or Terminating this RFO

This RFO does not constitute an offer to buy and creates no obligation to execute any RAM PPA or to enter into a transaction under a RAM PPA as a consequence of the RFO. PG&E shall retain the right at any time, at its sole discretion, to reject any Offer on the grounds that it does not conform to the terms and conditions of this RFO and reserves the right to request information at any time during the solicitation process.

PG&E retains the discretion, subject to, if applicable, the approval of the CPUC, to: (a) reject any Offer on the basis, including but not limited to the bases that an Offer is the result of market manipulation or is not cost competitive or any other reason; (b) formulate and implement appropriate additional criteria for the evaluation and selection of Offers; (c) modify this RFO including, with the approval of the CPUC, the form RAM PPA as it deems appropriate to implement the RFO and to comply with applicable law or other decisions or direction provided by the CPUC; and (d) terminate the RFO should the CPUC not authorize PG&E to purchase Products in the manner proposed in this RFO. In addition, PG&E reserves the right to either suspend or terminate this RFO at any time if such suspension is required by or with the approval of the CPUC. PG&E will not be liable in any way, by reason of such withdrawal, rejection, suspension, termination or any other action described in this paragraph to any Participant, whether submitting an Offer or not.

II. RFO Goals

A. Renewable Resource Needs

PG&E is seeking RPS-eligible Product from small and mid-sized generation facilities. The Products procured through the RAM Program will contribute toward California’s aggressive targets for the procurement of renewable energy.

B. Products Sought

PG&E is seeking to procure 10 MW in the “Baseload” and “As-Available Non-Peaking” product categories and 62 MW in the “As-Available Peaking” product category for a total of 82 MWs. The 82 MW total represents the RFO procurement target. PG&E may procure up to 20 MW more or less in each product category, and no more than 102 MW in total. In addition to the product definitions set forth in the RAM PPA, and without implying any amendment to those product definitions, Products must fall within one, and only one, of the following Product Category definitions:

- “Baseload” Projects will have a generation profile demonstrating an annual capacity factor of 80% or greater (e.g., geothermal/biomass).
- “As-Available Non-Peaking” Projects will have a generation profile

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demonstrating intermittent energy delivery with an annual capacity factor of 80% or less and less than 95% of the expected output in the super-peak⁶ and shoulder-peak⁷ periods (e.g., wind).

- “As-Available Peaking” Projects will have a generation profile demonstrating intermittent energy delivery with an annual capacity factor of 80% or less and 95% or more of the expected output generated in the super-peak and shoulder-peak periods (e.g., solar).

Additionally, as more particularly described in the RAM PPA, each Offer should be identified as a full buy/sale transaction or an excess sales transaction, as follows:

- “Full buy/sale” transaction means 100% of the energy production, net of station use, is sold by the generator to PG&E.
- “Excess sales” transaction means that the output from the Project serves the generating facility’s own on-site load first and then sells the remaining energy production to PG&E.

III. Eligibility

PG&E is seeking Products that meet the specific eligibility requirements below. The Participant’s Offer must demonstrate that the Project meets each of the items in this Section III. PG&E will select from eligible Offers only.

A. Project Design Eligibility Requirements

1. Existing and new generation facilities are eligible. An existing generating facility must be certified as an eligible renewable resource (“ERR”).⁸ PG&E encourages new resources to apply for pre-certification.
2. Existing facilities may participate providing that, if the project is currently under contract, the existing contract is scheduled to expire within 24 months of the expected date of Commission approval of the PPA. For this RFO, the existing contract must expire prior to December 25, 2016⁹.
3. The Project must interconnect within the distribution or transmission system of PG&E, SCE, or SDG&E.

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⁶ **Super-Peak** (5x8) = hours ending 13-20 (Pacific Prevailing Time (PPT)) Monday - Friday (except NERC Holidays) in the applicable Monthly Period.

⁷ **Shoulder** = hours ending 7 - 12, 21 and 22 PPT Monday - Friday (except NERC Holidays); and hours ending 7-22 PPT Saturday, Sunday and all NERC Holidays in the applicable Monthly Period.

⁸ The CEC is responsible for certifying ERRs for purposes of compliance with the RPS program. The CEC has published Guidebooks to explain its criteria for RPS eligibility and process for ERR certification. The CEC’s “Renewable Portfolio Standard Eligibility Guidebook” 4th Edition publication number CEC-300-2010-007-CMF, January edition, is available at: <http://www.energy.ca.gov/renewables/documents/>.

⁹ PG&E expects to file the Advice Letter requesting approval of the RAM 3 PPAs on November 15, 2013 and receive approval 30 days later. PPA approval will be final following a 10 day appeal period.

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- 4. Neither the Project’s nameplate capacity nor the Offer’s contract capacity may be greater than 20 MW. The contract capacity must be greater than 3 MW.

B. Project Viability Eligibility Requirements

1. Interconnection

The Project must be interconnected to one of the three IOU’s electric distribution or transmission systems. Participants must have completed a System Impact Study, a Phase I interconnection study, or have documentation showing that the Project passed the WDT or CAISO Fast Track screens at the time of Offer submittal. ~~Participants that bid in to the RAM RFO must have a California Independent System Operator (“CAISO”) queue position at the time of Offer submittal and must remain in the CAISO queue until the project’s required network upgrades have been completed.~~

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Participants may bid as energy only or full deliverability. Projects bidding as fully deliverable must (a) have a completed Phase I deliverability study (Phase II deliverability study if available); (b) be at a minimum in either the Phase II study for deliverability or Facilities study; (c) acquire a finding of full deliverability through the interconnection process, (d) have completed a deliverability assessment in the annual process that indicates that the project is deliverable, or (e) have received deliverability through the CAISO’s Deliverability for Distribution pursuant to ISO Tariff Section 40.4.6.3. Projects bid in as fully-deliverable must be fully deliverable by 12/31/2021, but need not be fully deliverable as of commercial operation. Projects bidding as energy-only do not have to pursue any deliverability studies.

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2. Site Control

Participants must attest that they have secured site control for the entire delivery term of their Project as part of their Offers. Requirements to demonstrate such site control are detailed in Appendix C. Examples of site control include: (1) ownership of the site, a leasehold interest, or a right to develop a site for the purpose of constructing a generating facility; (2) an option to purchase or acquire a leasehold site for purposes of constructing a generating facility; and (3) any other business relationship that, in the sole discretion of PG&E, amounts to the same right to develop property as provided in examples (1) or (2) above, between the Participant and another entity that has the right to sell, lease, or grant the right to possess or occupy the site for such a purpose.

Please note that these site control requirements may differ from those required in the interconnection process to achieve a deemed complete status.

3. Experience

A minimum level of developer experience is required for participation in the RAM Program. Specifically, the Participant and/or a member of Participant’s project development team must have either completed or begun construction of at least one other project of similar technology and capacity. PG&E considers a project to have

begun construction if the developer has issued a full notice to proceed to its EPC contractor.

4. Commercialized Technology

The Participant must show that the Project employs technology currently in use at a minimum of two operating facilities of similar capacity worldwide.

5. Commencement of Commercial Operation Deadline

The Project must be able to begin commercial operation within 24 months of CPUC final and non-appealable approval of the associated RAM PPA, subject to a six-month extension for the specific reasons described in the RAM PPA. Sellers can request a one-time request for this extension by providing a notice 60 days prior to the guaranteed commercial operation date. Sellers that cannot place the Project into commercial operation by this deadline will be in default under the RAM PPA.

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C. Participation in Other Procurement Programs

Neither the Participant nor the owner of the site may sell any Product from the Project, either currently or at any time during the term of the RAM PPA, pursuant to the California Solar Initiative Program (“CSI”) or the Net Energy Metering tariff. For projects up to 5 MW, the owner of the site will be required to sign the letter, attached here as Appendix D, acknowledging familiarity with CSI and NEM and committing to the limitation on participation noted above.

D. Participation in Future Solicitations

A Participant may submit offers for a Project in future RAM solicitations notwithstanding the Participant’s withdrawal of the Project’s Offer from this RFO prior to the execution of a RAM PPA. Additionally, Offers that are not selected in this RFO may be bid again into future RAM solicitations, or other solicitations.

IV. Evaluation Criteria:

Once Participants have met the eligibility requirements set forth in Section III, above, PG&E will use the evaluation criteria discussed in Section IV.A-C as the factors in selecting Offers.

A. Cost

PG&E will evaluate and select eligible Offers based on levelized Product cost per megawatt hour (\$/MWh) using PG&E’s CPUC-authorized after tax weighted average cost of capital of 7.0 percent. Offers will be ranked in order of Product cost, which will include the estimated transmission network upgrade costs from the most recent interconnection studies or interconnection agreement. For energy-only projects, PG&E will consider the reliability network upgrades only. For projects bidding as fully

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deliverable, PG&E will consider the reliability network upgrades and deliverability network upgrades, along with the project's resource adequacy ("RA") value. As authorized by Resolution E-4414, PG&E may procure plus or minus 20 MW of the targeted capacity within each product category so long as the total capacity procured in each auction is plus or minus 20 MW. PG&E reserves the right to reject Offers if they are uncompetitive with other options, including offers received in other PG&E non-RAM solicitations, or if there is evidence of market manipulation.

B. Resource Adequacy Benefit

For Projects that provide full deliverability, PG&E will assume that new resources achieve full capacity deliverability status on 12/31/2021, and the maximum RA benefit will be included from 1/1/2022 through the remaining term.

As described in Resolution E-4489, PG&E will evaluate the capacity benefits of a proposal by applying the monthly Net Qualifying Capacity ("NQC") to PG&E's forecast of avoided capacity costs. Due to the RA capacity constraint that currently exists on projects that are located in SP15, PG&E currently discounts the capacity value of SP15 resources and is expected to assign different values to projects that have delivery points located in NP15 versus SP15. This constraint may change in the future.

C. Supplier Diversity

It is the policy of PG&E that Women-, Minority-, and Service Disabled Veteran-owned Business Enterprises ("WMDVBES") shall have the maximum practicable opportunity to participate in this RFO and other competitive solicitations. PG&E will evaluate each offer and how it contributes to PG&E's supplier diversity goals. The supplier diversity evaluation will take into account the Participant's status as a WMDVBE and/or intent to subcontract to WMDVBES. Offers must include documentation of the Participant's WMDVBE status in the form provided at Appendix E. The PPA has been updated to require compliance with PG&E's Supplier Diversity program and periodic reporting on diverse spend.

D. Seller Concentration

PG&E is not limiting the number of Offers submitted by a single Participant. However, to ensure that the market for Products sought in this RFO remains competitive, PG&E may cap the amount awarded to a Seller at 20 MW the total MW awarded in this RFO to any single Participant.

V. Guidelines for Offer Development:

A. Price

Participants must submit with their Offer their best and final price using the Energy Pricing Sheet of the Offer Form in Appendix A. PG&E will not consider updated or "refreshed" price offers submitted after the Offer submittal deadline. The Product price

must be stated in annual \$/MWh and may be escalated over the 10, 15 or 20 year term of the RAM PPA. Product quantities can vary annually to reflect degradation of the facility, if applicable.

Pursuant to the RAM PPA, Sellers will be paid the contract price multiplied by the applicable TOD factor for each hour. For purposes of bid evaluation, PG&E will levelize bid prices after applying the applicable standard Time of Delivery (“TOD”) factors as specified below and incorporating transmission upgrade costs, less the resource adequacy benefits as applicable, in order to compare all offers on a consistent basis. The price submitted by Participant for an Offer must include, without limitation, the following: (a) all awards, subsidies, and tax credits with respect to the Project, (b) all other benefits that Participants expects to apply, (c) any costs incurred by Participant, including any interconnection costs, (d) the acceptance, without reservation or revision, of the non-price terms and conditions in the RAM PPA, and (e) the assumption that the Product price will be adjusted in each hour of delivery by the energy payment allocation factors set forth in the table below by PG&E.

B. Deliverability

Participants will have the option of submitting their projects into the RAM RFO program as either an energy-only resource or full capacity deliverability resource. Sellers are encouraged to bid their projects both ways, with different prices as applicable. The energy-only TOD factors will apply to projects that price their offer with full deliverability up until finding of full capacity deliverability is achieved

For a project that bids as energy-only, but later gets a finding of full deliverability via the annual assessment, there will be no adjustment to the TOD factors because changing the TOD factors and resulting payments under the PPA would alter the basis on which the Participants’ Offer was selected.

Time of Delivery Factors

TOD FACTORS FOR EACH FULLY DELIVERABLE TOD PERIOD			
Period	1. Super-Peak	2. Shoulder	3. Night
A. June – September	2.297	1.069	0.798
B. Oct - Dec, Jan & Feb	0.953	0.857	0.808
C. Mar – May	1.041	0.819	0.828

TOD FACTORS FOR EACH ENERGY ONLY TOD PERIOD			
Period	1. Super-Peak	2. Shoulder	3. Night
A. June – September	1.157	1.011	0.951
B. Oct - Dec, Jan & Feb	1.071	1.018	0.963
C. Mar – May	0.907	0.937	0.987

TOD factors shown are consistent with factors shown in PG&E’s 2012 RPS Protocol.

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- Deleted: 1.35328
- Deleted: 1.07401
- Deleted: 0.69578
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Definitions:

1. **Super-Peak** (5x8) = hours ending 13-20 (Pacific Prevailing Time (PPT)) Monday - Friday (*except* NERC Holidays) in the applicable Monthly Period.
2. **Shoulder** = hours ending 7 - 12, 21 and 22 PPT Monday - Friday (*except* NERC Holidays); and hours ending 7-22 PPT Saturday, Sunday and all NERC Holidays in the applicable Monthly Period.
3. **Night** (7x8) = hours ending 1-6,23 and 24 PPT all days (including NERC Holidays) in the applicable Monthly Period.

“NERC Holidays” mean the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Three of these days, Memorial Day, Labor Day, and Thanksgiving Day, occur on the same day each year. Memorial Day is the last Monday in May; Labor Day is the first Monday in September; and Thanksgiving Day is the fourth (4th) Thursday in November. New Year’s Day, Independence Day, and Christmas Day occur on the same date each year, but in the event any of these holidays occur on a Sunday, the “NERC Holiday” is celebrated on the Monday immediately following that Sunday; and if any of these holidays occur on a Saturday, the “NERC Holiday” remains on that Saturday. Notwithstanding anything to the contrary, NERC Holidays shall be calculated as “Shoulder” hours for all non-“Night” hours and any remaining hours shall be calculated as “Night” hours.

C. RAM PPA Terms and Condition

Any successful Offers must be formalized by the execution of a final RAM PPA. PG&E has provided a form RAM PPA in Appendix B, and the summary of certain terms within the RAM PPA provided in this section of the protocol is not meant to provide a substitute for a careful review of the actual RAM PPA. In this case of any conflict between this protocol and the RAM PPA, the RAM PPA will control.

The terms and conditions of the form RAM PPA are non-negotiable. PG&E will accept changes to the RAM PPA only with regard to Project-specific details identified in the RAM PPA cover sheet, including Product Category, Full or Excess Sales, Energy Only or Full Capacity Deliverability Status, Contract Price, Contract Length, and Contract Quantity. Any other changes made to the terms and conditions of the form RAM PPA will result in rejection from this RFO.

The delivery term of any executed RAM PPA will be 10, 15 or 20 years. The period of 10, 15, or 20 years will commence on the first date that the Participant delivers the Product to PG&E from the Project.

The RAM PPA requires PG&E’s counterparty to submit a project development milestone timeline (Appendix IX to the RAM PPA) upon execution of the RAM PPA and to provide progress reports to PG&E every six months on the Project’s progress towards the achievement of the development milestones until the project begins energy deliveries.

For Projects being bid as fully deliverable, the RAM PPA includes an estimate of when full capacity deliverability status will be attained. Seller is not contractually bound by the estimate, but the RAM PPA does require that Sellers attain full capacity deliverability status no later than December 31,2021. If Seller has not achieved full capacity deliverability status by that time,then PG&E will have the right to declare an event of default and terminate the PPA. If PG&E exercises this default right, then Seller will be subject to mark-to-market damages that will be limited to the amount of Seller’s delivery term security. Sellers that are not confident of their ability to become fully deliverable by December 31,2021should bid in as energy-only.

The RAM PPA requires a Participant to post collateral in the form of cash or letter of credit from a reputable U.S. bank in the following amounts and by the time discussed below:

- **Project Development Security:** \$60 per kW for As-Available facilities or \$90 per kW for Baseload facilities, respectively, due within five (5) Business Days following CPUC approval of the RAM PPA. The development deposit will be refunded upon Commercial Operation Date or applied to the subsequent Performance Deposit.
- **Delivery Term Security:** An amount equal to 5% of expected total Project revenues. This amount is equal to 6 months of revenue for a 10 year PPA, 9 months of revenue for a 15 year PPA, or 12 months of revenue for a 20 year PPA, due on the Commercial Operation Date.

Under the RAM PPA, the Project Development Security will be retained by PG&E in the event that the Project should fail to come online by the contractual deadline. Delivery Term Security will be held throughout the 10, 15 or 20-year delivery term.

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VI. Information Regarding Interconnection to PG&E’s Electric System and Interconnection Screens

Many factors influence the feasibility and cost of interconnecting generating facility systems to an electric system. These factors include, but are not necessarily limited to, the size and type of the system, substation and circuit load and capability, voltage regulation and voltage flicker. Nonetheless, in an effort to assist developers in selecting appropriate sites for their Projects and in accordance with the RAM Decision, PG&E has created a web-based map that provides an extensive amount of substation and circuit information. This map and supporting documentation allows developers to determine, among other information, the available capacity of any particular distribution or transmission circuit on PG&E’s service territory, defined as the total capacity less allocated capacity. For security purposes, access to the map will be granted to any person who registers with PG&E at no cost.

The map is a tool intended to assist Participants to identify and/or evaluate potential Project locations. However, PG&E does not guarantee that conditions in these areas will remain the same or that property suitable for participation in this RFO is available. In

Pacific Gas and Electric Company

Renewable Auction Mechanism (RAM) Request for Offers

In addition, actual interconnection requirements and applicable costs will be determined from further detailed studies that will consider a Participant's specific Project location, size, and application date relative to PG&E's electric system and other projects in the same vicinity.

PG&E intends to enhance its map as additional circuit-level information becomes available. PG&E will also update the information it provides on a monthly basis. Notifications of significant changes to the map design will be posted on PG&E's RAM RFO Website and sent to registered Participants.

Electric Generation Interconnection Services

All generators must reach commercial operation within 24 months of RAM PPA approval. Sellers are responsible for understanding the relevant interconnection procedures and ensuring they can interconnect within the mandated timelines.

Distribution System Interconnections

Any application for interconnection to PG&E's can now be submitted through an online form available at the: http://www.pge.com/wholesale_apply.

Any interconnection questions must be directed to PG&E's Electric Generation Interconnection department at the email address: wholesalegen@pge.com.

Information regarding interconnection to the PG&E Electric Grid is available at the following site: <http://www.pge.com/wholesale/>

The PG&E Wholesale Distribution Tariff ("WDT") Generator Interconnection Procedures ("GIP") includes three application procedures: (1) The "[Fast Track Procedure](#)" for generators no larger than 5 MW (2 MW on 12kV, 3MW on 21kV, and 5MW on higher voltages) in size that pass the "Screens" given in section 2 of Attachment I of the WDT; (2) the "[Independent Study Process](#)" for all generators that are electrically independent from other generators or clusters of generators per section 3 of Attachment I of the WDT; and (3) the "[Cluster Study Process](#)" for interconnection requests that will be studied together with those interconnection requests it is electrically dependent with if applicable. The WDT currently in effect can be found at:

http://www.pge.com/includes/docs/pdfs/shared/customerservice/nonpgeutility/electrictransmission/tariffs/PGE_Wholesale_Distribution_Tariff.pdf

PG&E's Generation Interconnection Services contact for this RFO is William Chung (mwcb@pge.com).

Transmission System Interconnections

Any application for interconnection to PG&E's transmission system (generally 60kV and greater) must be directed to the CAISO in accordance with the CAISO Tariff. Please note that the CAISO is managing interconnection requests pursuant to the Generator

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Interconnection Procedures (“GIP”), which is Appendix Y to the CAISO Tariff. The GIP includes similar three application procedures as compared to PG&E’s WDT. For more information, please refer to the CAISO Tariff via the CAISO website at: <http://www.caiso.com/planning/Pages/GeneratorInterconnection/GeneratorInterconnectionApplicationProcess/Default.aspx>.

Non-PG&E System Interconnections

For interconnection applications to SCE or SDG&E, seller should contact the applicable utility or CAISO assigned representative.

Resource Adequacy and Reform

Under the CAISO Tariff and PG&E WDT Generator Interconnection Procedures, all interconnection requests under the Independent Study Process or Cluster Process may request interconnection as a “full capacity” resource. Please refer to PG&E’s or CAISO’s website referenced above for more details.

Customers seeking to interconnect using either PG&E’s WDT Fast Track process or the CAISO’s Fast Track process would not be eligible for “full capacity” deliverability assessments until interconnected and will need to bid their project in as energy-only.

Pursuant to the RAM PPA, a Participant is responsible for funding reliability network upgrades and should reflect that requirement in its Offer price. If a Participant chooses to submit their project as fully deliverable, the seller must also fund any network upgrades required for full capacity deliverability. Seller is expected to achieve full capacity deliverability status by December 31, 2021.

Participants that have selected to bid their project in as fully deliverable will be required to demonstrate that they are actively pursuing a finding of full capacity deliverability status in Phase II of the Cluster Study Process or have a completed assessment finding that the project is deliverable in the annual deliverability process at the time of offer submittal.

VII. Required Information

A. Submission Overview

Offers must be received by PG&E via email sent to RAMRFO@pge.com. The IE must also be included in the email transmission. The IE’s email address is Charles.Adkins@abb.ventyx.com. An acknowledgement of receipt of each Offer will be sent by PG&E via return email.

Electronic Documents: The electronic documents for the attachments must be in a Microsoft Word, Excel file or Adobe Acrobat PDF file as applicable. The Participant should not provide documents in other electronic formats and versions. For each document, please include a company name in each file name. **Telephonic, telegraphic,**

hardcopy or facsimile transmission of an Offer is not acceptable.

B. Required Forms

The following documents, which are located in the Appendices, must be completed and included with each Offer:

1. **Completed Offer Form and Developer Experience Form (Appendix A).** Participant must provide a complete Offer form. Please provide all applicable information requested in the form and include the Project's expected generation profile, CAISO or utility cost estimate for the needed network upgrade costs. Participant must also include the interconnection queue position on the Offer form. Format: MS Excel
2. **A Completed RAM PPA Cover Sheet (Appendix B).** The cover sheet includes spaces for facility details, pricing, and product type. Other mark-ups are not permitted and will result in rejection of the Offer. Format: MS Word
3. **Site Control Questionnaire and Attestation (Appendix C).** Participant must attest to site control and provide a description of the project location, in a (1) Google kml/kmz, ESRI shape or other GIS data file of the project boundary, or (2) a digital map (.pdf, jpg, tiff, etc.) of the project boundary, access roadways and the rights-of-way for all interconnecting utilities on aerial, street or USGS topo background. Format: PDF or applicable GIS data file format
4. **Acknowledgement and Commitment of Site Owner Letter (Appendix D).** **This only applies to projects that are 5 MW or less.** The owner of the site on which Participant's Project is proposed to be located must attest to familiarity with the CSI and NEM alternatives. The Participant and the owner of the site must also commit not to sell Product from the Project under these other program alternatives throughout the term of the RAM PPA, if executed. Format: PDF
5. **Supplier Diversity Questionnaire (Appendix E).** Participant must complete the Questionnaire, which requires the Participant to describe its status, if applicable, as a WMDVBE and its plans, if any, to engage in activities that support PG&E's supplier diversity goals. Format: MS Word
6. **Interconnection Studies.** Participants must submit a completed System Impact Study, at least a Phase I interconnection study, or provide documentation that the project has passed the WDT or CAISO Fast Track screens. Participants bidding in as fully deliverable resource via the interconnection process must provide proof that the Project is in the Phase II process of the deliverability study. Proof may include an email from the CAISO, a receipt from CAISO, a copy of a cashed check or proof of a wire transfer. Format: PDF

VIII. Offer Selection

PG&E will select Offers according to the evaluation criteria described in Section IV. PG&E plans to notify selected Participants by e-mail according to the schedule described above. PG&E may place some offers on a waitlist. Any waitlisted Participants would be selected in order of priority should any one of the selected Offers fail to return an executed RAM PPA pursuant to the schedule outlined above.

IX. Regulation

A. Confidentiality

After contract execution, PG&E plans to submit executed RAM PPAs to the CPUC for approval via a Tier 2 advice letter filing. By participating in the RAM RFO, each Participant acknowledges and expressly authorizes PG&E to publicly disclose the following information as required by the Commission RAM Decision: (1) names of the companies that submitted Offers into PG&E's RAM RFO; (2) number of Offers received by each company; (3) number of Offers received and shortlisted by PG&E; (4) Project size; (5) participating technologies; (6) the number of Projects which passed the project viability screen; (7) location of bids by county level shown in a map format; and (8) the progression of each executed contract's project development milestones.

Except with PG&E's prior written consent, no Participant shall collaborate on or discuss with any other Participant or potential Participant bidding strategies, the substance of any Offer(s), including without limitation the price or any other terms or conditions of any Offer(s), or whether an Offer has been selected.

All information and documents in Participant's Offer clearly identified and marked by Participant as "Proprietary and Confidential" on each page on which confidential information appears, shall be considered confidential information. PG&E shall not disclose such confidential information and documents to any third parties except for PG&E's employees, agents, counsel, accountants, advisors, or contractors who have a need to know such information and have agreed to keep such information confidential and except as provided otherwise in this section. In addition, Participant's Offer will be disclosed to the IE.

Notwithstanding the foregoing, it is expressly contemplated that the information and documents submitted by Participant in connection with this RFO may be provided to the CPUC, its staff, and the Procurement Review Group ("PRG"), established pursuant to D. 02-08-071. PG&E retains the right to disclose any information or documents provided by Participant to the CPUC, the PRG, the California Energy Commission ("CEC") and to any other entity in order to comply with any applicable law, regulation, or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over PG&E at any time even in the absence of a protective order, confidentiality agreement, or nondisclosure agreement, as the case may be, without notification to Participant and without liability or any responsibility of PG&E to Participant. PG&E cannot ensure that the CPUC will afford confidential treatment to Participant's confidential information, or that confidentiality agreements or orders will be obtained from and/or honored by the PRG, the CEC, or the CPUC. By submitting an

Offer, Participant agrees to the confidentiality provisions described in this section.

The treatment of confidential information described above shall continue to apply to information related to Projects that are selected in this RFO and formalized through execution of a RAM PPA.

B. Changes to RFO

By responding to this RFO, each Participant agrees to be bound by all terms, conditions and other provisions of this RFO and any changes or supplements to it that may be issued by PG&E.

X. Communications:

PG&E has established the RAM RFO website at www.pge.com/rfo where Participants may register and where all the RAM RFO documents, information, announcements and Q&As are posted and available to Participants.

To promote accuracy and consistency of the information provided to all Participants, PG&E encourages Participants to submit any inquiries via e-mail directed to RAMRFO@pge.com. With respect to matters of general interest raised by any Participant, PG&E may, without reference to the specific Participant raising such matter or initiating the inquiry, post responses on its website. PG&E may, in its sole discretion, decline to respond to any email or other inquiry without liability or responsibility.

Any exchange of material information regarding this RFO between Participant and PG&E must be submitted to both PG&E and the Independent Evaluator, whose email address is Charles.Adkins@abb.ventyx.com.

PG&E may elect to respond to inquiries or comments by individual Participants concerning purely procedural or administrative matters, but may also decline to do so in its sole discretion without liability or responsibility.

XI. Submission of Signed RAM PPAs

Within ten (10) calendar days of Offer selection, Participants that wish to continue in the PG&E RAM RFO must submit a signed RAM PPA and required documentation for each selected Project meeting all RFO conditions both to PG&E at RAMRFO@pge.com and the IE at Charles.Adkins@abb.ventyx.com.

XII. Procurement Review Group Review

Following completion of the evaluation and rankings of Offers, PG&E will submit the results of the evaluation and its recommendations to its PRG members. PG&E will consider any alternative recommendations proposed by the PRG. PG&E, in its sole discretion, shall determine whether any alternatives proposed by the PRG should be adopted. PG&E has no obligation to obtain the concurrence of the PRG with respect to

any Offer.

PG&E assumes no responsibility for the actions of the PRG, including actions that may delay or otherwise affect the schedule for this Solicitation, including the timing of the selection of Offers and the obtaining of Regulatory Approval.

XIII. Regulatory Approval

The effectiveness of any executed RAM PPA is expressly conditioned on PG&E's receipt of final and non-appealable CPUC approval of such RAM PPA.

XIV. Participant's Waiver of Claims and Limitations of Remedies

Except as expressly set forth in this Protocol, by submitting an Offer, Participant knowingly and voluntarily waives all remedies or damages at law or equity concerning or related in any way to the RFO, the RFO Protocol and/or any attachments to the RFO Protocol ("Waived Claims"). The assertion of any Waived Claims by Participant may, to the extent that Participant's Offer has not already been disqualified, automatically disqualify such Offer from further consideration in the Solicitation or otherwise.

By submitting an Offer, Participant agrees that the only forums in which Participant may assert any challenge with respect to the conduct or results of the RFO is in the proceeding related to the CPUC's Decision ("D.") 10-12-048 adopted on December 17, 2010, or through the alternative dispute resolution ("ADR") services provided by the CPUC pursuant to Resolution ALJ-185, August 25, 2005. The ADR process is voluntary in nature, and does not include processes, such as binding arbitration, that impose a solution on the disputing parties. However, PG&E will consider the use of ADR under the appropriate circumstances. Additional information about this program is available on the CPUC's website at the following link:

www.cpuc.ca.gov/PUBLISHED/Agenda_resolution/47777.htm.

Participant further agrees that other than through the ADR process, the only means of challenging the conduct or results of the Solicitation is a protest to an Advice Letter seeking approval of one or more RAM PPAs entered into as a result of the RFO, that the sole basis for any such protest shall be that PG&E allegedly failed in a material respect to conduct the RFO in accordance with this Protocol, and the exclusive remedy available to Participant in the case of such a protest shall be an order of the CPUC that PG&E again conduct any portion of the RFO that the CPUC determines was not previously conducted in accordance with the RFO Protocol. Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs, and/or attorneys fees. Unless PG&E elects to do otherwise in its sole discretion during the pendency of such a protest or ADR process, the RFO and any related regulatory proceedings related to the RFO will continue as if the protest had not been filed, unless the CPUC has issued an order suspending the RFO or PG&E has elected to terminate the RFO.

Participant agrees to indemnify and hold PG&E harmless from any and all claims by any

other Participant asserted in response to the assertion of a Waived Claim by Participant or as a result of a Participant's protest to an advice letter filing with the CPUC resulting from the RFO.

Except as expressly provided in this Protocol, nothing herein, including Participant's waiver of the Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of PG&E. Nothing in this Protocol is intended to prevent any Participant from informally communicating with the CPUC or its staff regarding this RFO or any other matter.

XV. Termination of the RFO-Related Matters

PG&E reserves the right at any time, in its sole discretion, to terminate the RFO for any reason whatsoever without prior notification to Participants and without liability of any kind to or responsibility of PG&E or anyone acting on PG&E's behalf. Without limitation, grounds for termination of the RFO may include the assertion of any Waived Claims by a Participant or a determination by PG&E that, following evaluation of the Offers, there are no Offers that are cost competitive.

PG&E reserves the right to change to terminate further participation in this process by any Participant, to evaluate the qualifications of any Participant, and to reject any or all Offers, all without notice and without liability to PG&E or anyone acting on PG&E's behalf.

In the event of termination of the RFO for any reason, PG&E will not reimburse the Participant for any expenses incurred in connection with the RFO regardless of whether such Participant's Offer is selected, not selected, rejected or disqualified.

Unless earlier terminated, the RFO will terminate automatically upon the execution of one or more RAM PPAs by selected Participants as described herein. In the event that no RAM PPAs are executed, then the RFO will terminate automatically on 12 months after issuance of the RFO.

XVI. Participant's Representations and Warranties

Breach by any Participant of the representations and warranties of the RFO Attachments is, in addition to any other remedies that may be available to PG&E under applicable law, grounds for immediate disqualification of such Participant from participation in the RFO, and depending on the nature or severity of the breach, may also be grounds for terminating the RFO in its entirety.

Appendix B

RAM PROGRAM: Form of Power Purchase Agreement

Standard contract terms and conditions that “may not be modified” per CPUC Decision 07-11-025, and CPUC Decision 10-03-021, as modified by CPUC Decision 11-01-025, are shown in shaded text.

POWER PURCHASE AGREEMENT

Between

PACIFIC GAS AND ELECTRIC COMPANY

(as “Buyer”)

and

(as “Seller”)

Note 1: This Form of Power Purchase Agreement requires deliveries to PG&E in PG&E’s, SCE’s or SDG&E’s service territories.

Note 2: This Form of Power Purchase Agreement is available only for Projects of more than 3 MW but no greater than 20 MW (AC)

POWER PURCHASE AGREEMENT

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APPENDICES

The following Appendices constitute a part of this Agreement and are incorporated into this Agreement by reference:

Appendix I	Form of Letter of Credit
Appendix II	Initial Energy Delivery Date Confirmation Letter
Appendix III	Form of Monthly Progress Report
Appendix IV	Construction Start and Commercial Operation Certification Forms and Procedures
	Appendix IV-1 Construction Start Form of Certification
	Appendix IV-2 Commercial Operation Certification Form and Procedures
Appendix V	GEP Damages Calculation
Appendix VI	Notification Requirements for Available Capacity and Project Outages
Appendix VII	Resource Adequacy
Appendix VIII	Form of Consent to Assignment
Appendix IX	Seller Documentation Condition Precedent
Appendix X	Form of Actual Availability Report [<i>For As-Available Product only</i>]
	<u>Attachment A</u> Form of Actual Availability Report
Appendix XI	Telemetry Parameters for Wind or Solar Facility
Appendix XII	Form of Letter of Concurrence
Appendix XIII	Supplier Diversity Program

POWER PURCHASE AGREEMENT

COVER SHEET

This Power Purchase Agreement (“Agreement”) is entered into between Pacific Gas and Electric Company, a California corporation (“Buyer” or “PG&E”), and _____ *[insert name of Seller]*, a _____ *[include place of formation and business type]* (“Seller”), as of _____ (“Execution Date”). The information contained in this Cover Sheet shall be completed by Seller and incorporated into the Agreement.

A. Transaction Type

Seller may not modify the Transaction Type designated in this Part A of the Cover Sheet at any time after the Execution Date.

Product: As-Available Non-Peaking
 As-Available Peaking
 Baseload

Deliverability:

 Energy Only Status; or
 Full Capacity Deliverability Status
If Full Capacity Deliverability Status is selected, provide the date upon which the Project has or is anticipated to have a Full Capacity Deliverability Status Finding:

Seller shall elect one of the following types of transactions pursuant to Section 3.1(b) of the Agreement:

 Full Buy/Sell
 Excess Sale

Seller shall elect one of the following Delivery Terms:

 ten (10) Contract Years
 fifteen (15) Contract Years
 twenty (20) Contract Years

B. Project Description Including Description of Site

- (i) Project name:
- (ii) Project Site name:
- (iii) Project physical address:
- (iv) Total number of Units at the Project (committed and not committed to Buyer):
- (v) Physical Interconnection Point of Project:
- (vi) Service Territory of Project (must be in PG&E’s, SCE’s or SDG&E’s service territories):

(vii) Substation:

(viii) Technology type: (e.g., wind, solar, geothermal, etc.):

(ix) The nameplate capacity of the Project:

(x) The Contract Capacity: The generation capability designated for the Project shall be [_____] MW net of all auxiliary loads, station electrical uses, and Electrical Losses (the "Contract Capacity"). ***[Provide the maximum capacity to be made available to PG&E pursuant to the transaction, which in the case of an Excess Sale transaction, may be less than the maximum capacity of the Project]***

(xi) Project Development:

a. The Project is an:

- Existing Project
- New Project

1. If the Project is a New Project:

A. The date on which Commercial Operation Date of the Project is expected (must be no later than the Guaranteed Commercial Operation Date):

B. The Expected Construction Start Date of the Project:

2. If the Project is an Existing Project:

A. The Expected Initial Energy Delivery Date (which shall be no later than the Guaranteed Commercial Operation Date) is:

b. Project Development Milestone Schedule ***[to be completed by Buyer and Seller. Insert additional rows if necessary]:***

Identify Milestone	Date for Completion

(xii) Description of Units: The Site contains the following parcel description upon which the generating facility is located and as identified in a topographical map attached to this Cover Sheet.

[INSERT MAP]

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(xiii) Supplier Diversity. For the purpose of Section 4 of the Supplier Diversity Program obligation set forth in Appendix XIII of this Agreement, Seller's supplier diversity spend target for work supporting the Project is ____%.

C. Contract Price

The Contract Price for each MWh of Product as measured by Delivered Energy in each Contract Year shall be as follows:

Contract Year	Contract Price (\$/MWh)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	

D. Delivery Term Contract Quantity Schedule

Length of Delivery Term (in Contract Years):

Contract Year	Contract Quantity (MWh)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	

Contract Year	Contract Quantity (MWh)
12	
13	
14	
15	
16	
17	
18	
19	
20	

E. Notices List

Name: [*Seller's Name*], a [*include place of formation and business type*] (“Seller”)

All Notices: [*Seller to complete*]

Delivery Address:
 Street:
 City: State: Zip:

Mail Address: (if different from above)

Attn:

Phone:
 Facsimile:

DUNS:
 Federal Tax ID Number:

Invoices:

Attn:
 Phone:
 Facsimile:

Scheduling:

Attn:
 Phone:
 Facsimile:

Payments:

Attn:
 Phone:
 Facsimile:

Name: Pacific Gas and Electric Company, a California corporation (“Buyer” or “PG&E”)

All Notices:

Delivery Address:
 77 Beale Street, Mail Code N12E
 San Francisco, CA 94105-1702

Mail Address:
 P.O. Box 770000, Mail Code N12E
 San Francisco, CA 94177
 Attn: Candice Chan (CWW9@pge.com)
 Director, Contract Mgmt & Settlements
 Phone: (415) 973-7780
 Facsimile: (415) 972-5507

DUNS:
 Federal Tax ID Number:

Invoices:

Attn: Azmat Mukhtar (ASM3@pge.com)
 Manager, Bilateral Settlements
 Phone: (415) 973-4277
 Facsimile: (415) 973-2151

Scheduling:

Attn: Christopher McNeece (CMM4@pge.com)
 Phone: (415) 973-4072
 Facsimile: (415) 973-0400

Payments:

Attn: Azmat Mukhtar (ASM3@pge.com)
 Manager, Bilateral Settlements
 Phone: (415) 973-4277
 Facsimile: (415) 973-2151

Deleted: 973

Wire Transfer:

BNK:
ABA:
ACCT:

Credit and Collections:

Attn:

Phone:
Facsimile:

With additional Notices of an Event of Default
to Contract Manager:

Attn: _____

Phone: _____

Facsimile: _____

Wire Transfer:

BNK:
ABA:
ACCT:

Credit and Collections:

Attn: Justice Awuku (J2AT@pge.com)
Manager, Credit Risk Management

Phone: (415) 973-4144
Facsimile: (415) 973-4071

Contract Manager:

Attn: Chad Curran (CRCq@pge.com)
Manager, Contract Management

Phone: (415) 973-6105
Facsimile: (415) 972-5507

With additional Notices of an Event of Default to:

PG&E Law Department
Attn: Renewables Portfolio Standard attorney
Phone: (415) 973-4377
Facsimile: (415) 972-5952

PREAMBLE

This Power Purchase Agreement, together with the Cover Sheet, appendices and any other attachments referenced herein, is made and entered into between PG&E and Seller, as of the Execution Date set forth in the Cover Sheet. Buyer and Seller hereby agree to the following:

GENERAL TERMS AND CONDITIONS

ARTICLE ONE: GENERAL DEFINITIONS

1.1 “Actual Availability Report” has the meaning set forth in Section 3.1(l)(i)(G). [*For As-Available Product generated by EIRP-eligible facilities only*]

1.2 “Affiliate” means, with respect to any person or entity, any other person or entity (other than an individual) that (a) directly or indirectly, through one or more intermediaries, controls, or is controlled by such person or entity or (b) is under common control with such person or entity. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

1.3 “Agreement” means this Power Purchase Agreement between Buyer and Seller, which is comprised of the Cover Sheet, Preamble, these General Terms and Conditions, and all appendices, schedules and any written supplements attached hereto and incorporated herein by references, as well as all written and signed amendments and modifications thereto. For purposes of Section 10.12, the word “agreement” shall have the meaning set forth in this definition. For purposes of Section 3.1(k)(viii), the word “contract” shall have the meaning set forth in this definition.

1.4 “Arbitration” has the meaning set forth in Section 12.3.

1.5 “As-Available Non-Peaking” Product is As-Available Product with a Capacity Factor less than eighty percent (80%) averaged over all TOD Periods and less than ninety-five percent (95%) of expected output is in the Super Peak and Shoulder peak periods, as defined in Section 4.2.

1.6 “As-Available Peaking” Product is As-Available Product with a Capacity Factor less than eighty percent (80%) averaged over all TOD Periods and ninety-five percent (95%) or more of expected output is in the Super Peak and Shoulder peak periods, as defined in Section 4.2.

1.7 “As-Available Product” means an As-Available Non-Peaking Product or an As-Available Peaking Product that is powered by one of the following sources, except for a *de minimis* amount of Energy from other sources: 1) wind, 2) solar energy, 3) hydroelectric potential derived from small conduit water distribution facilities that do not have storage capability, or 4) other variable sources of energy that are contingent upon natural forces other than geothermal. Subject to the terms of this Agreement, (a) Seller is obligated to sell and deliver and (b) Buyer is obligated to purchase and receive, the Energy component of As-Available Product from the Project whenever such Energy is capable of being generated from the Project. In contrast to Baseload Product, the Seller does not control the availability of fuel supply to the Project producing As-Available Product and lacks the ability to store energy and control the rate of output.

1.8 “Availability Standards” means the program set forth in Section 40.9 of the CAISO Tariff, as it may be amended, supplemented or replaced (in whole or in part) from time to time, setting forth certain standards regarding the desired level of availability for Resource Adequacy resources and possible charges and incentive payments for performance thereunder.

1.9 “Availability Workbook” has the meaning set forth in Appendix X.

1.10 “Available Capacity” means the capacity from the Project, expressed in whole megawatts, that is available to generate Product. *[For As-Available Product facilities only]*

“Available Capacity” means the expected amount of Energy to be produced from the Project, expressed in megawatts. *[For Baseload Product facilities and small hydro facilities only]*

1.11 “Balancing Authority” has the meaning set forth in the CAISO Tariff.

1.12 “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, or has any such petition filed or commenced against it and such case filed against it is not dismissed in ninety (90) days, (b) makes an assignment or any general arrangement for the benefit of creditors, (c) otherwise becomes bankrupt or insolvent (however evidenced), (d) 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 (e) is generally unable to pay its debts as they fall due.

1.13 “Baseload” means a Product for which the Energy delivery levels are uniform twenty-four (24) hours per day, seven (7) days per week and has a Capacity Factor (averaged over all TOD Periods) greater than or equal to eighty percent (80%).

1.14 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday and shall be between the hours of 8:00 a.m. and 5:00 p.m. local time for the relevant Party’s principal place of business where the relevant Party, in each instance unless otherwise specified, shall be the Party from whom the Notice, payment or delivery is being sent and by whom the Notice or payment or delivery is to be received.

1.15 “Buyer” has the meaning set forth in the Cover Sheet.

1.16 “Buyer Bid Curtailment” means the occurrence of all of the following:

(a) the CAISO provides notice to a Party or Buyer’s SC, requiring the Party to produce less Energy from the Project than forecasted to be produced from the Project for a period of time;

(b) for the same time period as referenced in (a), Buyer or Buyer’s SC:

(i) did not submit a Self-Schedule or an Energy Supply Bid for the MW subject to the reduction; or

(ii) submitted an Energy Supply Bid and the CAISO notice referenced in (a) is solely a result of CAISO implementing the Energy Supply Bid; or

(iii) submitted a Self-Schedule for less than the full amount of Energy forecasted to be produced from the Project; and

(c) no other circumstances exist that constitute a Force Majeure and/or a Curtailment Period during the same time period as referenced in (a).

For the avoidance of doubt, if Buyer or Buyer's SC submitted a Self-Schedule for the full amount of Energy forecasted to be produced from the Project for any time period, any notice from the CAISO having the effect of requiring a reduction during the same time period is a Curtailment Order, not a Buyer Bid Curtailment.

1.17 "Buyer Curtailment Order" means the instruction from Buyer to Seller to reduce generation from the Project by the amount, and for the period of time set forth in such order, for reasons unrelated to Force Majeure and/or a Curtailment Order.

1.18 "Buyer Curtailment Period" means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation (inclusive of Ramp Up and Ramp Down as defined herein) from the Project, pursuant to (a) Buyer Bid Curtailment or (b) a Buyer Curtailment Order. For the purpose of this definition of Buyer Curtailment Period, (a) "Ramp Down" shall be equal to (i) Ramp Rate down, multiplied by (ii) the difference between Available Capacity and Curtailed Capacity; and (b) "Ramp Up" shall be equal to (i) Ramp Rate up, multiplied by (ii) the difference between Available Capacity and Curtailed Capacity; where "Curtailed Capacity is the reduced generation capacity as instructed by the Buyer Curtailment Order and "Ramp Rate" has the meaning set forth in the CAISO Tariff.

1.19 "Buyer's Notice" has the meaning set forth in Section 3.9(e)(ii) or Section 11.1(b)(ii), as applicable.

1.20 "Buyer's WREGIS Account" has the meaning set forth in Section 3.1(k)(i).

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

1.22 "CAISO Global Resource ID" means the number or name assigned by the CAISO to the CAISO Project.

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

1.24 "CAISO Penalties" means any fees, liabilities, assessments, or similar charges assessed by the CAISO for (a) violation of the CAISO Tariff and all applicable protocols, WECC rules or CAISO operating instructions or orders or (b) as a result of a Party's failure to follow Good Utility Practices. In either case "CAISO Penalties" do not include the costs and charges related to Scheduling and Imbalance Energy as addressed in Section 4.6(b) of this Agreement.

1.25 "CAISO Revenues" means (a) the credits and other payments received by Buyer, as Seller's Scheduling Coordinator, as a result of test energy from the Project delivered to the Real-Time Market by Seller during the Test Period, including revenues associated with CAISO dispatches and (b) the debits, costs, penalties and interest that are directly assigned by the CAISO to the CAISO Global Resource ID for the Project for, or attributable to, scheduling and deliveries from the Project under this Agreement.

1.26 "CAISO Tariff" means the California Independent System Operator Corporation, Fifth Replacement FERC Electric Tariff (Open Access Transmission Tariff), as it may be amended, supplemented or replaced (in whole or in part) from time to time.

1.27 “California Renewables Portfolio Standard” means the renewable energy program and policies established by California State Senate Bills 1038 and 1078 as amended by Senate Bill SB1X, and codified in 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.

1.28 “Capacity Attributes” means any current or future defined characteristic, certificate, tag, credit, or ancillary service attribute, whether general in nature or specific as to the location or any other attribute of the Project, intended to value any aspect of the capacity of the Project to produce Energy or ancillary services, including any accounting construct so that the full Contract Capacity of the Project may be counted toward a Resource Adequacy Requirement or any other measure by the CPUC, the CAISO, the FERC, or any other entity invested with the authority under federal or state Law, to require Buyer to procure, or to procure at Buyer’s expense, Resource Adequacy or other such products.

1.29 “Capacity Factor” has the meaning set forth in Section 4.3.

1.30 “Capacity Test” has the meaning set forth in Appendix IV-2 attached hereto. [**For Baseload Product only**]

1.31 “CEC” means the California Energy Commission or its successor agency.

1.32 “CEC Certification and Verification” means that the CEC has certified (or, with respect to periods before the Project has been constructed, that the CEC has pre-certified) that the Project is an ERR for purposes of the California Renewables Portfolio Standard and that all Energy produced by the Project qualifies as generation from an ERR for purposes of the Project.

1.33 “Claims” means all third-party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination or expiration of this Agreement.

1.34 “Commercial Operation” means the Project is operating and able to produce and deliver the Product to Buyer pursuant to the terms of this Agreement and in the case of Baseload Product, as further provided in Appendix IV-2.

1.35 “Commercial Operation Date” for As-Available Products means the date on which Seller (a) notifies Buyer that Commercial Operation has commenced and (b) provides a certification of a Licensed Professional Engineer, substantially in the form attached hereto as Attachment A to Appendix IV-2, demonstrating satisfactory completion of the Commercial Operation Certification Procedure as provided in Attachment A to Appendix IV-2 hereto. “Commercial Operation Date” for Baseload Products means the date on which Seller notifies Buyer that Commercial Operation has commenced and Buyer accepts in writing the results of Seller’s Capacity Test report in compliance with the Commercial Operation Certification Procedure as provided in Appendix IV-2 hereto.

1.36 “Compliance Costs” means all reasonable out-of-pocket costs and expenses incurred by Seller and paid directly to third parties in connection with any of the obligations under Sections 3.1(j) (Greenhouse Gas Emissions Reporting), 3.1(k) (WREGIS), 3.1(n) (Obtaining and Maintaining CEC Certification and Verification), 3.3 (Resource Adequacy), 3.4(b) (EIRP Requirements), and 10.2(b) (ERR), and under Appendix VII (Resource Adequacy) including registration fees, volumetric fees, license renewal fees, external consultant fees and capital costs necessary for compliance, but excluding Seller’s

internal administrative and staffing costs, due to a change, amendment, enactment or repeal of Law after the Execution Date which requires Seller to incur additional costs and expenses in connection with any of such obligations, in excess of the costs and expenses incurred for such obligations under the Law in effect as of the Execution Date. Compliance Costs do not include any amounts designated in the Project's full capacity deliverability study to obtain FCDS nor any costs and expenses incurred by Seller for FCDS studies.

1.37 "Compliance Cost Cap" has the meaning set forth in Section 3.1(o).

1.38 "Condition Precedent" means each of, or one of, the conditions set forth in Section 2.4(a)(i) through (iv) and "Conditions Precedent" shall refer to all of the conditions set forth in Section 2.4(a)(i) through (iv).

1.39 "Construction Start Date" means the later to occur of the date on which Seller delivers to Buyer (a) a copy of the Notice to Proceed that Seller has delivered to the EPC Contractor for the Project, and (b) a written Certification substantially in the form attached hereto as Attachment A to Appendix IV-1.

1.40 "Contract Capacity" means the generation capacity designated for the Project in the Cover Sheet.

1.41 "Contract Capacity Commitment" means the amount of the Contract Capacity that may be constructed pursuant to the material Governmental Approvals received or obtained by Seller as of, for a New Project, the Guaranteed Commercial Operation Date (as may be extended pursuant to Section 3.9(c)), and for an Existing Project, the Expected Initial Energy Delivery Date specified on the Cover Sheet.

1.42 "Contract Price" means the price in United States dollars (\$U.S.) (unless otherwise provided for) to be paid by Buyer to Seller for the purchase of the Product, as specified in the Cover Sheet.

1.43 "Contract Quantity" means the quantity of Delivered Energy expected to be delivered by Seller during each Contract Year as set forth in the Cover Sheet.

1.44 "Contract Year" means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Initial Energy Delivery Date and each subsequent Contract Year shall commence on the anniversary of the Initial Energy Delivery Date.

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

1.46 "Cover Sheet" means the cover sheet to this Agreement, completed by Seller and incorporated into the Agreement.

1.47 "CPUC" or "Commission or successor entity" means the California Public Utilities Commission, or successor entity.

1.48 “CPUC Approval” means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer’s administration of the Agreement; and

(b) finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer’s compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

For purposes of this section, a CPUC Energy Division disposition which contains such findings or deems approved an advice letter requesting such findings shall be deemed to satisfy the CPUC decision requirement.

1.49 “Credit Rating” means, with respect to any entity, (a) the rating then assigned to such entity’s unsecured senior long-term debt obligations (not supported by third party credit enhancements) or (b) if such entity does not have a rating for its unsecured senior long-term debt obligations, then the rating assigned to such entity as an issuer rating by S&P and/or Moody’s. If the entity is rated by both S&P and Moody’s and such ratings are not equivalent, the lower of the two ratings shall determine the Credit Rating. If the entity is rated by either S&P or Moody’s, but not both, then the available rating shall determine the Credit Rating.

1.50 “Cure” has the meaning set forth in Section 8.5(b).

1.51 “Cure Payment Period” has the meaning set forth in Section 3.1(e)(iii).

1.52 “Curtailmnt Order” means any of the following:

(a) the CAISO, Reliability Coordinator, Balancing Authority or any other entity having similar authority or performing similar functions during the Delivery Term, orders, directs, alerts, or provides notice to a Party to curtail Energy deliveries, which may come in the form of a request to return to schedule consistent with the CAISO Tariff, for reasons including (i) any system emergency, as defined in the CAISO Tariff (“System Emergency”), (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes the CAISO’s electric system integrity or the integrity of other systems to which the CAISO is connected, or (iii) any warning, forecast, or anticipated overgeneration conditions;

(b) a curtailment ordered by the Participating Transmission Owner, distribution operator (if interconnected to distribution or sub-transmission system), or any other entity having similar authority or performing similar functions during the Delivery Term, for reasons including (i) any situation that affects normal function of the electric system including 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;

(c) scheduled or unscheduled maintenance or construction on the Participating Transmission Owner's or distribution operator's transmission or distribution facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Delivered Energy at the Delivery Point; or

(d) a curtailment in accordance with Seller's obligations under its interconnection agreement with the Participating Transmission Owner or distribution operator.

1.53 "Curtailment Period" means the period of time during which Seller reduces generation from the Project pursuant to a Curtailment Order.

1.54 "Damage Payment" means the dollar amount equal to the amount initially posted as Project Development Security pursuant to Section 8.4(a).

1.55 "DA Price" is defined as the resource specified locational marginal pricing ("LMP") price applied in the CAISO day ahead market.

1.56 "DA Scheduled Energy" is defined as the Day-Ahead Scheduled Energy as defined in the CAISO Tariff.

1.57 "Day-Ahead Availability Notice" has the meaning set forth in Section 3.4[(b)][(c)](iii)(C).

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

1.59 "Deemed Delivered Energy" means the amount of Energy expressed in MWh that the Project would have produced and delivered to the Delivery Point, but that is not produced by the Project and delivered to the Delivery Point during a Buyer Curtailment Period, which amount shall be ***[For As-Available Products the following bracketed language applies]*** [the result of the equation provided pursuant to Section 3.1(l)(i)(G) and using relevant Project availability, weather and other pertinent data for the period of time during the Buyer Curtailment Period.] ***[For Baseload Products the following bracketed language applies]*** [determined by reference to the relevant Project availability and historical data provided as required pursuant to Section 3.1(l); however, in the event a Buyer's Curtailment Period occurs prior to the fifth month of the first Contract Year, the amount of historical data accumulated to date shall be sufficient.]

1.60 "Defaulting Party" means the Party that is subject to an Event of Default.

1.61 "Deficient Month" has the meaning set forth in Section 3.1(k)(v).

1.62 "Delay" means a Permitting Delay or Transmission Delay, as set forth in Section 3.9(c).

1.63 "Deliverability Assessment" has the meaning set forth in the CAISO Tariff.

1.64 "Delivered Energy" means all Energy produced from the Project as measured in MWh at the CAISO revenue meter(s) of the Project based on a power factor of precisely one (1) and net of all Electrical Losses provided that Delivered Energy, in any hour, shall never exceed ***[As-Available Sellers, use the following bracketed language:]*** [one-hundred ten percent (110%) of Contract Capacity] ***[Baseload Sellers, use the following bracketed language:]*** [the Contract Capacity].

1.65 "Delivery Network Upgrades" has the meaning set forth in the CAISO Tariff or Participating TO's tariff, as applicable.

1.66 “Delivery Point” means the point at which Buyer receives Seller’s Product, as identified in Section 3.1(d).

1.67 “Delivery Term” has the meaning set forth in Section 3.1(c) and shall be of the length specified in the Cover Sheet.

1.68 “Delivery Term Security” means the Performance Assurance that Seller is required to maintain, as specified in Article Eight, to secure performance of its obligations during the Delivery Term.

1.69 “Disclosing Party” has the meaning set forth in Section 10.7(a)(v).

1.70 “Distribution Loss Factor” is a multiplier factor that reduces the amount of Delivered Energy produced by a Project connecting to a distribution system to account for the electrical distribution losses, including those related to distribution and transformation, occurring between the point of interconnection, where the Participating Transmission Owner’s meter is physically located, and the first Point of Interconnection, as defined in the CAISO Tariff, with the CAISO Grid.

1.71 “Distribution Upgrades” has the meaning set forth in the CAISO Tariff or Participating TO’s tariff, as applicable.

1.72 “DUNS” means the Data Universal Numbering System, which is a unique nine character identification number provided by Dun & Bradstreet, Inc.

1.73 “Early Termination Date” has the meaning set forth in Section 5.2(a).

1.74 “Effective Date” means the date on which all of the Conditions Precedent set forth in Section 2.4(a) have been satisfied or waived in writing by both Parties.

1.75 “Effective FCDS Date” means the date on which Seller provides Buyer Notice and documentation from CAISO that the Project has attained Full Capacity Deliverability Status, which Buyer subsequently finds, in its reasonable discretion, to be adequate evidence that the Project has attained Full Capacity Deliverability Status.

1.76 “Electrical Losses” means all applicable losses, including the following: (a) any transmission or transformation losses between the CAISO revenue meter(s) and the Delivery Point; and (b) the Distribution Loss Factor, if applicable.

1.77 “Electric System Upgrades” means any Network Upgrades, Distribution Upgrades, or Interconnection Facilities that are determined to be necessary by the CAISO or Participating Transmission Owner, as applicable, to physically and electrically interconnect the Project to the Participating Transmission Owner’s electric system for receipt of Energy at the Point of Interconnection (as defined in the CAISO Tariff) if connecting to the CAISO Grid, or the Interconnection Point, if connecting to a part of the Participating TO’s electric system that is not part of the CAISO Grid.

1.78 “Electrician” means any person responsible for placing, installing, erecting, or connecting any electrical wires, fixtures, appliances, apparatus, raceways, conduits, solar photovoltaic cells or any part thereof, which generate, transmit, transform or utilize energy in any form or for any purpose.

1.79 “Eligible Intermittent Resource Program” or “EIRP” means the Eligible Intermittent Resource Protocol, as may be amended from time to time, as set forth in the CAISO Tariff.

1.80 “Eligible LC Bank” means either a U.S. commercial bank, or a foreign bank issuing a Letter of Credit through its U.S. branch; and in each case the issuing U.S. commercial bank or foreign bank must be acceptable to Buyer in its sole discretion and such bank must have a Credit Rating of at least: (a) “A-, with a stable designation” from S&P and “A3, with a stable designation” from Moody’s, if such bank is rated by both S&P and Moody’s; or (b) “A-, with a stable designation” from S&P or “A3, with a stable designation” from Moody’s, if such bank is rated by either S&P or Moody’s, but not both, even if such bank was rated by both S&P and Moody’s as of the date of issuance of the Letter of Credit but ceases to be rated by either, but not both of those ratings agencies.

1.81 “Eligible Renewable Energy Resource” or “ERR” has the meaning set forth in California Public Utilities Code Section 399.12 and California Public Resources Code Section 25741, as either code provision is amended or supplemented from time to time.

1.82 “Energy” means three-phase, 60-cycle alternating current electric energy measured in MWh and net of auxiliary loads and station electrical uses (unless otherwise specified). For purposes of Section 1.128, “Green Attributes,” the word “energy” shall have the meaning set forth in this definition.

1.83 “Energy Deviation(s)” means the absolute value of the difference, in MWh, in any Settlement Interval between (a) the final accepted Bid (as defined in the CAISO Tariff) submitted for the Project for the hour of the Settlement Interval divided by the number of Settlement Intervals in the hour; and (b) Delivered Energy for the Settlement Interval.

1.84 “Energy Investment Tax Credit” or “ITC” means the tax credit for “energy property” described in Section 48(a)(3)(A)(i) and 48(a)(5) of the Internal Revenue Code of 1986, as it may be amended or supplemented from time to time.

1.85 “Energy Only Status Seller” or “EOS Seller” means a Seller that has selected Energy Only Status in the Cover Sheet. For avoidance of doubt, an EOS Seller does not have an obligation to have or obtain a Full Capacity Deliverability Status Finding.

1.86 “Energy Supply Bid” has the meaning set forth in the CAISO Tariff.

1.87 “EPC Contract” means the Seller’s engineering, procurement and construction contract with the EPC Contractor.

1.88 “EPC Contractor” means an engineering, procurement, and construction contractor, or if not utilizing an engineering, procurement and construction contractor, the entity having lead responsibility for the management of overall construction activities, selected by Seller, with substantial experience in the engineering, procurement, and construction of power plants of the same type of facility as the Seller’s; provided, however, that the Seller or the Seller’s affiliate(s) may serve as the EPC Contractor.

1.89 “Equitable Defenses” means any bankruptcy, insolvency, reorganization or other Laws affecting creditors’ rights generally and, with regard to equitable remedies, the discretion of the court before which proceedings may be pending to obtain same.

1.90 “Event of Default” has the meaning set forth in Section 5.1.

1.91 “Excess Sale” is the type of transaction described in Section 3.1(b)(ii).

- 1.92 “Exclusivity Period” has the meaning set forth in Section 3.9(e)(i) or Section 11.1(b)(i), as applicable.
- 1.93 “Execution Date” means the date specified in the Cover Sheet.
- 1.94 “Executive(s)” has the meaning set forth in Section 12.2(a).
- 1.95 “Exempt Wholesale Generator” has the meaning provided in 18 C.F.R. Section 366.1.
- 1.96 “Existing Project” is a Project that has achieved Commercial Operation on or prior to the Execution Date.
- 1.97 “Expected Construction Start Date” has the meaning set forth in the Cover Sheet.
- 1.98 “Expected Initial Energy Delivery Date” is the date specified (by an Existing Project) on the Cover Sheet.
- 1.99 “FERC” means the Federal Energy Regulatory Commission or any successor government agency.
- 1.100 “Final Output Report” means the unabridged and unredacted final report provided to Buyer as set forth in Section 3.9(a)(vii) concerning the Energy producing potential of the Site, inclusive of anticipated Planned Outages and Forced Outages on an annual basis, prepared by a Licensed Professional Engineer who shall be retained by Seller. The Energy producing potential of the Site as reflected in the Final Output Report may be expressed on a calendar year by calendar year basis, if necessary to reflect adjustments in such potential over time due to any anticipated degradation of the photovoltaic panels. *[For As-Available Product only]*
- 1.101 “Final True-Up” means the final payment made pursuant to this Agreement settling all invoices by the Party with an outstanding net amount due to the other Party for the Products delivered prior to the end of the Delivery Term or other amounts due pursuant to this Agreement incurred prior to the end of the Delivery Term.
- 1.102 “First Offer” has the meaning set forth in Section 3.9(e)(i) or Section 11.1(b)(i), as applicable.
- 1.103 “Force Majeure” means any event or circumstance which wholly or partly prevents or delays the performance of any material obligation arising under this Agreement, but only if and to the extent (i) such event is not within the reasonable control, directly or indirectly, of the Party seeking to have its performance obligation(s) excused thereby, (ii) the Party seeking to have its performance obligation(s) excused thereby has taken all reasonable precautions and measures in order to prevent or avoid such event or mitigate the effect of such event on such Party’s ability to perform its obligations under this Agreement and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by the exercise of due diligence it has been unable to overcome, and (iii) such event is not the direct or indirect result of the negligence or the failure of, or caused by, the Party seeking to have its performance obligations excused thereby.
- (a) Subject to the foregoing, events that could qualify as Force Majeure include the following:

(i) flooding, lightning, landslide, earthquake, fire, drought, explosion, epidemic, quarantine, storm, hurricane, tornado, volcanic eruption, other natural disaster or unusual or extreme adverse weather-related events;

(ii) war (declared or undeclared), riot or similar civil disturbance, acts of the public enemy (including acts of terrorism), sabotage, blockade, insurrection, revolution, expropriation or confiscation;

(iii) except as set forth in subsection (b)(viii) below, strikes, work stoppage or other labor disputes (in which case the affected Party shall have no obligation to settle the strike or labor dispute on terms it deems unreasonable); or

(iv) emergencies declared by the Transmission Provider or any other authorized successor or regional transmission organization or any state or federal regulator or legislature requiring a forced curtailment of the Project or making it impossible for the Transmission Provider to transmit Energy, including Energy to be delivered pursuant to this Agreement; provided that, if a curtailment of the Project pursuant to this subsection (a)(iv) would also meet the definition of a Curtailment Period, then it shall be treated as a Curtailment Period for purposes of Section 3.1(i).

(b) Force Majeure shall not be based on:

(i) Buyer's inability economically to use or resell the Product purchased hereunder;

(ii) Seller's ability to sell the Product at a price greater than the price set forth in this Agreement;

(iii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Project, including a delay that could constitute a Permitting Delay unless caused solely by an Event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(iv) Seller's inability to complete interconnection or Electric System Upgrades by the Guaranteed Commercial Operation Date, including a delay that could constitute a Transmission Delay unless caused solely by an Event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(v) Seller's inability to obtain sufficient fuel, power or materials to operate the Project, except if Seller's inability to obtain sufficient fuel, power or materials is caused solely by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(vi) Seller's failure to obtain additional funds, including funds authorized by a state or the federal government or agencies thereof, to supplement the payments made by Buyer pursuant to this Agreement;

(vii) a Forced Outage except where such Forced Outage is caused by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(viii) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's Affiliates, the EPC Contractor or subcontractors thereof or any other third party employed by Seller to work on the Project;

(ix) any equipment failure except if such equipment failure is caused solely by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above; or

(x) a Party's inability to pay amounts due to the other Party under this Agreement, except if such inability is caused solely by a Force Majeure event that disables physical or electronic facilities necessary to transfer funds to the payee Party.

1.104 "Force Majeure Extension" has the meaning set forth in Section 3.9(c)(ii)(C).

1.105 "Force Majeure Failure" means either Force Majeure Project Failure or Force Majeure Development Failure, as applicable.

1.106 "Force Majeure Development Failure" has the meaning set forth in Section 11.1(a)(ii).

1.107 "Force Majeure Project Failure" has the meaning set forth in Section 11.1(a)(i).

1.108 "Forced Outage" means any unplanned reduction or suspension of the electrical output from the Project or unavailability of the Project in whole or in part from a Unit in response to a mechanical, electrical, or hydraulic control system trip or operator-initiated trip in response to an alarm or equipment malfunction and any other unavailability of a Unit for operation, in whole or in part, for maintenance or repair that is not a Planned Outage and not the result of Force Majeure.

1.109 "Forecasting Penalty" has the meaning set forth in Section 4.6(c)(iii), and "Forecasting Penalties" means more than one Forecasting Penalty. *[For As-Available Product only]*

1.110 "Full Buy/Sell" is the type of transaction described in Section 3.1(b)(i).

1.111 "Full Capacity Deliverability Status" or "FCDS" has the meaning set forth in the CAISO Tariff except that it applies to any Generating Facility (as defined in the CAISO Tariff).

1.112 "Full Capacity Deliverability Status Finding" or "FCDS Finding" means a written confirmation from the CAISO that the Project is eligible for FCDS.

1.113 "Full Capacity Deliverability Status Seller" or "FCDS Seller" means a Seller that selected Full Capacity Deliverability Status in the Cover Sheet and either has previously obtained, or is obligated to obtain per the terms of the Agreement, a Full Capacity Deliverability Status Finding.

1.114 "Gains" means with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 5.3 hereof. Factors used in determining economic benefit may include reference to information either available to it internally or supplied by one or more third parties, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading platforms (e.g., NYMEX), all of which should be calculated for the remaining Delivery Term to determine the value of the Product.

1.115 “Generally Accepted Accounting Principles” means the standards for accounting and preparation of financial statements established by the Federal Accounting Standards Advisory Board (or its successor agency) or any successor standards adopted pursuant to relevant SEC rule.

1.116 “Generator Interconnection Agreement” or “GIA” means, for Projects interconnecting at the transmission level, the agreement and associated documents (or any successor agreement and associated documentation approved by FERC) by and among Seller, the Participating Transmission Owner, and the CAISO governing the terms and conditions of Seller’s interconnection with the CAISO Grid, including any description of the plan for interconnecting to the CAISO Grid. For Projects interconnecting at the distribution level, it means the agreement and associated documents (or any successor agreement and associated documentation) by and between Seller and the Participating Transmission Owner governing the terms and conditions of Seller’s interconnection with the Participating TO’s distribution system, including any description of the plan for interconnecting to Participating TO’s distribution system.

1.117 “Generator Interconnection Process” or “GIP” means the Generator Interconnection Procedures set forth in the CAISO Tariff or Participating TO’s tariff, as applicable, and associated documents; provided that if the GIP is replaced by such other successor procedures governing interconnection (a) to the CAISO Grid or Participating TO’s distribution system, as applicable, or (b) of generating facilities with an expected net capacity equal to or greater than the Project’s Contract Capacity, the term “GIP” shall then apply to such successor procedure.

1.118 “Geothermal Reservoir Report” means a report obtained by Seller from an expert independent consulting firm qualified in geothermal reservoir assessment which assesses the geothermal potential at the Site. ***[For Geothermal Projects only]***

1.119 “GEP Base Quantity” means ***[for As-Available Products]*** [one hundred sixty percent (160%) multiplied by the then-applicable Contract Quantity, except as applied to wind facilities it is one hundred forty percent (140%) multiplied by the Contract Quantity,] ***[for Baseload Products]*** [ninety percent (90%) of the then-applicable Contract Quantity] ***[Photovoltaic facilities only to use the then-applicable Contract Quantities for the Performance Measurement Period]***.

1.120 “GEP Cure” has the meaning set forth in Section 3.1(e)(ii)(B).

1.121 “GEP Damages” has the meaning set forth in Section 3.1(e)(ii)(B).

1.122 “GEP Failure” means Seller’s failure to produce Delivered Energy in an amount equal to or greater than the Guaranteed Energy Production amount for the applicable Performance Measurement Period.

1.123 “GEP Shortfall” means the amount in MWh by which Seller failed to achieve the Guaranteed Energy Production in the applicable Performance Measurement Period.

1.124 “Good Utility Practice” has the meaning provided in the CAISO Tariff.

1.125 “Governmental Approval” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any governmental entity and shall include those siting and operating permits and licenses, and any of the foregoing under any applicable environmental Law, that are required for the construction, use and operation of the Project.

1.126 “Governmental Authority” means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, having jurisdiction as to the matter in question.

1.127 “Governmental Charges” has the meaning set forth in Section 9.2.

1.128 “Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), 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;¹ (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser’s discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. 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 Project, (ii) production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the project 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 Project for compliance with local, state, or federal operating and/or air quality permits. If the Project is a biomass or biogas 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 Project.

1.129 “Guaranteed Commercial Operation Date” has the meaning set forth in Section 3.9(c)(i).

1.130 “Guaranteed Energy Production” or “GEP” has the meaning set forth in Section 3.1(e)(ii). The GEP provisions do not apply to small hydro Projects.

1.131 “Hour-Ahead Scheduling Process” has the meaning set forth in the CAISO Tariff.

1.132 “Imbalance Energy” has the meaning set forth in the CAISO Tariff.

1.133 “Initial Energy Delivery Date” has the meaning set forth in Section 3.1(c).

1.134 “Initial Negotiation End Date” has the meaning set forth in Section 12.2(a).

¹ Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Green Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

1.135 “Integrated Forward Market” has the meaning set forth in the CAISO Tariff.

1.136 “Interconnection Customer’s Interconnection Facilities” has the meaning set forth in the CAISO Tariff or Participating TO’s tariff, as applicable.

1.137 “Interconnection Facilities” has the meaning set forth in the CAISO Tariff or Participating TO’s tariff, as applicable.

1.138 “Interconnection Point” means the physical interconnection point of the Project as identified by Seller in the Cover Sheet.

1.139 “Interest Amount” means, with respect to an Interest Period, the amount of interest calculated as follows: (a) the sum of (i) the principal amount of Performance Assurance in the form of cash held by Buyer during that Interest Period, and (ii) the sum of all accrued and unpaid Interest Amounts accumulated prior to such Interest Period; (b) multiplied by the Interest Rate in effect for that Interest Period; (c) multiplied by the number of days in that Interest Period; (d) divided by 360.

1.140 “Interest Payment Date” means the date of returning unused Performance Assurance held in the form of cash.

1.141 “Interest Period” means the monthly period beginning on the first day of each month and ending on the last day of each month.

1.142 “Interest Rate” means the rate per annum equal to the “Monthly” Federal Funds Rate (as reset on a monthly basis based on the latest month for which such rate is available) as reported in Federal Reserve Bank Publication H.15(519), or its successor publication.

1.143 “JAMS” means JAMS, Inc. or its successor entity, a judicial arbitration and mediation service.

1.144 “Law” means any statute, law, treaty, rule, regulation, CEC guidance document, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Execution Date, and which becomes effective after the Execution Date; or any binding interpretation of the foregoing. For purposes of Sections 1.48 “CPUC Approval,” 1.128 “Green Attributes,” 10.2(b), “Seller Representations and Warranties” and 10.12 “Governing Law”, the term “law” shall have the meaning set forth in this definition.

1.145 “Letter of Credit” means an irrevocable, non-transferable standby letter of credit, the form of which must be substantially as contained in Appendix I to this Agreement; provided, that, if the issuer is a U.S. branch of a foreign commercial bank, Buyer may require changes to such form; the issuer must be an Eligible LC Bank on the date of Transfer; and the issuing Letter of Credit amount may not be greater than the Maximum Issuing Amount if the total amount of collateral posted by the Seller in the form of Letter of Credit exceeds ten million dollars (\$10,000,000.00) on the date of Transfer.

1.146 “Licensed Professional Engineer” means a person acceptable to Buyer in its reasonable judgment who (a) is licensed to practice engineering in California, (b) has training and experience in the power industry specific to the technology of the Project, (c) has no economic relationship, association, or nexus with Seller or Buyer, other than to meet the obligations of Seller pursuant to this Agreement, (d) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the

development of the Project or of a manufacturer or supplier of any equipment installed at the Project, and (e) is licensed in an appropriate engineering discipline for the required certification being made. ***[For As-Available Product only]***

1.147 “Losses” means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 5.3 hereof. Factors used in determining the loss of economic benefit may include reference to information either available to it internally or supplied by one or more third parties including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading platforms (e.g. NYMEX), all of which should be calculated for the remaining term of the Transaction to determine the value of the Product.

1.148 “Manager” has the meaning set forth in Section 12.2(a).

1.149 “Maximum Issuing Amount” means the amount of a Letter of Credit to be issued by an Eligible LC Bank, which cannot exceed the lesser of (a) sixty percent (60%) of the total collateral posted by Seller in the form of Letter of Credit including the Letter of Credit to be issued or (b) twenty-five million dollars (\$25,000,000.00), without Buyer’s prior written consent.

1.150 “Monthly Progress Report” means the report similar in form and content attached hereto as Appendix III.

1.151 “Monthly Period” has the meaning set forth in Section 4.2.

1.152 “Monthly TOD Payment” has the meaning set forth in Section 4.4(b).

1.153 “Moody’s” means Moody’s Investors Service, Inc., or its successor.

1.154 “MW” means megawatt alternating current or megawatt (AC).

1.155 “MWh” means megawatt-hour.

1.156 “NERC” means the North American Electric Reliability Council or a successor organization that is responsible for establishing reliability criteria and protocols.

1.157 “NERC Holidays” has the meaning set forth in Section 4.2.

1.158 “Network Upgrades” has the meaning set forth in the CAISO Tariff or the Participating TO’s tariff, as applicable.

1.159 “New Project” is a Project that has not achieved Commercial Operation on or prior to the Execution Date.

1.160 “NOAA” means National Oceanic and Atmospheric Administration or successor thereto.

1.161 “Non-Defaulting Party” has the meaning set forth in Section 5.2.

1.162 “Notice,” unless otherwise specified in the Agreement, means written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, facsimile or electronic messaging (e-mail). The Cover Sheet contains the names and addresses to be used for Notices.

1.163 “Notice to Proceed” means the notice provided by Seller to the EPC Contractor following execution of the EPC Contract between Seller and such EPC Contractor and satisfaction of all conditions to performance of such contract, by which Seller authorizes such EPC Contractor to begin construction of the Project without any delay or waiting periods.

1.164 “Obligor” means the Party breaching the terms of this Agreement.

1.165 “Outage Notification Procedures” means the procedures specified in Appendix VI, attached hereto. PG&E reserves the right to revise or change the procedures upon written Notice to Seller.

1.166 “Participating Intermittent Resource” or “PIRP” has the meaning set forth in the CAISO Tariff. ***[For As-Available Product only]***

1.167 “Participating Transmission Owner” or “Participating TO” means an entity that (a) owns, operates and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities and (b) has transferred to the CAISO operational control of such facilities and/or entitlements to be made part of the CAISO Grid.

1.168 “Party” means the Buyer or Seller individually, and “Parties” means both collectively. For purposes of Section 10.12, Governing Law, the word “party” or “parties” shall have the meaning set forth in this definition.

1.169 “Performance Assurance” means collateral provided by Seller to Buyer to secure Seller’s obligations hereunder and includes Project Development Security and Delivery Term Security. Acceptable forms of collateral are cash or a Letter of Credit. A Form of Letter of Credit is attached hereto in Appendix I.

1.170 “Performance Measurement Period” has the meaning set forth in Section 3.1(e)(ii)(A).

1.171 “Performance Tolerance Band” shall be calculated as set forth in Section 4.6(c).

1.172 “Permitting Delay” has the meaning set forth in Section 3.9(c)(ii)(A).

1.173 “Permitted Extensions” means extensions to the Guaranteed Commercial Operation Date due to Permitting Delay, Transmission Delay, or Force Majeure Extension, as applicable, pursuant to Section 3.9(c).

1.174 “Permit Failure” has the meaning set forth in Section 3.9(d).

1.175 “Planned Outage” means the removal of equipment from service availability for inspection and/or general overhaul of one or more major equipment groups. To qualify as a Planned Outage, the maintenance (a) must actually be conducted during the Planned Outage, and in Seller’s sole discretion must be of the type that is necessary to reliably maintain the Project, (b) cannot be reasonably conducted during Project operations, and (c) causes the generation level of the Project to be reduced by at least ten percent (10%) of the Contract Capacity.

- 1.176 “PNode” has the meaning set forth in the CAISO Tariff.
- 1.177 “Preamble” means the paragraph that precedes Article One: General Definitions to this Agreement.
- 1.178 “Preschedule Day” has the meaning set forth in Section 3.4[(b)][(c)](iii)(C).
- 1.179 “Product” means the Energy, capacity and all ancillary products, services or attributes similar to the foregoing which are or can be produced by or associated with the Project, including renewable attributes, Renewable Energy Credits, Capacity Attributes and Green Attributes.
- 1.180 “Production Tax Credit” or “PTC” means the tax credit for electricity produced from certain renewable generation resources described in Section 45 of the Internal Revenue Code of 1986, as it may be amended or supplemented from time to time.
- 1.181 “Project” means all of the Unit(s) and the Site at which the generating facility is located and the other assets, tangible and intangible, that compose the generation facility, including the assets used to connect the Unit(s) to the Interconnection Point, as more particularly described in the Cover Sheet. For purposes of Section 1.128, “Green Attributes,” the word “project” shall have the meaning set forth in this definition.
- 1.182 “Project Development Security” is the collateral required of Seller, as specified and referred to in Section 8.4(a).
- 1.183 “Prolonged Outage” is any period of more than thirty (30) consecutive days during which the Project is or will be unable, for whatever reason, to provide at least sixty percent (60%) of the Contract Capacity.
- 1.184 “Qualifying Facility” has the meaning provided in the Public Utility Regulatory Policies Act (“PURPA”) and in regulations of the FERC at 18 C.F.R. §§ 292.201 through 292.207.
- 1.185 “RA Capacity” means the maximum megawatt amount that the CAISO recognizes from a Project that qualifies for Buyer’s Resource Adequacy Requirements and is associated with the Project’s Capacity Attributes.
- 1.186 “Real-Time Market” has the meaning set forth in the CAISO Tariff.
- 1.187 “Real-Time Price” means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff.
- 1.188 “Reductions” has the meaning set forth in Section 4.8(b).
- 1.189 “Referral Date” has the meaning set forth in Section 12.2(a).
- 1.190 “Reliability Coordinator” has the meaning set forth in the CAISO Tariff.
- 1.191 “Reliability Must-Run Contract” has the meaning set forth in the CAISO Tariff. ***[For Baseload Product only]***
- 1.192 “Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision 08-08-028, as may be amended from time to time or as further defined or supplemented by Law.

1.193 “Replacement Capacity Rules” means the program set forth in the CAISO Tariff, as it may be amended, supplemented or replaced (in whole or in part) from time to time, setting forth certain requirements to replace Resource Adequacy Capacity on planned outages.

1.194 “Resource Adequacy” means the procurement obligation of load serving entities, including Buyer, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10-042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time in the CPUC Resource Adequacy Rulemakings (R.) 04-04-003 and (R.) 05-12-013 or by any successor proceeding, and all other Resource Adequacy obligations established by any other entity, including the CAISO.

1.195 “Resource Adequacy Requirements” has the meaning set forth in Section 3.3(a).

1.196 “Resource-Specific Settlement Interval LMP” has the meaning set forth in the CAISO Tariff.

1.197 “Retained Revenues” has the meaning set forth in Section 4.8(c).

1.198 “Revised Offer” has the meaning set forth in Section 3.9(e)(iii) or Section 11.1(b)(iii), as applicable.

1.199 “S&P” means the Standard & Poor’s Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.) or its successor.

1.200 “Satisfaction Date” has the meaning set forth in Section 2.5(a).

1.201 “Schedule” has the meaning set forth in the CAISO Tariff.

1.202 “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.

1.203 “SEC” means the U.S. Securities and Exchange Commission.

1.204 “Self-Schedule” has the meaning set forth in the CAISO Tariff.

1.205 “Seller” has the meaning set forth in the Cover Sheet.

1.206 “Seller Excuse Hours” means those hours during which Seller is unable to schedule or deliver Delivered Energy to Buyer as a result of (a) a Force Majeure event, (b) Buyer’s failure to perform, (c) Curtailment Period or (d) Buyer Curtailment Period; provided that, in the case of a Buyer Curtailment Period, for each hour in which less than 100% of the Project output is curtailed, the Seller Excuse Hours will increase by the product of (x) one hour multiplied by (y), where (y) is the ratio of (i) Deemed Delivered Energy associated with that hour to (ii) the sum of Deemed Delivered Energy associated with that hour plus Delivered Energy associated with that hour.

1.207 “Seller’s WREGIS Account” has the meaning set forth in Section 3.1(k)(i).

1.208 “Settlement Amount” means the amount in US\$ equal to the sum of Losses, Gains, and Costs, which the Non-Defaulting Party incurs as a result of the termination of this Agreement.

1.209 “Settlement Interval” means any one of the six ten (10) minute time intervals beginning on any hour and ending on the next hour (e.g. 12:00 to 12:10, 12:10 to 12:20, etc.).

1.210 “Settlement Interval Actual Available Capacity” means the sum of the capacity, in MWs, of all generating units of the Project that were available as of the end of such Settlement Interval, as indicated by the Actual Availability Report. *[For As-Available Product generated by EIRP-eligible facilities only]*

1.211 “Site” means the location of the Project as described in the Cover Sheet.

1.212 “System Emergency” has the meaning provided in Section 1.52 “Curtailed Order.”

1.213 “Term” has the meaning provided in Section 2.5(a).

1.214 “Terminated Transaction” means the Transaction terminated in accordance with Section 5.2 of this Agreement.

1.215 “Termination Payment” means the payment amount equal to the sum of (a) and (b), where (a) is the Settlement Amount and (b) is the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date.

1.216 “Test Period” means the period of not more than ninety (90) consecutive days, which period shall not commence earlier than the first date that the CAISO informs Seller in writing that Seller may deliver Energy from the Project to the CAISO Grid and ending when Seller advises Buyer of the occurrence of the Initial Energy Delivery Date.

1.217 “Third-Party SC” means a qualified third party designated by Buyer to provide the Scheduling Coordinator functions for the Project pursuant to this Agreement.

1.218 “TOD” means time of delivery of Delivered Energy from Seller to Buyer.

1.219 “TOD Factors” has the meaning set forth in Section 4.4(a).

1.220 “TOD Periods” has the meaning set forth in Section 4.2.

1.221 “Transaction” means the particular transaction described in its entirety in Section 3.1(b) of this Agreement.

1.222 “Transfer” with respect to Letters of Credit means the delivery of the Letter of Credit conforming to the requirements of this Agreement, by Seller or an Eligible LC Bank to Buyer or delivery of an executed amendment to such Letter of Credit (extending the term or varying the amount available to Buyer thereunder, if acceptable to Buyer) by Seller or Eligible LC Bank to Buyer.

1.223 “Transmission Delay” has the meaning set forth in Section 3.9(c)(ii)(B).

1.224 “Transmission Provider” means any entity or entities transmitting or transporting the Product on behalf of Seller or Buyer to or from the Delivery Point.

1.225 “Uninstructed Imbalance Energy” shall have the meaning set forth in the CAISO Tariff.

1.226 “Unit” means the technology used to produce the Products, which are identified in the Cover Sheet for the Transaction entered into under this Agreement.

1.227 “Variation(s)” means the absolute value of the difference, in MWh, in any Settlement Interval between (a) DA Scheduled Energy; and (b) Delivered Energy for the Settlement Interval. *[For Baseload Product only]*

1.228 “WECC” means the Western Electricity Coordinating Council or successor agency.

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

1.230 “WREGIS Certificate Deficit” has the meaning set forth in Section 3.1(k)(v).

1.231 “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.

1.232 “WREGIS Operating Rules” means those operating rules and requirements adopted by WREGIS as of December 2010, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.233 “Work” means (a) work or operations performed by a Party or on a Party’s behalf, and (b) materials, parts or equipment furnished in connection with such work or operations, including (i) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “a Party’s work”, and (ii) the providing of or failure to provide warnings or instructions.

ARTICLE TWO: GOVERNING TERMS AND TERM

2.1 Entire Agreement. This Agreement, together with the Cover Sheet, Preamble and each and every appendix, attachment, amendment, schedule and any written supplements hereto, if any, between the Parties constitutes the entire, integrated agreement between the Parties.

2.2 Interpretation. The following rules of interpretation shall apply in addition to those set forth in Section 10.13:

(a) The term “month” shall mean a calendar month unless otherwise indicated, and a “day” shall be a 24-hour period beginning at 12:00:01 a.m. Pacific Prevailing Time and ending at 12:00:00 midnight Pacific Prevailing Time; provided that a “day” may be 23 or 25 hours on those days on which daylight savings time begins and ends.

(b) Unless otherwise specified herein, all references herein to any agreement or other document of any description shall be construed to give effect to amendments, supplements, modifications or any superseding agreement or document as then existing at the applicable time to which such construction applies.

(c) Capitalized terms used in this Agreement, including the appendices hereto, shall have the meaning set forth in Article One, unless otherwise specified.

(d) Unless otherwise specified herein, references in the singular shall include references in the plural and vice versa, pronouns having masculine or feminine gender will be deemed to

include the other, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality). Other grammatical forms of defined words or phrases have corresponding meanings.

(e) References to a particular article, section, subsection, paragraph, subparagraph, appendix or attachment shall, unless specified otherwise, be a reference to that article, section, subsection, paragraph, subparagraph, appendix or attachment in or to this Agreement.

(f) Any reference in this Agreement to any natural person, Governmental Authority, corporation, partnership or other legal entity includes its permitted successors and assigns or to any natural person, Governmental Authority, corporation, partnership or other legal entity succeeding to its functions.

(g) All references to dollars are to U.S. dollars.

2.3 Authorized Representatives. Each Party shall provide Notice to the other Party of the persons authorized to nominate and/or agree to a schedule or dispatch order for the delivery or acceptance of the Product or make other Notices on behalf of such Party and specify the scope of their individual authority and responsibilities, and may change its designation of such persons from time to time in its sole discretion by providing Notice.

2.4 Conditions Precedent.

(a) Conditions Precedent. Subject to Section 2.6 hereof, the Term shall not commence until the occurrence of all of the following:

(i) This Agreement has been duly executed by the authorized representatives of each of Buyer and Seller;

(ii) CPUC Approval has been obtained for the terms, conditions and pricing of this Agreement;

(iii) The advice letter submitting this Agreement to the CPUC becomes effective in accordance with CPUC General Order 96-B or its successor order, or as otherwise provided by CPUC order; and

(iv) Buyer receives from Seller the documentation listed in Appendix IX (Seller Documentation Condition Precedent).

(b) Failure to Meet All Conditions Precedent. If the Conditions Precedent set forth in Sections 2.4(a)(ii) and (iii) are not satisfied or waived in writing by both Parties on or before one hundred and eighty (180) days from the date on which Buyer files an advice letter submitting this Agreement to the CPUC, then either Party may terminate this Agreement effective upon receipt of Notice by the other Party. Neither Party shall have any obligation or liability to the other, including for a Termination Payment or otherwise, by reason of such termination.

2.5 Term.

(a) The term shall commence upon the satisfaction of the Conditions Precedent set forth in Section 2.4(a) of this Agreement and shall remain in effect until the conclusion of the Delivery

Term unless terminated sooner pursuant to Section 2.4(b), Section 5.2 or Section 11 of this Agreement (the “Term”); provided that this Agreement shall thereafter remain in effect (i) until the Parties have fulfilled all obligations with respect to the Transaction, including payment in full of amounts due pursuant to the Final True-Up, the Settlement Amount, or other damages (whether directly or indirectly such as through set-off or netting) and the undrawn portion of the Project Development Security or Delivery Term Security, as applicable, is released and/or returned as applicable (the “Satisfaction Date”) or (ii) in accordance with the survival provisions set forth in subpart (b) below.

(b) Notwithstanding anything to the contrary in this Agreement, (i) all rights under Section 10.5 (Indemnities) and any other indemnity rights shall survive the Satisfaction Date or the end of the Term (whichever is later) for an additional twelve (12) months; (ii) all rights and obligations under Section 10.7 (Confidentiality) shall survive the Satisfaction Date or the end of the Term (whichever is later) for an additional two (2) years; and (iii) the right of first offer in Section 11.1 (b) shall survive the Satisfaction Date for two (2) years.

2.6 Binding Nature.

(a) Upon Execution Date. This Agreement shall be effective and binding as of the Execution Date only to the extent required to give full effect to, and enforce, the rights and obligations of the Parties under:

- (i) Sections 5.1(a)(iv)-(v), and 5.1(b)(v);
- (ii) Section 5.1(a)(ii) only with respect to Section 10.2, and Section 5.1(a)(iii) only with respect to the Sections identified in this Section 2.6;
- (iii) Sections 5.2 through 5.7;
- (iv) Sections 8.3, 8.4(a)(i), 8.4(b), and 8.5;
- (v) Sections 10.2, 10.6 through 10.8, and Sections 10.12 through 10.15; and
- (vi) Articles One, Two, Seven, Twelve and Thirteen.

(b) Upon Effective Date. This Agreement shall be in full force and effect, enforceable and binding in all respects, upon occurrence of the Effective Date.

ARTICLE THREE: OBLIGATIONS AND DELIVERIES

3.1 Seller’s and Buyer’s Obligations.

(a) Product. The Product to be delivered and sold by Seller and received and purchased by Buyer under this Agreement is set forth in the Cover Sheet.

(b) Transaction. Unless specifically excused by the terms of this Agreement during the Delivery Term, Seller shall sell and deliver, or cause to be delivered, and Buyer shall purchase and receive, or cause to be received, the Product at the Delivery Point, pursuant to Seller’s election in the Cover Sheet of a Full Buy/Sell or Excess Sale arrangement as described in paragraphs 3.1(b)(i) and 3.1(b)(ii) below. Buyer shall pay Seller the Contract Price in accordance with the terms of this Agreement. In no event shall Seller have the right (1) to procure any element of the Product from sources other than the Project for sale or delivery to Buyer under this Agreement except with respect to Energy

delivered to Buyer in connection with Energy Deviations or Variations, as applicable, or (2) sell Product from the Project to a third party other than in connection with Energy Deviations or Variations, as applicable. Buyer shall have no obligation to receive or purchase Product from Seller prior to or after the Delivery Term, except during the Test Period. Seller shall be responsible for any costs or charges imposed on or associated with the Product or its delivery of the Product up to the Delivery Point. Buyer shall be responsible for any costs or charges imposed on or associated with the Product after its receipt at and from the Delivery Point. Seller shall comply with Buyer's Supplier Diversity Program in accordance with Appendix XIII. Each Party agrees to act in good faith in the performance of its obligations under this Agreement.

(i) Full Buy/Sell. If "Full Buy/Sell" is elected on the Cover Sheet, Seller agrees to sell to Buyer the Project's gross output of Product measured in kilowatt-hours, net of station use and transformation and transmission losses to and at the Delivery Point. Seller shall purchase all Energy required to serve the Project's on-site load, net of station use, from Buyer or applicable retail service provider pursuant to its applicable retail rate schedule.

(ii) Excess Sale. If "Excess Sale" is selected on the Cover Sheet, Seller agrees to sell to Buyer the Project's gross output of Product as measured in kilowatt-hours, net of station Use, any on-site load and transformation and transmission losses to the Delivery Point. Seller agrees to convey to Buyer all elements of Product associated with the Energy sold to Buyer.

(c) Delivery Term. "Delivery Term" shall mean the period of Contract Years indicated on the Cover Sheet, beginning on the first date that Seller delivers Product to Buyer from the Project ("Initial Energy Delivery Date") in connection with this Agreement and continuing until the end of the tenth, fifteenth or twentieth Contract Year (as applicable, based on the Cover Sheet election) unless terminated as provided by the terms of this Agreement. The Initial Energy Delivery Date shall occur as soon as practicable once all of the following have been satisfied: (i) the Commercial Operation Date has occurred; (ii) Buyer shall have received and accepted the Delivery Term Security in accordance with the relevant provisions of Article Eight of the Agreement, as applicable; (iii) Seller shall have obtained the requisite CEC Certification and Verification for the Project; (iv) all of the applicable Conditions Precedent in Section 2.4(a) of the Agreement have been satisfied or waived in writing; (v) Buyer shall have received written notice from the CAISO that the Project is certified as a Participating Intermittent Resource to the extent such status is available at such time as the conditions in subsections (i) through (iv) of this Section 3.1(c) are satisfied; provided that, for an Existing Project, the Initial Energy Delivery Date shall occur no earlier than thirty (30) days before the Expected Initial Energy Delivery Date. If subsection (v) is applicable, Seller shall obtain such certification no later than one hundred twenty (120) days following the Commercial Operation Date. As evidence of the Initial Energy Delivery Date, the Parties shall execute and exchange the "Initial Energy Delivery Date Confirmation Letter" attached hereto as Appendix II on the Initial Energy Delivery Date. Eighteen (18) months prior to the anticipated conclusion of the Delivery Term, the Parties shall provide notice of their intentions with respect to the Project, including if desired, any proposed extension of this Agreement.

(d) Delivery Point. The Delivery Point shall be the Interconnection Point.

(e) Contract Quantity and Guaranteed Energy Production.

(i) Contract Quantity. The Contract Quantity during each Contract Year is the amount set forth in the applicable Contract Year in the "Delivery Term Contract Quantity Schedule," set forth in the Cover Sheet, which amount is inclusive of outages.

(ii) **Guaranteed Energy Production.** The Parties agree that if the Project's technology type, as set forth on the Cover Sheet, is small hydro facility, then this Section 3.1(e)(ii) and definitions provided or referred to hereunder shall not apply to either Party and Section 5.1(b)(v) shall not apply to Seller.

(A) Throughout the Delivery Term, Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production in each Contract Year during the Delivery Term for Baseload Product, or over two (2) consecutive Contract Years during the Delivery Term for As-Available Product ("Performance Measurement Period"). "Guaranteed Energy Production" means an amount of Delivered Energy, as measured in MWh, equal to the product of (x) and (y), where (x) is the GEP Base Quantity, and (y) is the difference between (I) and (II), with the resulting difference divided by (I), where (I) is the number of hours in the applicable Performance Measurement Period and (II) is the aggregate number of Seller Excuse Hours in the applicable Performance Measurement Period. Guaranteed Energy Production is described by the following formula:

*Guaranteed Energy Production = (GEP Base Quantity) * [(Hrs in Performance Measurement Period - Seller Excuse Hrs in Performance Measurement Period) / Hrs in Performance Measurement Period]*

(B) If Seller has a GEP Failure, then within forty-five (45) days after the last day of the last month of such Performance Measurement Period, Buyer shall promptly notify Seller of such failure. Seller may cure the GEP Failure by delivering to Buyer no less than ninety percent (90%) of the Contract Quantity over the next following Contract Year ("GEP Cure"). If Seller fails to generate sufficient Delivered Energy to make the GEP Cure for a given Performance Measurement Period, Seller shall pay GEP Damages, calculated pursuant to Appendix V ("GEP Damages"). If Seller pays GEP Damages for the Contract Years in the applicable Performance Measurement Period, then for purposes of calculating the Guaranteed Energy Production in the following Performance Measurement Period, the amount of Delivered Energy for such Contract Year(s) shall thereafter be equal to the greater of the actual Delivered Energy for the Contract Year or eighty percent (80%) of Contract Quantity.

(C) The Parties agree that the damages sustained by Buyer associated with Seller's failure to achieve the Guaranteed Energy Production requirement would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive and therefore agree that Seller shall pay the GEP Damages to Buyer as liquidated damages. In no event shall Buyer be obligated to pay GEP Damages.

(iii) After the GEP Cure period has run, if Seller has not achieved the GEP Cure, Buyer shall have forty-five (45) days to notify Seller of such failure. Within forty-five (45) days of the end of the GEP Cure period, Buyer shall provide Notice to Seller in writing of the amount of the GEP Damages, if any, which Seller shall pay within sixty (60) days of receipt of the Notice (the "Cure Payment Period"). If Seller does not pay the GEP Damages within the Cure Payment Period, then Buyer may, at its option, declare an Event of Default pursuant to Section 5.1(b)(v)(A) within ninety (90) days following the Cure Payment Period. If Buyer does not (A) notify Seller of the GEP Failure or (B) declare an Event of Default pursuant to Section 5.1(b)(v) within the ninety (90) day period, if Seller has failed to pay the GEP Damages, then Buyer shall be deemed to have waived its right to declare an Event of Default based on Seller's failure with respect to the Performance Measurement Period which served as the basis for the notice of GEP Failure, GEP Damages, or default, subject to the limitations set forth in Section 5.1(b)(v)(B).

[The following bracketed version of Section 3.1(f) Contract Capacity applies to Full Buy/Sell transactions of As-Available Product only]

(f) Contract Capacity. The generation capability designated for the Project shall be the Contract Capacity designated in the Cover Sheet (the "Contract Capacity"). Throughout the Delivery Term, Seller shall sell all Product produced by the Project (net of station use) solely to Buyer and Buyer shall purchase all Product produced by the Project; provided, however, that in no event shall Buyer be obligated to receive or pay for, in any hour, any Delivered Energy that exceeds one hundred and ten percent (110%) of Contract Capacity.]

[The following bracketed version of Section 3.1(f) Contract Capacity applies to all Baseload Products and Excess Sale transactions of As-Available Products]

[(f) Contract Capacity. The capacity of the Project shall be the Contract Capacity listed in the Cover Sheet (the "Contract Capacity"). Throughout the Delivery Term, Seller shall sell all Product produced by the Project solely to Buyer. In no event shall Buyer be obligated to receive or pay for, in any hour, any Product, as measured by Delivered Energy, that exceeds the Contract Capacity.]

(g) Project.

(i) All Product provided by Seller pursuant to this Agreement shall be supplied from the Project only. Seller shall not make any alteration or modification to the Project which results in a change to the Contract Capacity or the anticipated output of the Project without Buyer's prior written consent. The Project is further described in the Cover Sheet.

(ii) Seller shall not relinquish its possession or demonstrable exclusive right to control the Project without the prior written consent of Buyer, except under circumstances provided in Section 10.6(b). Seller shall be deemed to have relinquished possession of the Project if after the Commercial Operation Date Seller has ceased work on the Project or ceased production and delivery of Product for a consecutive thirty (30) day period and such cessation is not a result of a Force Majeure event or direct action of Buyer.

(h) Interconnection Facilities.

(i) Seller Obligations. Seller shall (A) arrange and pay independently for any and all necessary costs under any interconnection agreement with the Participating Transmission Owner; (B) cause the Interconnection Customer's Interconnection Facilities, including metering facilities to be maintained; and (C) comply with the procedures set forth in the GIP and applicable agreements or procedures provided under the GIP.

(ii) Coordination with Buyer. Seller shall (A) provide to Buyer copies of all material correspondence related thereto; and (B) provide Buyer with written reports of the status of the GIA on a monthly basis. The foregoing shall not preclude Seller from executing a GIA that it reasonably determines allows it to comply with its obligations under this Agreement and applicable Law.

(i) Performance Excuses.

(i) Seller Excuse. For Seller selling As-Available Product, Seller shall be excused from achieving the Guaranteed Energy Production only for the applicable time period during Seller Excuse Hours. For Seller selling Baseload Product, Seller shall be excused from achieving the Guaranteed Energy Production and the Capacity Factor only for the applicable time period during Seller Excuse Hours.

(ii) Buyer Excuses. Buyer shall be excused from (A) receiving and paying for the Product only (I) during periods of Force Majeure, (II) by Seller's failure to perform, (III) during Curtailment Periods and (B) receiving Product during Buyer Curtailment Periods.

(iii) Curtailment. Notwithstanding Section 3.1(b) and this Section 3.1(i), Seller shall reduce output from the Project during any Curtailment Period or Buyer Curtailment Period.

(iv) No Excuse. Except for a failure or curtailment resulting from a Force Majeure or during a Curtailment Period, the failure of electric transmission or distribution service shall not excuse performance with respect to either Party for the delivery or receipt of Energy to be provided under this Agreement.

(A) Buyer Curtailment Requirements.

(I) Order and Limit.

(1) Buyer shall have the right to order Seller to promptly reduce generation from the Project pursuant to a Buyer Curtailment Order or cause Seller to be required to reduce generation from the Project pursuant to a Buyer Bid Curtailment, provided that (x) a Buyer Curtailment Period shall be limited to a quantity of not more than one-hundred (100) hours cumulatively per Contract Year; (y) a Buyer Curtailment Order shall be consistent with the operational characteristics set forth in the Master File, as that term is defined in the CAISO tariff; and (z) Buyer shall pay Seller for Deemed Delivered Energy pursuant to Article 4. Seller agrees to reduce the Project's generation by the amount and for the period set forth in the Buyer Curtailment Order.

(2) Advance notification required for Buyer Bid Curtailment or Buyer Curtailment Order shall be not less than the Real-Time Market (as defined in the CAISO Tariff). *[Note to Seller: As of May 2012, this is five (5) minutes.]*

(3) Buyer, as Scheduling Coordinator, may request that CAISO modify the Master File for the Project to reflect the findings of a CAISO audit of the Project and to ensure that the information provided by Seller is true and accurate.

(II) Failure to Comply. If Seller fails to comply with a Buyer Curtailment Order or Buyer Bid Curtailment, then, for each MWh of Delivered Energy that the Project generated in contradiction to the Buyer Curtailment Order or Buyer Bid Curtailment, Seller shall pay Buyer the greater of: (1) two hundred percent (200%) of the Contract Price for such hours plus any penalties or other charges resulting from Seller's failure to comply with the Buyer Curtailment Order; or (2) the absolute value of the CAISO Real-Time Price for the applicable PNode for such hours plus any penalties or other charges resulting from Seller's failure to comply with the Buyer Curtailment Order or Buyer Bid Curtailment.

(j) Greenhouse Gas Emissions Reporting. During the Term, Seller acknowledges that a Governmental Authority may require Buyer to take certain actions with respect to greenhouse gas emissions attributable to the generation of Energy, including reporting, registering, tracking, allocating for or accounting for such emissions. Promptly following Buyer's written request, Seller agrees to take all commercially reasonable actions and execute or provide any and all documents, information or instruments with respect to generation by the Project reasonably necessary to permit Buyer to comply with such requirements, if any, subject to the Compliance Cost Cap. Nothing in this Section 3.1(j) shall cause Buyer to assume any liability or obligation with respect to Seller's compliance obligations with respect to the Project under any new or existing Laws, rules, or regulations.

(k) WREGIS. Seller shall, at its sole expense, but subject to the Compliance Cost Cap, 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 Delivered Energy 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 even if Buyer does not accept and/or pay for the underlying energy per Section 3.1(f) or for Baseload Product only, pays less than the Contract Price for Delivered Energy per Section 4.6(c). 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. Seller shall be deemed to have satisfied the warranty in Section 3.1(k)(viii); provided that Seller fulfills its obligations under Sections 3.1(k)(i) through (vii) below. In addition:

(i) Prior to the Initial Energy Delivery Date, Seller shall register the Project 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 "Forward 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 Project 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.

(ii) Seller shall cause Forward 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 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.

(iii) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy for such calendar month as evidenced by the Project's metered data.

(iv) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Article 6, Buyer shall make an invoice payment for a given month in accordance Article 6 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 3.1(k). Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Article 6.

(v) A "WREGIS Certificate Deficit" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Delivered Energy for the same calendar month ("Deficient Month"). If any WREGIS Certificate Deficit is caused, or the result of any action or inaction, by Seller, then the amount of Delivered Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for the purposes of calculating Buyer's payment(s) to Seller under Article 6 and the Guaranteed Energy Production for the applicable Performance Measurement Period. Any amount owed by Seller to Buyer because of a WREGIS Certificate Deficit shall be made as an adjustment to Seller's next monthly invoice to Buyer in accordance with Article 6, and Buyer shall net such amount against Buyer's subsequent payment(s) to Seller pursuant to Article 6.

(vi) Without limiting Seller's obligations under this Section 3.1(k), 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.

(vii) If WREGIS changes the WREGIS Operating Rules after the Execution Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 3.1(k) after the Execution Date, the Parties promptly shall modify this Section 3.1(k) 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 Delivered Energy in the same calendar month.

(viii) **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.**

(l) Access to Data and Installation and Maintenance of Weather Station.

(i) Commencing on the first date on which the Project generates Product to be delivered to the CAISO Grid or the Delivery Point, if different, and continuing throughout the Term, Seller shall provide to Buyer, in a form reasonably acceptable to Buyer, the data set forth below on a real-time basis; provided that Seller shall agree to make and bear the cost of changes to any of the data delivery provisions below, as requested by Buyer, throughout the Term, which changes Buyer determines are necessary to forecast output from the Project:

(A) read-only access to meteorological measurements, [inverter] *[bracketed language applies to solar photovoltaic Projects only]* and transformer availability, any other facility availability information, all parameters necessary for use in the equation under item (G) of this list;

(B) read-only access to energy output information collected by the supervisory control and data acquisition (SCADA) system for the Project; provided that if Buyer is unable to access the Project's SCADA system, then upon written request from Buyer, Seller shall provide energy output information and meteorological measurements to Buyer in 1-minute intervals in the form of a flat file to Buyer through a secure file transport protocol (FTP) system with an e-mail back up for each flat file submittal;

(C) read-only access to the Project's CAISO revenue meter(s) and all Project meter data at the Site;

(D) full, real-time access to the Project's Scheduling and Logging for the CAISO (SLIC) client application;

(E) net plant electrical output at the CAISO revenue meter(s);

[Subparts (F) through (G) below shall only apply to wind and solar facilities]

(F) instantaneous data measurements at sixty (60) second or increased frequency for the parameters set forth in Appendix XI (Telemetry Parameters for Wind or Solar Facilities), which measurements shall be provided by Seller to Buyer in consolidated data report at least once every five minutes via flat file through a secure file transport protocol (FTP) system with an e-mail backup; and

(G) an equation, updated on an ongoing basis to reflect the potential generation of the Project as a function of solar insolation, temperature, wind speed, and, if applicable, wind direction. Such equation shall take into account the expected availability of the facility. For any month in which the above information and access was not available to Buyer for longer than twenty-four (24) continuous hours, Seller shall prepare and provide to Buyer upon Buyer's request a report with the Project's monthly Settlement Interval Actual Available Capacity in the form set forth in Appendix X ("Actual Availability Report"). Upon Buyer's request, Seller shall promptly provide to Buyer any additional and supporting documentation necessary for Buyer to audit and verify any matters set forth in the Actual Availability Report. Buyer shall exercise commercially reasonable efforts to notify Seller of any deficiency by Seller in meeting the requirements of this Section 3.1(l)(i); provided that any failure by Buyer to provide such deficiency notice shall not result in any additional liability to Buyer under this Agreement.]

(ii) Buyer reserves the right to validate the data provided pursuant to Section 3.1(l)(i) with information publicly available from NOAA and nearby weather stations and substitute such data for its scheduling purposes if Seller's data is inconsistent with the publicly available data or is missing; provided that Buyer shall notify Seller promptly of Buyer's substitution of such data.

(iii) Seller shall maintain at least a minimum of one hundred twenty (120) days' historical data for all data required pursuant to Section 3.1(l)(i), which shall be available on a minimum time interval of one hour basis or an hourly average basis, except with respect to the meteorological measurements which shall be available on a minimum time interval of ten (10) minute basis. Seller shall provide such data to Buyer within five (5) Business Days of Buyer's request.

(iv) Installation, Maintenance and Repair.

(A) Seller, at its own expense, shall install and maintain one (1) stand-alone meteorological station per Site to monitor and report the meteorological data required in Section 3.1(l)(i) of this Agreement. Seller, at its own expense, shall install and maintain a secure communication link in order to provide Buyer with access to the data required in Section 3.1(l)(i) of this Agreement.

(B) Seller shall maintain the meteorological stations, telecommunications path, hardware, and software necessary to provide accurate data to Buyer or Third-Party SC (as applicable) to enable Buyer or the Third-Party SC to meet current CAISO scheduling requirements. Seller shall promptly repair and replace as necessary such meteorological stations, telecommunications path, hardware and software and shall notify Buyer as soon as Seller learns that any such telecommunications paths, hardware and software are providing faulty or incorrect data.

(C) If Buyer notifies Seller of the need for maintenance, repair or replacement of the meteorological stations, telecommunications path, hardware or software, Seller shall maintain, repair or replace such equipment as necessary within five (5) days of receipt of such Notice.

(D) For any occurrence in which Seller's telecommunications system is not available or does not provide quality data and Buyer notifies Seller of the deficiency or Seller becomes aware of the occurrence, Seller shall transmit data to Buyer through any alternate means of verbal or written communication, including cellular communications from onsite personnel, facsimile, blackberry or equivalent mobile e-mail, or other method mutually agreed upon by the Parties, until the telecommunications link is re-established.

(v) Seller agrees and acknowledges that Buyer may seek from third parties any information relevant to its duties as SC for Seller, including from the Participating Transmission Operator. Seller hereby voluntarily consents to allow the Participating Transmission Operator to share Seller's information with Buyer in furtherance of Buyer's duties as SC for Seller, and agrees to provide the Participating Transmission Owner with written confirmation of such voluntary consent at least ninety (90) days prior to the Initial Energy Delivery Date.

(vi) For As-Available Product only, no later than ninety (90) days before the Initial Energy Delivery Date, Seller shall provide one (1) year, if available, but no less than six (6) months, of recorded meteorological data to Buyer in a form reasonably acceptable to Buyer from a weather station at the Site. (A) If the Product is solar, such weather station shall provide, via remote access to Buyer, all data relating to total global horizontal irradiance or direct normal insolation, air temperature, wind speed and direction, precipitation, barometric pressure, visibility in fog areas as applicable (forward scatter sensor) and humidity at the Site. If the Product is wind, such weather station shall provide, via remote access to Buyer, all data relating to wind speed and direction, standard deviation of wind direction, air temperature, barometric pressure, and humidity at the Site, and visibility in fog areas as applicable; (B) elevation, latitude and longitude of the weather station; and (C) any other data that would be required for participation in the EIRP.

(m) Prevailing Wage. Seller shall use reasonable efforts to ensure that all Electricians hired by Seller, Seller's contractors and subcontractors, are paid wages at rates not less than those prevailing for Electricians performing similar work in the locality as provided by Division 2, Part 7, Chapter 1 of the California Labor Code. Nothing herein shall require Seller, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code.

(n) Obtaining and Maintaining CEC Certification and Verification. Subject to the Compliance Cost Cap, Seller shall take all necessary steps including making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification throughout the Term.

(o) Compliance Cost Cap. Costs applicable to the Compliance Cost Cap are only those costs applicable under the definition of "Compliance Costs" (Section 1.36) and are new costs associated with a change in law occurring after the Execution Date (or such later date, as provided in Section 3.4(a)(i)). The Parties agree that the Compliance Costs Seller shall be required to bear during the Delivery Term shall be capped annually at ten thousand dollars (\$10,000.00) per MW of Contract Capacity and in the aggregate throughout the Delivery Term at twenty thousand dollars (\$20,000.00) per MW of Contract Capacity (collectively, the "Compliance Cost Cap"). In the event and to the extent that the Compliance Costs incurred by Seller exceed the Compliance Cost Cap, Buyer shall either reimburse Seller for such Compliance Costs that exceed the Compliance Cost Cap, or excuse Seller from performing the obligations of this Agreement that would otherwise cause it to incur Compliance Costs in excess of the Compliance Cost Cap. Within sixty (60) days after the change, amendment, repeal, or enactment of Law after the Execution Date (or such later date, as provided in Section 3.4(a)(i)) which Seller anticipates will cause it to incur Compliance Costs in excess of the Compliance Cost Cap, Seller shall provide to Buyer Notice with an estimate of the expected annual Compliance Costs caused by such change in Law. Within thirty (30) days of the delivery of such Notice with the estimate, Buyer shall provide Seller Notice of (i) Buyer's request for Seller to incur the Compliance Costs in excess of the Compliance Cost Cap, (ii) Buyer's initiation of dispute resolution under Article 12, or (iii) Buyer's waiver of Seller's performance of such obligations. The Parties shall agree on a reasonable allocation, as between Seller and Buyer, over the remaining Term of any such Compliance Costs that are incurred after the fifteenth (15th) Contract Year and that are expected to benefit the Project beyond the Term of this Agreement. Any reimbursement by Buyer to Seller referenced above in this Section 3.1(o) shall be subject to CPUC approval, and the amount

of such reimbursement shall not be paid by Buyer to Seller until such time as the CPUC has approved such payment. Seller shall be relieved from performing the obligations of this Agreement that would otherwise cause it to incur Compliance Costs in excess of the Compliance Cost Cap and which give rise to the payment that is the subject of the above referenced CPUC approval until such time as the CPUC issued its approval of the reimbursement payment in final and non-appealable form.

3.2 Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Project.

3.3 Resource Adequacy.

(a) During the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all of the Project's Contract Capacity, including Capacity Attributes, from the Project to enable Buyer to meet its Resource Adequacy or successor program requirements, as the CPUC, CAISO or other regional entity may prescribe ("Resource Adequacy Requirements"). Seller shall, at a minimum, comply with the terms set forth in Appendix VII in anticipation of and during the Delivery Term to enable Buyer to use all of the capacity, including Capacity Attributes, to be committed by Seller to Buyer pursuant to this Agreement to meet Buyer's Resource Adequacy Requirements during the Delivery Term.

(b) Seller shall be responsible for all costs, charges, expenses, penalties, and obligations resulting from Availability Standards, if applicable, and Seller shall be entitled to retain all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards, if applicable.

(c) Buyer shall be responsible for all costs, charges, expenses, penalties, and obligations resulting from the Replacement Capacity Rules, if applicable, provided that Seller has given Buyer Notice of the outages subject to the Replacement Capacity Rules by the earlier of ninety (90) days before the first day of the month for which the outage will occur or thirty (30) days before Buyer's monthly Resource Adequacy capacity showing in accordance with the CAISO Tariff or decision of the CPUC. If Seller fails to provide such Notice, then Seller shall be responsible for all costs, charges, expenses, penalties, and obligations resulting from the Replacement Capacity Rules for such outage.

(d) To the extent Seller has an exemption from the Availability Standards or the Replacement Capacity Rules under the CAISO Tariff, Sections 3.3(b) and 3.3(c) above shall not apply. If Seller would like to request an exemption for this Agreement from the CAISO, Seller shall provide to Buyer, as Seller's Scheduling Coordinator, Notice specifically requesting that Buyer seek certification or approval of this Agreement as an exempt contract pursuant to the CAISO Tariff; provided that Buyer's failure to obtain such exemption shall not be an Event of Default and Buyer shall not have any liability to Seller for such failure.

3.4 Transmission and Scheduling.

(a) Transmission.

(i) Seller's Transmission Service Obligations. As of the Test Period and during the Delivery Term:

(A) Seller shall arrange and pay independently for any and all necessary electrical interconnection, distribution and/or transmission (and any regulatory approvals required for the foregoing), sufficient to allow Seller to deliver the Product to the Delivery Point for sale pursuant to the terms of this Agreement.

(B) If Seller has elected Energy Only Status on the Cover Sheet, this Section 3.4(a)(i)(B) is not applicable. An FCDS Seller shall have either previously obtained, or is obligated to obtain per the terms of the Agreement, a FCDS Finding. If Seller's Project has not attained Full Capacity Deliverability Status prior to the Execution Date, Seller shall take all actions necessary or appropriate to cause the Delivery Network Upgrades necessary for it to obtain Full Capacity Deliverability Status to be constructed and placed into service. The cost of each Deliverability Assessment and any necessary Delivery Network Upgrades to ensure Full Capacity Deliverability Status shall be borne solely by Seller and shall not be subject to the Compliance Cost Cap. When the CAISO advises Seller that the Project has Full Capacity Deliverability Status, Seller shall Notify Buyer of such status within five (5) Business Days of the date it receives notification from the CAISO of such status by providing Buyer documentation from the CAISO. The Effective FCDS Date must occur on or before December 31, 2021. It shall be an Event of Default under Section 5.1(a)(iii), failure to perform any material covenant or obligation set forth in the Agreement, if the Effective FCDS Date does not occur on or before December 31, 2021. The Termination Payment for an Event of Default caused by Seller's failure to achieve the Effective FCDS Date on or before December 31, 2021 shall be capped at the amount of Seller's Delivery Term Security obligation under Section 8.4(a)(ii).

(C) if the Project has or obtains FCDS, Seller shall Notify Buyer of such status as of the Execution Date, if applicable, or within five (5) Business Days of the date it receives notification from the CAISO of such status by providing Buyer documentation from the CAISO. If Seller has elected Energy Only Status on the Cover Sheet, Seller shall continue to receive payment based on the Energy Only Status TOD Factors set forth in Section 4.4 regardless of whether or not Seller obtains FCDS.

(D) Seller shall bear all risks and costs associated with such transmission service, including any transmission outages or curtailment to the Delivery Point.

(E) Seller shall fulfill all contractual, metering and applicable interconnection requirements, including those set forth in the Participating Transmission Owner's applicable tariffs, the CAISO Tariff and implementing CAISO standards and requirements, so as to be able to deliver Product to the CAISO Grid.

(ii) Buyer's Transmission Service Obligations. As of the Test Period and during the Delivery Term,

(A) Buyer shall arrange and be responsible for transmission service at and from the Delivery Point.

(B) Buyer shall bear all risks and costs associated with such transmission service, including any transmission outages or curtailment from the Delivery Point.

(C) Buyer shall schedule or arrange for Scheduling Coordinator services with its Transmission Providers to receive the Product at the Delivery Point.

(D) Buyer shall be responsible for all CAISO costs and charges, electric transmission losses and congestion at and from the Delivery Point.

[The following Section (b) “EIRP Requirements” applies to EIRP-eligible facilities only]

(b) EIRP Requirements. Seller shall provide Buyer with a copy of the notice from CAISO certifying the Project as a Participating Intermittent Resource as soon as practicable after Seller’s receipt of such notice of certification. As of the first date of the Test Period and until the Project receives certification as a Participating Intermittent Resource, Seller, at its sole cost, shall comply with EIRP and all additional protocols issued by the CAISO for Eligible Intermittent Resources. Throughout the Delivery Term, (i) Seller, at its sole cost, shall participate in and comply with (A) EIRP and all additional protocols issued by the CAISO for a Participating Intermittent Resource (if directed by Buyer, in its sole discretion, to participate in such program) or, (B) if the EIRP is no longer available by the CAISO, then all protocols, rules or regulations issued by the CAISO for generating facilities providing energy on an intermittent basis; and (ii) Buyer in its limited capacity as Seller’s Scheduling Coordinator shall facilitate communication with the CAISO and provide other administrative materials to CAISO as necessary to satisfy Seller’s obligations as Seller’s Scheduling Coordinator and to the extent such actions are at *de minimis* cost to Buyer.

[(b)][(c)] Scheduling Coordinator. Buyer shall act as the Scheduling Coordinator for the Project. In that regard, Buyer and Seller shall agree to the following:

(i) Designation as Scheduling Coordinator.

(A) At least ninety (90) days before the beginning of the Test Period Seller shall take all actions and execute and deliver to Buyer all documents necessary to authorize or designate Buyer, or Third-Party SC, as Seller’s Scheduling Coordinator, and Buyer or Third-Party SC, as applicable, shall take all actions and execute and deliver to Seller or CAISO all documents necessary to become and act as Seller’s Scheduling Coordinator. If Buyer designates a Third-Party SC, then Buyer shall give Seller Notice of such designation at least ten (10) Business Days before the Third-Party SC assumes Scheduling Coordinator duties hereunder, and Seller shall be entitled to rely on such designation until it is revoked or a new Third-Party SC is appointed by Buyer upon similar Notice. Buyer shall be fully responsible for all acts and omissions of Third-Party SC and for all cost, charges and liabilities incurred by Third-Party SC to the same extent that Buyer would be responsible under this Agreement for such acts, omissions, costs, charges and liabilities if taken, omitted or incurred by Buyer directly.

(B) Seller shall not authorize or designate any other party to act as Scheduling Coordinator, nor shall Seller perform, for its own benefit, the duties of Scheduling Coordinator during the Test Period and Delivery Term.

(ii) Buyer’s Responsibilities as Scheduling Coordinator. Buyer or Third-Party SC shall comply with all obligations as Seller’s Scheduling Coordinator under the CAISO Tariff and shall conduct all Scheduling in full compliance with the terms and conditions of this Agreement, the applicable CAISO Tariff, all requirements of EIRP (if applicable), and protocols and scheduling practices for Energy on a Day-Ahead basis or pursuant to the Hour-Ahead Scheduling Process, as such terms are defined in the CAISO Tariff.

(iii) Available Capacity Forecasting. Seller shall provide the Available Capacity forecasts described below. ***[The following bracketed language applies to As-Available solar or wind Projects only]*** [Seller’s availability forecasts below shall include Project availability and updated status of ***[The following bracketed language applies to solar Projects only]*** [photovoltaic panels, inverters, transformers, and any other equipment that may impact availability] or ***[The following bracketed language applies to wind Projects only]*** [transformers, wind turbine unit status, and any other equipment that may impact availability].] ***[The following bracketed language applies to As-Available***

Product only] [To avoid Forecasting Penalties set forth in Section 4.6(c)(iii),] Seller shall use commercially reasonable efforts to forecast the Available Capacity of the Project accurately and to transmit such information in a format reasonably acceptable to Buyer. Buyer and Seller shall agree upon reasonable changes to the requirements and procedures set forth below from time-to-time, as necessary to comply with CAISO Tariff changes, accommodate changes to their respective generation technology and organizational structure and address changes in the operating and Scheduling procedures of Buyer, Third-Party SC (if applicable) and the CAISO, including automated forecast and outage submissions.

(A) Annual Forecast of Available Capacity. No later than (I) the earlier of July 1 of the first calendar year following the Execution Date or one hundred and eighty (180) days before the first day of the first Contract Year of the Delivery Term (“First Annual Forecast Date”), and (II) on or before July 1 for each calendar year from the First Annual Forecast Date for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer and Third-Party SC (if applicable) a non-binding forecast of the hourly Available Capacity for each day in each month of the following calendar year in a form reasonably acceptable to Buyer.

(B) Monthly Forecast of Available Capacity. Seller shall provide to Buyer and Third-Party SC (if applicable), pursuant to subsections (I) and (II) below, a non-binding forecast of the hourly Available Capacity for each day of the following month in a form reasonably acceptable to Buyer:

(I) by the earlier of ninety (90) days before the beginning of the Test Period or thirty (30) days before Buyer’s monthly Resource Adequacy capacity showing in accordance with the CAISO Tariff or decision of the CPUC, and

(II) throughout the Delivery Term, by the earlier of ninety (90) days before the beginning of each month or thirty (30) days before Buyer’s monthly Resource Adequacy capacity showing must be completed in accordance with the CAISO Tariff or decision of the CPUC.

(C) Daily Forecast of Available Capacity. During the Test Period and thereafter during the Delivery Term, Seller or Seller’s agent shall provide a binding day ahead forecast of Available Capacity (the “Day-Ahead Availability Notice”) to Buyer or Third-Party SC (as applicable) via Buyer’s internet site, as provided in Appendix VI, for each day no later than fourteen (14) hours before the beginning of the “Preschedule Day” (as defined by the WECC) for such day. The current industry standard Preschedule Day timetable in the WECC is as follows:

- (1) Monday - Preschedule Day for Tuesday
- (2) Tuesday - Preschedule Day for Wednesday
- (3) Wednesday - Preschedule Day for Thursday
- (4) Thursday - Preschedule Day for Friday and Saturday
- (5) Friday - Preschedule Day for Sunday and Monday

Exceptions to this standard Monday through Friday Preschedule Day timetable are presently set forth by the WECC in order to accommodate holidays, monthly transitions and other events. Exceptions are posted on the WECC website (www.wecc.biz) under the document title, “Preschedule Calendar.” Each Day-Ahead Availability Notice shall clearly identify, for each hour, Seller’s forecast of all amounts of Available Capacity pursuant to this Agreement. If the Available Capacity changes by at least one (1) MW as of a time that is less than fourteen (14) hours prior to the Preschedule Day but prior to the CAISO deadline for submittal of schedules into the Day-Ahead Market, then Seller must notify Buyer of such change by telephone and shall send a revised notice to Buyer’s

Internet site set forth in Appendix VI. Such Notices shall contain information regarding the beginning date and time of the event resulting in the change in Available Capacity, the expected end date and time of such event, the expected Available Capacity in MW, and any other necessary information.

Day-Ahead Desk
Primary Telephone: (415) 973-1971
Backup Telephone: (415) 973-4500

If Seller fails to provide Buyer with a Day-Ahead Availability Notice as required herein, then, (I) until Seller provides a Day-Ahead Availability Notice, Buyer may rely on the most recent Day-Ahead Forecast of Available Capacity submitted by Seller to Buyer and Seller and (II) to the extent Seller's failure contributes to Imbalance Energy, Seller shall be subject to the Forecasting Penalties set forth in Section 4.5(c)(ii).

(D) Hourly Forecast of Available Capacity. During the Test Period and thereafter during the Delivery Term, Seller shall notify Buyer of any changes in Available Capacity of one (1) MW or more, whether due to Forced Outage, Force Majeure or other cause, as soon as reasonably possible, but no later than one (1) hour before Buyer or Third-Party SC (as applicable) is required to submit schedules to the CAISO in accordance with the Hour-Ahead Scheduling Process. If the Available Capacity changes by at least one (1) MW as of a time that is less than one (1) hour prior to the Hour-Ahead Scheduling Process deadline, but before such deadline, then Seller must likewise notify Buyer. Such Notices shall contain information regarding the beginning date and time of the event resulting in the change in Available Capacity, the expected end date and time of such event, the expected Available Capacity in MW, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Outage, Seller shall use commercially reasonable efforts to notify Buyer of such outage within ten (10) minutes of the commencement of the Forced Outage. Seller shall inform Buyer of any developments that will affect either the duration of such event or the availability of the Project during or after the end of such event. These notices and changes to Available Capacity shall be communicated by telephone to Buyer's Real-Time Desk and shall be sent to Buyer's internet site as set forth in Appendix VI:

Real-Time Desk
Primary Telephone: (415) 973-4500

(iv) Replacement of Scheduling Coordinator.

(A) At least ninety (90) days prior to the end of the Delivery Term, or as soon as practicable before the date of any termination of this Agreement prior to the end of the Delivery Term, Seller shall take all actions necessary to terminate the designation of Buyer or the Third-Party SC, as applicable, as Seller's SC. These actions include (I) submitting to the CAISO a designation of a new SC for Seller to replace Buyer or the Third-Party SC (as applicable); (II) causing the newly-designated SC to submit a letter to the CAISO accepting the designation; and (III) informing Buyer and the Third-Party SC (if applicable) of the last date on which Buyer or the Third-Party SC (as applicable) will be Seller's SC.

(B) Buyer shall submit, or if applicable cause the Third-Party SC to submit, a letter to the CAISO identifying the date on which Buyer (or Third-Party SC, as applicable) resigns as Seller's SC on the first to occur of either (I) thirty (30) days prior to the end of the Delivery Term or (II) the date of any early termination of this Agreement.

3.5 Standards of Care.

(a) General Operation. Seller shall comply with all applicable requirements of Law, the CAISO, NERC and WECC relating to the Project (including those related to construction, ownership and/or operation of the Project).

(b) CAISO and WECC Standards. Each Party shall perform all generation, scheduling and transmission services in compliance with all applicable (i) operating policies, criteria, rules, guidelines, tariffs and protocols of the CAISO, (ii) WECC scheduling practices and (iii) Good Utility Practices.

(c) Reliability Standard. Seller agrees to abide by (i) CPUC General Order No. 167, "Enforcement of Maintenance and Operation Standards for Electric Generating Facilities", and (ii) all applicable requirements regarding interconnection of the Project, including the requirements of the interconnected Participating Transmission Owner.

3.6 Metering. All output from the Project must be delivered through a single CAISO revenue meter and that meter must be dedicated exclusively to the Project. All Product purchased under this Agreement must be measured by the Project's CAISO revenue meter(s) to be eligible for payment under this Agreement. Seller shall bear all costs relating to all metering equipment installed to accommodate the Project. In addition, Seller hereby agrees to provide all meter data to Buyer in a form acceptable to Buyer, and consents to Buyer obtaining from the CAISO the CAISO meter data applicable to the Project and all inspection, testing and calibration data and reports. Seller shall grant Buyer the right to retrieve the meter reads from the CAISO Operational Meter Analysis and Reporting (OMAR) web and/or directly from the CAISO meter(s) at the Project site. If the CAISO makes any adjustment to any CAISO meter data for a given time period, Seller agrees that it shall submit revised monthly invoices, pursuant to Section 6.2, covering the entire applicable time period in order to conform fully such adjustments to the meter data. Seller shall submit any such revised invoice no later than thirty (30) days from the date on which the CAISO provides to Seller such binding adjustment to the meter data.

3.7 Outage Notification.

(a) CAISO Approval of Outage(s). Buyer, in its capacity as Scheduling Coordinator, is responsible for securing CAISO approvals for Project outages, including securing changes in its outage schedules when CAISO disapproves Buyer's schedules or cancels previously approved outages and for entering Project outages in the Scheduling and Logging system for the CAISO (SLIC). As Scheduling Coordinator, Buyer shall put forth commercially reasonable efforts to secure and communicate CAISO approvals for Project outages in a timely manner to Seller.

(b) Planned Outages. During the Delivery Term, Seller shall notify Buyer of its proposed Planned Outage schedule for the Project for the following calendar year by complying with [Section 3.4(b)(c)(iii)(A), ("Annual Forecast of Available Capacity") and Section 3.4(b)(c)(iii)(B), (Monthly Forecast of Available Capacity")] **[Applies to intermittent facilities only]** [3.4(b)(c)(iii)(A), ("Annual Forecast of Available Capacity") and Section 3.4(b)(iii)(B), (Monthly Forecast of Available Capacity")] **[Applies to all facilities other than intermittent facilities]** and implementing the notification procedures set forth in Appendix VIII no later than July 1st of each year during the Delivery Term. Seller shall also notify Buyer of the proposed Planned Outage schedule for the Project by the earlier of ninety (90) days before the beginning of each month or thirty (30) days before Buyer's monthly Resource Adequacy capacity showing must be completed in accordance with the CAISO Tariff or decision of the CPUC. The Planned Outage schedule is subject to Buyer's approval, which approval may not be unreasonably withheld or conditioned. Seller shall also confirm or provide updates to Buyer regarding the Planned Outage by the earlier of fourteen (14) days prior to each Planned Outage or two (2) Business Days prior to the CAISO deadline for submitting Planned Outages. Seller shall not conduct Planned

Outages during the months of January, May through September, and December. During all other months, Seller shall not schedule Planned Outages without the prior written consent of Buyer, which consent may not be unreasonably withheld or conditioned. Seller shall contact Buyer with any requested changes to the Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled Planned Outage consistent with Good Utility Practices. Seller shall not change its Planned Outage schedule without Buyer's approval, not to be unreasonably withheld or conditioned. Subject to Section 3.7(a), after any Planned Outage has been scheduled, at any time up to the commencement of work for the Planned Outage, Buyer may direct that Seller change its outage schedule as ordered by CAISO. For non-CAISO ordered changes to a Planned Outage schedule requested by Buyer, Seller shall notify Buyer of any incremental costs associated with such schedule change and an alternative schedule change, if any, that would entail lower incremental costs. If Buyer agrees to pay the incremental costs, Seller shall use commercially reasonable efforts to accommodate Buyer's request.

(c) Forced Outages. Seller shall notify Buyer of a Forced Outage within ten (10) minutes of the commencement of the Forced Outage and in accordance with the notification procedures set forth in Appendix VI. Buyer shall put forth commercially reasonable efforts to submit such outages to CAISO.

(d) Prolonged Outages. Seller shall notify Buyer of a Prolonged Outage as soon as practicable in accordance with the notification provisions in Appendix VI. Seller shall notify Buyer in writing when the Project is again capable of meeting its Contract Quantity on a *pro rata* basis also in accordance with the notification provisions in Appendix VI.

(e) Force Majeure. Within two (2) Business Days of commencement of an event of Force Majeure, the non-performing Party shall provide the other Party with oral notice of the event of Force Majeure, and within two (2) weeks of the commencement of an event of Force Majeure the non-performing Party shall provide the other Party with Notice in the form of a letter describing in detail the particulars of the occurrence giving rise to the Force Majeure claim. Failure to provide timely Notice constitutes a waiver of a Force Majeure claim. The suspension of performance due to a claim of Force Majeure must be of no greater scope and of no longer duration than is required by the Force Majeure. Buyer shall not be required to make any payments for any Products that Seller fails to deliver or provide as a result of Force Majeure during the term of a Force Majeure.

(f) Communications with CAISO. Buyer shall be responsible for all outage coordination communications with CAISO outage coordination personnel and CAISO operations management, including submission to CAISO of updates of outage plans, submission of clearance requests, and all other outage-related communications.

(g) Changes to Operating Procedures. Notwithstanding any language to the contrary contained in Sections 3.4, 3.6, 3.7 or 3.8 or Appendix VI, Seller understands and acknowledges that the specified access to data and installation and maintenance of weather stations, transmission and scheduling mechanisms, metering requirements, Outage Notification Procedures and operating procedures described in the above-referenced sections are subject to change by Buyer from time to time and, upon receipt of Notice of any such changes, Seller agrees to work in good faith to implement any such changes as reasonably deemed necessary by Buyer; provided that such change does not result in an increase cost of performance to Seller hereunder other than *de minimis* amounts.

3.8 Operations Logs and Access Rights.

(a) Operations Logs. Seller shall maintain a complete and accurate log of all material operations and maintenance information on a daily basis. Such log shall include information on

power production, [fuel consumption,] [Bracketed language for applicable Baseload Product only] efficiency, availability, maintenance performed, outages, results of inspections, manufacturer recommended services, replacements, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices. Seller shall provide this information electronically to Buyer within thirty (30) days of Buyer's request.

(b) Access Rights. Buyer, its authorized agents, employees and inspectors may, on reasonable advance notice (which no case shall be less than three (3) Business Days) visit the Project during normal business hours for purposes reasonably connected with this Agreement or the exercise of any and all rights secured to Buyer by Law, or its tariff schedules, PG&E Interconnection Handbook, Electric Rule 21, and rules on file with the CPUC. In connection with the foregoing, Buyer, its authorized agents, employees and inspectors must (i) at all times adhere to all safety and security procedures as may be required by Seller; (ii) not interfere with the operation of the Project; and (iii) unless waived in writing by Seller, be escorted by a representative of Seller. Buyer shall make reasonable efforts to coordinate its emergency activities with the Safety and Security Departments, if any, of the Project operator. Seller shall keep Buyer advised of current procedures for contacting the Project operator's Safety and Security Departments.

3.9 New Generation Facility.

(a) Seller, at no cost to Buyer, shall be responsible to:

(i) Design and construct the Project.

(ii) Perform all studies, pay all fees, obtain all necessary approvals and execute all necessary agreements with the CAISO, the Participating Transmission Owner, and the applicable distribution provider for the Interconnection Facilities to Schedule and deliver the Product.

(iii) Acquire all permits and other approvals necessary for the construction, operation, and maintenance of the Project.

(iv) Complete all environmental impact studies necessary for the construction, operation, and maintenance of the Project.

(v) At Buyer's request, provide to Buyer Seller's electrical specifications and design drawings pertaining to the Project for Buyer's review prior to finalizing design of the Project and before beginning construction work based on such specifications and drawings. Seller shall provide to Buyer reasonable advance Notice of any changes in the Project and provide to Buyer specifications and design drawings of any such changes.

(vi) Within fifteen (15) days after the close of each month from the first month following the Execution Date until the Commercial Operation Date, provide to Buyer a Monthly Progress Report and agree to regularly scheduled meetings between representatives of Buyer and Seller to review such monthly reports and discuss Seller's construction progress. The Monthly Progress Report shall indicate whether Seller is on target to meet the Guaranteed Commercial Operation Date.

[The following bracketed Section 3.9(a)(vii) applies to As-Available Products only]

[(vii) Provide to Buyer a copy of the Final Output Report, and any updates thereafter for the time period beginning on the Effective Date and ending on the last day of the first Contract Year.]

[The following bracketed Section 3.9(a)(vii) applies to geothermal Projects only]

[(vii) Provide to Buyer copies of all Geothermal Reservoir Reports and any revisions thereto, for the time period beginning on the Effective Date and ending on the last day of the first Contract Year.]

(b) Buyer shall have the right, but not the obligation, to:

(i) Notify Seller in writing of the results of the review within thirty (30) days of Buyer's receipt of all specifications for the Project, including a description of any flaws perceived by Buyer in the design.

(ii) Inspect the Project's construction site or on-site Seller data and information pertaining to the Project during business hours upon reasonable notice.

(c) Guaranteed Commercial Operation Date.

(i) The Parties agree time is of the essence in regards to the Agreement. As such, Seller shall have demonstrated Commercial Operation per the terms of Appendix IV by the date that is no later than twenty-four (24) months after the Effective Date of this Agreement, except as such date may be extended on a day for day basis for not more than a cumulative six (6) month period for a Permitted Extension (the "Guaranteed Commercial Operation Date").

(ii) Permitted Extensions. The Permitted Extensions to the Guaranteed Commercial Operation Date are as follows:

(A) Permitting Delay. The Guaranteed Commercial Operation Date may be extended on a day for day basis if Seller has used commercially reasonable efforts (including Seller's timely filing of required documents and payment of all applicable fees) to obtain permits necessary for the construction and operation of the Project, but is unable to obtain such permits and Seller has worked diligently to resolve the delay ("Permitting Delay");

(B) Transmission Delay. The Guaranteed Commercial Operation Date may be extended on a day for day basis if Seller has used commercially reasonable efforts (including compliance with all CAISO, PTO, FERC or other requirements, as applicable, and Seller's timely submission of all required documents and applicable fees) to have the Project physically interconnected to the CAISO Grid and to complete all Electric System Upgrades, if any, but such interconnection or Electric System Upgrades cannot be completed by the Guaranteed Commercial Operation Date, and such delay is not caused by Seller, and Seller has worked diligently to resolve the delay ("Transmission Delay");

(C) Force Majeure Extension. The Guaranteed Commercial Operation Date may be extended on a day for day basis in the event of Force Majeure ("Force Majeure Extension"); provided that Seller works diligently to resolve the effect of the Force Majeure and provides evidence of its efforts promptly to Buyer upon Buyer's written request; provided further that Seller may not claim Force Majeure for any reason that was the basis for or would qualify as a Permitting Delay or a Transmission Delay.

(iii) Notwithstanding the foregoing, if Seller claims more than one Permitted Extension under Section 3.9(c)(ii), such extensions cannot cumulatively exceed six (6) months and all Permitted Extensions taken shall be concurrent, rather than cumulative, during any overlapping days.

(iv) Notice of Permitted Extension.

(A) In order to request a Permitting Delay or Transmission Delay (individually and collectively, "Delay"), Seller shall provide Buyer with Notice of the requested Delay no later than sixty (60) days prior to the Guaranteed Commercial Operation Date, which Notice must clearly identify the Delay being requested, the length of the Delay requested (up to six (6) months), and include information necessary for Buyer to verify the length and qualification of the Delay. Buyer shall use reasonable discretion to grant or deny the requested extension, and shall provide Seller Notice of its decision within a reasonable time;

(B) In the case of a Force Majeure Extension, Seller shall provide Notice as soon as possible after the occurrence of the Force Majeure event.

(v) Failure to Meet Guaranteed Commercial Operation Date. Seller shall cause the Project to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date; provided, however, that the Commercial Operation Date shall not occur more than one hundred eighty (180) days prior to the Guaranteed Commercial Operation Date. If the Commercial Operation Date occurs after the Guaranteed Commercial Operation Date after giving effect to Permitted Extensions or Force Majeure, then Buyer shall be entitled to declare an Event of Default and collect a Termination Payment pursuant to Article Five.

[The following subsections (d) and (e) are applicable solely to a New Project:]

[(d) Resize of Project Due to Permit Failure.

(i) If Seller has not received or obtained by the earlier of the Expected Construction Start Date and the date that is six months after the Effective Date final and non-appealable material Governmental Approvals required for the construction of the Project with the Contract Capacity set forth in the Cover Sheet, after using commercially reasonable efforts to do so (including timely filings with all applicable Governmental Authorities and timely payment of any required fees) ("Permit Failure"), Seller may make a Contract Capacity Commitment on the Expected Construction Start Date (as may be extended), equal to, at a minimum, seventy percent (70%) of the Contract Capacity set forth in the Cover Sheet, provided that such amount shall also be the maximum amount of the generation capacity permitted under the final and non-appealable material Governmental Approvals that Seller has received as of the Expected Construction Start Date (as may be extended), and may not be under one (1) MW, and provided further that for a period of two (2) years from any such resizing pursuant to this Section 3.9(d), Seller must offer Buyer a Right of First Offer for any Products from the Project up to the Contract Capacity set forth in the Cover Sheet as further provided in Section 3.9(e), below. Seller shall provide Notice of such Contract Capacity Commitment to Buyer no later than ten (10) Business Days following the Expected Construction Start Date.

(ii) In the event that the Contract Capacity is reduced pursuant to Section 3.9(d)(i) above, the Contract Quantity during each Contract Year set forth in the Delivery Term Contract Schedule in the Cover Sheet shall be adjusted proportionately with such reduction.

(iii) In the event that the Contract Capacity and Contract Quantity are reduced pursuant to Sections 3.9(d)(i) and (ii), the revised Contract Capacity and Contract Quantity shall be used to determine Seller's performance under the Agreement, including the amount of Guaranteed Energy Production under Section 3.1(e) and the amount of Delivery Term Security required under Section 8.4.

(iv) If the final Contract Capacity is less than the initial Contract Capacity due to a resize of the Project pursuant to Sections 3.1(e)(ii) and 3.9(d)(i), then Seller shall forfeit a proportional share of the Project Development Security on a percent-for-percent basis.

(e) Right of First Offer.

(i) If Seller resizes the Project due to Permit Failure, then for a period of two (2) years from the date on which Seller Notifies Buyer of the Contract Capacity Commitment (“Exclusivity Period”), neither Seller, its successors and assigns, nor its Affiliates shall enter into an obligation or agreement to sell or otherwise transfer any Products from the Project in excess of the Contract Capacity Commitment, up to the Contract Capacity set forth in the Cover Sheet, to any third party, unless Seller first offers, in writing, to sell to Buyer such Products from the Project on the same terms and conditions as this Agreement, subject to permitted modifications identified in subpart (ii) below, (the “First Offer”) and Buyer either accepts or rejects such First Offer in accordance with the provisions herein.

(ii) If Buyer accepts the First Offer, Buyer shall Notify Seller within thirty (30) days of receipt of the First Offer subject to Buyer’s management approval and CPUC Approval (“Buyer’s Notice”), and then the Parties shall have not more than ninety (90) days from the date of Buyer’s Notice to enter into a new power purchase agreement, in substantially the same form as this Agreement, or amend this Agreement, subject to CPUC Approval, if necessary; provided that the Contract Price may only be increased to reflect Seller’s documented incremental costs in overcoming the Permit Failure.

(iii) If Buyer rejects or fails to accept Seller’s First Offer within thirty (30) days of receipt of such offer, Seller shall thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, any Products from the Project to any third party, so long as the material terms and conditions of such sale or transfer are not more favorable to the third party than those of the First Offer to Buyer. If, during the Exclusivity Period, Seller desires to enter into an obligation or agreement with a third party, Seller shall deliver to Buyer a certificate of an authorized officer of Seller (A) summarizing the material terms and conditions of such agreement and (B) certifying that the proposed agreement with the third party will not provide Seller with a lower rate of return than that offered in the First Offer to Buyer. If Seller is unable to deliver such a certificate to Buyer, then Seller may not sell or otherwise transfer, or enter into an agreement to sell or otherwise transfer, the Products from the Project without first offering to sell or otherwise transfer such Products to Buyer on such more favorable terms and conditions (the “Revised Offer”) in accordance with subpart (ii) above. If within thirty (30) days of receipt of Seller’s Revised Offer the Buyer rejects, or fails to accept by Notice to Seller, the Revised Offer, then Seller will thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, such Products from the Project to any third party on such terms and conditions as set forth in the certificate.]

ARTICLE FOUR: COMPENSATION; MONTHLY PAYMENTS

4.1 Contract Price. The Contract Price for each MWh of Product as measured by Delivered Energy in each Contract Year is set forth in the Cover Sheet.

4.2 TOD Periods. The time of delivery periods (“TOD Periods”) specified below shall be referenced by the following designations:

Monthly Period	TOD PERIOD		
	1. Super-Peak	2. Shoulder	3. Night
A. June – Sept.	A1	A2	A3
B. Oct. - Feb.	B1	B2	B3
C. Mar. - May	C1	C2	C3

Monthly Period Definitions. The Monthly Periods are defined as follows:

- A. June - September;
- B. October - February; and
- C. March - May.

TOD Period Definitions. The TOD Periods are defined as follows:

1. **Super-Peak** (5x8) = hours ending 13 - 20 (Pacific Prevailing Time (PPT)) Monday - Friday (except NERC Holidays) in the applicable Monthly Period.
2. **Shoulder** = hours ending 7 - 12, 21 and 22 PPT Monday - Friday (except NERC Holidays); and hours ending 7 - 22 PPT Saturday, Sunday and all NERC Holidays in the applicable Monthly Period.
3. **Night** (7x8) = hours ending 1 - 6, 23 and 24 PPT all days (including NERC Holidays) in the applicable Monthly Period.

“NERC Holidays” mean the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Three of these days, Memorial Day, Labor Day, and Thanksgiving Day, occur on the same day each year. Memorial Day is the last Monday in May; Labor Day is the first Monday in September; and Thanksgiving Day is the fourth (4th) Thursday in November. New Year’s Day, Independence Day, and Christmas Day occur on the same date each year, but in the event any of these holidays occur on a Sunday, the “NERC Holiday” is celebrated on the Monday immediately following that Sunday; and if any of these holidays occur on a Saturday, the “NERC Holiday” remains on that Saturday. Notwithstanding anything to the contrary in this Section 4.2, NERC Holidays shall be calculated as “Shoulder” hours for all non-“Night” hours and any remaining hours shall be calculated as “Night” hours.

4.3 Capacity Factor. The Capacity Factor shall be calculated by TOD Period and defined as the percentage amount resulting from Delivered Energy in the applicable TOD Period divided by the product resulting from multiplying the Contract Capacity times the number of hours in the applicable TOD Period minus Seller Excuse Hours in the applicable TOD Period (“Capacity Factor”):

$$\text{Capacity Factor} = \text{Delivered Energy} / (\text{Contract Capacity} \times (\text{Hours in TOD Period minus Seller Excuse Hours})).$$

4.4 TOD Factors and Monthly TOD Payment.

(a) TOD Factors. In accordance with all other terms of this Article Four, the Contract Price for Delivered Energy and Deemed Delivered Energy shall be adjusted by the following Time of Delivery Factors (“TOD Factors”) for each of the specified TOD Periods in which Delivered Energy or Deemed Delivered Energy is delivered:

TOD FACTORS FOR EACH TOD PERIOD		
TOD Period	Energy Only Status	Full Capacity Deliverability Status
A1	1.157	2.297
A2	1.011	1.069
A3	0.951	0.798
B1	1.071	0.953
B2	1.018	0.857
B3	0.963	0.808
C1	0.907	1.041
C2	0.937	0.819
C3	0.987	0.828

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(b) Monthly TOD Payment. For each month, Buyer shall pay Seller for Delivered Energy and Deemed Delivered Energy in each TOD Period (“Monthly TOD Payment”) the amount resulting from multiplying the Contract Price times the TOD Factor for the applicable TOD Period, times the Delivered Energy plus Deemed Delivered Energy in each hour:

$$\text{Monthly TOD Payment} = \sum_{\text{hour}=1}^n \text{Contract Price } \$ * \text{TOD Factor} * (\text{Delivered Energy } MW_{\text{hour}} + \text{Deemed Delivered Energy } MW_{\text{hour}})$$

Notwithstanding the foregoing, for Baseload Products, the payment obligation is modified as provided in Section 4.6(c).

(c) Applicability of Full Capacity Deliverability Status TOD Factors. This Section 4.4(c) only applies to Sellers that elected to be FCDS Sellers in the Cover Sheet. The Full Capacity Deliverability Status TOD Factors shall apply as of the first day of the month immediately following the date that is forty-five (45) calendar days from the Effective FCDS Date.

[Section 4.5 Excess Delivered Energy below applies to Full Buy-Sell transactions of As-Available Product only]

[4.5 Excess Delivered Energy. In any Contract Year, if the amount of Delivered Energy plus the amount of Deemed Delivered Energy exceeds one hundred fifteen percent (115%) of the annual Contract Quantity amount, the Contract Price for such Delivered Energy and Deemed Delivered Energy in excess of such one hundred fifteen percent (115%) shall be adjusted to be seventy-five percent (75%) of the applicable Contract Price.]

4.6 CAISO Charges.

(a) Seller shall assume all liability and reimburse Buyer for any and all CAISO Penalties incurred by Buyer because of Seller’s failure to perform any covenant or obligation set forth in this Agreement. Buyer shall assume all liability and reimburse Seller for any and all CAISO Penalties, incurred by Seller as a result of Buyer’s actions, including those resulting in a Buyer Curtailment Period.

(b) Buyer, as Scheduling Coordinator, shall (i) be responsible for all costs and charges assessed by the CAISO with respect to Scheduling and Imbalance Energy, subject to Section 4.6(a) and (c) and (ii) retain the credits and other payments received as a result of Energy from the Project delivered to the Integrated Forward Market or Real-Time Market, including revenues associated with CAISO dispatches. Seller and Buyer shall cooperate to minimize such charges and Uninstructed

Imbalance Energy to the extent possible. Seller shall use commercially reasonable efforts to monitor imbalances and shall promptly notify Buyer as soon as possible after it becomes aware of any material imbalance that is occurring or has occurred. Such notification shall not alter Seller's and Buyer's respective responsibilities for payment for Imbalance Energy and costs and CAISO Penalties under this Agreement. Throughout the Delivery Term, Buyer shall be entitled to all Integrated Forward Market Load Uplift Obligation credits (as defined or required for MRTU under the CAISO Tariff) associated with the Energy generated from the Project.

(c) Forecasting Penalties.

(i) Subject to Force Majeure, in the event Seller does not in a given hour either (A) provide the access and information required in Section 3.1(l)(i); (B) comply with the installation, maintenance and repair requirements of Section 3.1(l)(iv); or (C) provide the forecast of Available Capacity required in Section 3.4[(b)][(c)](iii), and the sum of Energy Deviations for each of the six Settlement Intervals in the given hour exceeded the Performance Tolerance Band defined below, then Seller will be responsible for Forecasting Penalties as set forth below.

(ii) The Performance Tolerance Band is five percent (5%) multiplied by Contract Capacity multiplied by one (1) hour.

(iii) Forecasting Penalties. The Forecasting Penalty shall be equal to one hundred fifty percent (150%) of the Contract Price for each MWh of Energy Deviation outside the Performance Tolerance Band, or any portion thereof, in every hour for which Seller fails to meet the requirements in this Section 4.6(c)(i). Settlement of Forecasting Penalties shall occur as set forth in Section 6.1 of this Agreement.

4.7 Test Period Payments. During the Test Period Seller's full compensation for Product sold to Buyer shall be the CAISO Revenues for the Delivered Energy, which revenues Buyer shall forward promptly to Seller in accordance with the schedule described in Section 6.1.

4.8 Additional Compensation.

(a) To the extent not otherwise provided for in this Agreement, in the event that Seller is compensated by a third party for any Products produced by the Project, including compensation for Resource Adequacy or Green Attributes, Seller shall remit all such compensation directly to Buyer; provided that for avoidance of doubt, nothing herein precludes Seller from retaining credits related to Electric System Upgrades contemplated in Section 3.1(h)(i).

(b) To the extent that during the Delivery Term Seller (at a nominal or no cost to Seller) is exempt from, reimbursed for or receives any refunds, credits or benefits from CAISO for congestion charges or Congestion Revenue Rights (as defined in the CAISO Tariff), whether due to any adjustments in Congestion Revenue Rights or any Locational Marginal Price (as defined in the CAISO Tariff), market adjustments, invoice adjustments, or any other hedging instruments associated with the Product (collectively, any such refunds, credits or benefits are referred to as "Reductions"), then, at Buyer's option, either (i) Seller shall transfer any such Reductions and their related rights to Buyer less any costs incurred by Seller in connection with such Reductions; or (ii) Buyer shall reduce payments due to Seller under this Agreement in amounts equal to the Reductions less any costs incurred by Seller in connection with such Reduction and Seller shall retain the Reductions.

(c) Reliability Must-Run Contract and Capacity Procurement Mechanism Obligations. Seller with an existing RMR Contract will assign all of the proceeds of any RMR Contract

affecting the Project to Buyer, except as provided below. Buyer shall retain all revenues from said RMR Contract, except for Monthly Surcharge Payments, the CAISO Repair Share, and Motoring Charges for Ancillary Services Dispatch (“Retained Revenues”), as each is defined in the applicable RMR Contract, all of which shall be remitted to Seller. If the CAISO and/or Seller wish to negotiate or renegotiate an RMR Contract or contract related to the Capacity Procurement Mechanism (as defined in the CAISO Tariff) or similar capacity commitment under the CAISO Tariff that pertains to Unit(s) under this Agreement as of the Execution Date of this Agreement, Seller shall include Buyer in any such negotiations. If Seller enters into any new RMR Contract or contract related to the Capacity Procurement Mechanism or similar capacity commitment affecting the Project, Seller shall assign the revenues from such contract, except for Retained Revenues Monthly Surcharge Payments, the CAISO Repair Share, and Motoring Charges for Ancillary Services Dispatch to Buyer.

ARTICLE FIVE: EVENTS OF DEFAULT; PERFORMANCE REQUIREMENT; REMEDIES

5.1 Events of Default. An “Event of Default” shall mean,

(a) with respect to a Party that is subject to the Event of Default, the occurrence of any of the following:

(i) the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written Notice is received by the Party failing to make such payment;

(ii) any representation or warranty made by such Party herein (A) is false or misleading in any material respect when made or (B) with respect to Section 10.2(b), becomes false or misleading in any material respect during the Delivery Term; provided that, if a change in Law occurs after the Execution Date that causes the representation and warranty made by Seller in Section 10.2(b) to be materially false or misleading, such breach of the representation or warranty in Section 10.2(b) shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in Law during the Delivery Term in order to make the representation and warranty no longer false or misleading.

(iii) the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default), if such failure is not remedied within forty-five (45) days after Notice from the Non-Defaulting Party, which time period shall be extended if the Defaulting Party is making diligent efforts to cure such failure to perform, provided that such extended period shall not exceed forty-five (45) additional days;

(iv) such Party becomes Bankrupt; or

(v) 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) if at any time during the Term of this Agreement, Seller delivers or attempts to deliver to the Delivery Point for sale under this Agreement Energy that was not generated by the Project;

(ii) failure by Seller to meet the Guaranteed Commercial Operation Date as extended by any Permitted Extensions, due solely to Seller's inability to achieve, after the use of commercially reasonable efforts, by the Guaranteed Commercial Operation Date the permits necessary to construct or operate the Project, the physical interconnection of the Project to the CAISO or any necessary Electric System Upgrades, if applicable.

(iii) failure by Seller for any reason other than those explicitly provided in Section 5.1(b)(ii) above and Section 11.1(a)(ii) to meet the Guaranteed Commercial Operation Date as may be extended by Permitted Extensions;

(iv) failure by Seller to satisfy the creditworthiness/collateral requirements agreed to pursuant to Sections 8.3, 8.4, or 8.5 of this Agreement and such failure is not cured within any applicable cure period;

(v) other than for a Project with small hydro facility as the technology type, failure by Seller to achieve the Guaranteed Energy Production requirement as set forth in Section 3.1(e)(ii) of this Agreement as follows:

(A) after the one (1) year GEP Cure period Seller has failed to cure the GEP Failure and has failed to pay GEP Damages in the time period set forth in Section 3.1(e)(ii); or

(B) if, after any Performance Measurement Period the cumulative GEP Shortfall for all preceding Performance Measurement Periods occurring during the Delivery Term equals or exceeds two times the Contract Quantity (as may be adjusted pursuant to Sections 3.9(d) and 3.1(e)(ii)); provided, however, that if all or a portion of the GEP Shortfall during an applicable Performance Measurement Period is principally caused by a non-Force Majeure major equipment malfunction, breakdown, or failure resulting in a reduction of Energy production of the Project by at least fifty percent (50%) of the Contract Quantity in one or both years of the Performance Measurement Period, as applicable, and such malfunction, breakdown, or failure was not caused by Seller and could not have been avoided through the exercise of Good Utility Practice, such failure shall be excluded from the calculation of the cumulative GEP Shortfall for purposes of this subsection.

5.2 **Remedies.** If an Event of Default with respect to a Defaulting Party shall have occurred and is continuing, the other Party ("Non-Defaulting Party") shall have the following rights:

(a) 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");

(b) accelerate all amounts owing between the Parties, terminate the Transaction and end the Delivery Term effective as of the Early Termination Date;

(c) (i) collect the Damage Payment in accordance with Section 5.8 below, if the Event of Default arose under Section 5.1(b)(ii), or (ii) collect the Termination Payment for any other Event of Default;

(d) withhold any payments due to the Defaulting Party under this Agreement;

- (e) suspend performance;
- (f) exercise its rights pursuant to Section 8.4 to draw upon and retain Performance Assurance;
- (g) demand payment for damages due to Buyer's unexcused failure to take delivery or pay for Product; and
- (h) exercise any other rights or remedies available at Law or in equity (including the collection of monetary damages) to the extent otherwise permitted under this Agreement.

Notwithstanding anything to the contrary contained herein, Seller may exercise the rights or remedies set forth in Sections 5.2(e), (g), and (h) without terminating this Agreement.

5.3 Calculation of Termination Payment.

(a) 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 dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. If the Non-Defaulting Party uses the market price for a comparable transaction to determine the Gains or Losses, such price should be determined by using the average of market quotations provided by three (3) or more bona fide unaffiliated market participants. If the number of available quotes is three, then the average of the three quotes shall be deemed to be the market price. Where a quote is in the form of bid and ask prices, the price that is to be used in the averaging is the midpoint between the bid and ask price. The quotes shall be obtained in a commercially reasonable manner and shall be: (i) for a like amount, (ii) of the same Product, (iii) at the same Delivery Point, and (iv) for the remaining Delivery Term. Regardless of the method chosen by the Non-Defaulting Party to calculate the Settlement Amount, the Settlement Amount must still be reasonable under the circumstances.

(b) If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of the Terminated Transaction, the Settlement Amount shall be zero.

(c) The Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount.

5.4 Notice of Payment of Termination Payment. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether 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.

5.5 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 ten (10) 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 Twelve.

5.6 Rights And Remedies Are Cumulative. The rights and remedies of a Party pursuant to this Article Five shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

5.7 Duty to Mitigate. Buyer and Seller shall each have a duty to mitigate damages pursuant to this Agreement, and each shall use reasonable efforts to minimize any damages it may incur as a result of the other Party's non-performance of this Agreement, including with respect to termination of this Agreement.

5.8 Damage Payment for Failure to Achieve Guaranteed Dates. The Parties agree that the Damage Payment to be paid by Seller for an Event of Default arising under Section 5.1(b)(ii) associated with Seller's failure to achieve the Guaranteed Commercial Operation Date shall be considered liquidated damages and not a penalty, in accordance with Section 7.1.

ARTICLE SIX: PAYMENT

6.1 Billing and Payment; Remedies. On or about the tenth (10th) day of each month beginning with the second month of either the Test Period or the first Contract Year, whichever occurs first, and every month thereafter, and continuing through and including the first month following the end of the Delivery Term, Seller shall provide to Buyer (a) records of metered data, including CAISO metering and transaction data sufficient to document and verify the generation of Product by the Project for any CAISO settlement time interval during the preceding months, (b) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy or amount of any Reductions; and (c) an invoice, in the format specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of Article Four. Seller shall continue to provide to Buyer an invoice of CAISO charges, net any sums Buyer owes Seller under this Agreement, on or about the tenth (10th) day of each month until the date of the Final True-Up. Buyer shall pay the undisputed amount of such invoices less the amount of any Forecasting Penalties (as applicable), on or before the later of the twenty-fifth (25th) day of each month and fifteen (15) days after receipt of the invoice. If either the invoice date or payment date is not a Business Day, then such invoice or payment shall be provided on the next following Business Day. Each Party will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any undisputed amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full. Invoices may be sent by facsimile or e-mail.

6.2 Disputes and Adjustments of Invoices. In the event an invoice or portion thereof or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with Notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Subject to Section 3.6, in the event adjustments to payments are required as a result of inaccurate meter(s), Buyer shall use corrected measurements to recompute the amount due from Buyer to Seller for the Product delivered under the Transaction during the period of inaccuracy. The Parties agree to use good faith efforts to resolve the dispute or identify the adjustment as soon as possible. Upon resolution of the dispute or calculation of the adjustment, any required payment shall be made within fifteen (15) days of such resolution along with interest accrued at the Interest Rate from and including the due date, but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment, but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is

notified in accordance with this Section 6.2 within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made; provided that such waiver shall not apply to any adjustment or dispute related to Seller's performance under any applicable RMR Contract. If an invoice is not rendered within twelve (12) months after the close of the month during which performance under the Transaction occurred, the right to payment for such performance is waived.

ARTICLE SEVEN: LIMITATIONS

7.1 Limitation of Remedies, Liability and Damages. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF SECTION 10.5 (INDEMNITIES), 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 CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

ARTICLE EIGHT: CREDIT AND COLLATERAL REQUIREMENTS

8.1 Buyer Financial Information. If requested by Seller, Buyer shall deliver to Seller (a) within one hundred twenty (120) days after the end of each fiscal year with respect to PG&E Corporation, a copy of PG&E Corporation's annual report containing audited consolidated financial statements for such fiscal year and (b) within sixty (60) days after the end of each of PG&E Corporation's first three fiscal quarters of each fiscal year, a copy of PG&E Corporation's quarterly report containing unaudited consolidated financial statements for each accounting period prepared in accordance with Generally Accepted Accounting Principles. Buyer shall be deemed to have satisfied such delivery requirement if the applicable report is publicly available on www.pge-corp.com or on the SEC EDGAR information retrieval system; provided however, that should such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default, so long as such statements are provided to Seller upon their completion and filing with the SEC.

8.2 Seller Financial Information. If requested by Buyer, Seller shall deliver to Buyer (a) within one hundred twenty (120) days following the end of each fiscal year, a copy of Seller's annual report containing unaudited consolidated financial statements for such fiscal year (or audited consolidated financial statements for such fiscal year if otherwise available) and (b) within sixty (60) days after the end

of each of its first three fiscal quarters of each fiscal year, a copy of such Party's quarterly report containing unaudited consolidated financial statements for such fiscal quarter. In all cases the statements shall be for the most recent accounting period and shall be prepared in accordance with Generally Accepted Accounting Principles; provided, however, that should any such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default so long as such Party diligently pursues the preparation, certification and delivery of the statements.

8.3 Grant of Security Interest/Remedies. To secure its obligations under this Agreement and to the extent Seller delivers the Project Development Security or Delivery Term Security, as applicable, hereunder, Seller hereby grants to Buyer, as the secured party, a first priority security interest in, and lien on (and right of setoff against), and assignment of, all such Performance Assurance posted with Buyer in the form of cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, Buyer. Within thirty days of the delivery of the Project Development Security or Delivery Term Security, as applicable, Seller agrees to take such action as Buyer reasonably requires in order to perfect a first-priority security interest in, and lien on (and right of setoff against), such Performance Assurance and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default or an Early Termination Date, Buyer, as the Non- Defaulting Party, may do any one or more of the following: (a) exercise any of the rights and remedies of a secured party with respect to all Project Development Security or Delivery Term Security, as applicable, including any such rights and remedies under the Law then in effect; (b) exercise its rights of setoff against any and all property of Seller, as the Defaulting Party, in the possession of the Buyer or Buyer's agent; (c) draw on any outstanding Letter of Credit issued for its benefit; and (d) liquidate all Project Development Security or Delivery Term 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 the Agreement (Seller remaining liable for any amounts owing to Buyer after such application), subject to the Buyer's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

8.4 Performance Assurance.

(a) Project Development Security; Delivery Term Security. Seller agrees to deliver to Buyer collateral to secure its obligations under this Agreement, which Seller shall maintain in full force and effect for the period posted with Buyer, as follows:

(i) Project Development Security pursuant to this Section 8.4(a)(i) in the amount of \$60/\$90 /kW multiplied by the capacity of the Project as reflected in the Cover Sheet for As-Available/Baseload resources, respectively and in the form set forth on the Cover Sheet within five (5) Business Days following the Effective Date of this Agreement until Seller posts Delivery Term Security pursuant to Section 8.4(a)(ii) below with Buyer.

(ii) Delivery Term Security pursuant to this Section 8.4(a)(ii) in the amount of five percent (5%) of expected total project revenues and in the form set forth on the Cover Sheet from the date required pursuant to Section 3.1(c) as a condition precedent to the Initial Energy Delivery Date, until the end of the Term; provided that, with Buyer's consent, Seller may elect to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Delivery Term Security posted pursuant to this Section 8.4(a)(ii).

Except as provided in Section 5.2(c), the amount of Performance Assurance required under this Agreement shall not be deemed a limitation of damages. Except as specifically provided for in this Section 8.4(a), Buyer acknowledges that Seller shall not be required to post any additional security.

(b) Use of Project Development Security. Buyer shall be entitled draw upon the Project Development Security for any damages arising upon Buyer's declaration of an Early Termination Date.

(c) Termination of Project Development Security. If after the Initial Energy Delivery Date, no damages are due and owing to Buyer under this Agreement, then Seller shall no longer be required to maintain the Project Development Security, and Buyer shall return to Seller the Project Development Security, less the amounts drawn in accordance with Section 8.4(b). The Project Development Security (or portion thereof) due to Seller shall be returned to Seller within five (5) Business Days of Seller's provision of the Delivery Term Security unless, with Buyer's consent, Seller elects to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Delivery Term Security posted pursuant to Section 8.4(a)(ii).

(d) Payment and Transfer of Interest. Buyer shall pay interest on cash held as Project Development Security or Delivery Term Security, as applicable, at the Interest Rate; provided that, such interest shall be retained by Buyer until Seller posts the Delivery Term Security pursuant to Section 8.4(a)(ii). Upon Seller's posting of the Delivery Term Security, all accrued interest on the Project Development Security shall be transferred to Seller in the form of cash by wire transfer to the bank account specified under "Wire Transfer" in the Cover Sheet (Notices List). After Seller posts the Delivery Term Security, Buyer shall transfer (as described in the preceding sentence) on or before each Interest Payment Date the Interest Amount due to Seller for such Delivery Term Security.

(e) Return of Delivery Term Security. Buyer shall return the unused portion of Delivery Term Security, including the payment of any interest due thereon, pursuant to Section 8.4(d) above, to Seller promptly after the following has occurred: (i) the Term of the Agreement has ended, or subject to Section 8.3, an Early Termination Date has occurred, as applicable; and (ii) all payment obligations of the Seller arising under this Agreement, including payments pursuant to Section 4.6 (CAISO Charges), Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting).

(f) Adjustment of Security Amounts for Project Resizing. The required amount of Delivery Term Security shall be proportionally and automatically adjusted in connection with any resizing of the Project under Section 3.9(d), and Buyer shall promptly return to Seller the unused portion of Delivery Term Security in connection with any such adjustment.

8.5 Letter of Credit. Performance Assurance provided in the form of a Letter of Credit shall be subject to the following provisions:

(a) If Seller has provided a Letter of Credit pursuant to any of the applicable provisions in this Article Eight, then Seller shall renew or cause the renewal of each outstanding Letter of Credit on a timely basis in accordance with this Agreement.

(b) In the event the issuer of such Letter of Credit at any time (i) fails to maintain the requirements of an Eligible LC Bank or Letter of Credit, (ii) indicates its intent not to renew such Letter of Credit, or (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit, Seller shall cure such occurrence by complying with either (A) or (B) below in an amount equal to the outstanding Letter of Credit, and by completing the action within five (5) Business Days after the date of

Buyer's Notice to Seller of an occurrence listed in this subsection (Seller's compliance with either (A) or (B) below is considered the "Cure"):

(A) providing a substitute Letter of Credit that is issued by an Eligible LC Bank, other than the bank which is the subject of Buyer's Notice to Seller in Section 8.5(b) above, or

(B) posting cash.

If Seller fails to Cure or if such Letter of Credit expires or terminates without a full draw thereon by Buyer, or fails or ceases to be in full force and effect at any time that such Letter of Credit is required pursuant to the terms of this Agreement, then Seller shall have failed to meet the creditworthiness or collateral requirements of Article Eight.

(c) Notwithstanding the foregoing in Section 8.5(b), if, at any time, the issuer of such Letter of Credit has a Credit Rating on "credit watch" negative or developing by S&P, or is on Moody's "watch list" under review for downgrade or uncertain ratings action (either a "Watch"), then Buyer may make a demand to Seller by Notice ("LC Notice") to provide a substitute Letter of Credit that is issued by an Eligible LC Bank, other than the bank on a Watch ("Substitute Letter of Credit"). The Parties shall have thirty (30) Business Days from the LC Notice to negotiate a Substitute Letter of Credit ("Substitute Bank Period").

(i) If the Parties do not agree to a Substitute Letter of Credit by the end of the Substitute Bank Period, then Buyer shall provide Seller with Notice within five (5) Business Days following the expiration of the Substitute Bank Period ("Ineligible LC Bank Notice Period") that either:

(A) Buyer agrees to continue accepting the then currently outstanding Letter of Credit from the bank that is the subject of the LC Notice, but such bank shall no longer be an Eligible LC Bank ("Ineligible LC Bank") and Buyer will not accept future or renewals of Letters of Credit from the Ineligible LC Bank; or

(B) the bank that is the subject of the LC Notice is an Ineligible LC Bank and Seller shall then have thirty (30) days from the date of Buyer's Notice to Cure pursuant to Section 8.5(b) and, if Seller fails to Cure, then the last paragraph in Section 8.5(b) shall apply to Seller.

(ii) If the Parties have not agreed to a Substitute Letter of Credit and Buyer fails to provide a Notice during the Ineligible LC Bank Notice Period above, then Seller may continue providing the Letter of Credit posted immediately prior to the LC Notice.

(d) In all cases, the reasonable costs and expenses of establishing, renewing, substituting, canceling, increasing, reducing, or otherwise administering the Letter of Credit shall be borne by Seller.

ARTICLE NINE: GOVERNMENTAL CHARGES

9.1 Cooperation. Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

9.2 Governmental Charges. Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority ("Governmental Charges") on or with respect to the Product or the Transaction

arising at the Delivery Point, including ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the Project. Buyer shall pay or cause to be paid all Governmental Charges on or with respect to the Product or the Transaction from the Delivery Point. In the event Seller is required by Law or regulation to remit or pay Governmental Charges which are Buyer's responsibility hereunder, Buyer shall promptly reimburse Seller for such Governmental Charges. If Buyer is required by Law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, Buyer may deduct such amounts from payments to Seller with respect to payments under the Agreement; if Buyer elects not to deduct such amounts from Seller's payments, Seller shall promptly reimburse Buyer for such amounts upon request. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the Law. A Party that is exempt at any time and for any reason from one or more Governmental Charges bears the risk that such exemption shall be lost or the benefit of such exemption reduced; and thus, in the event a Party's exemption is lost or reduced, each Party's responsibility with respect to such Governmental Charge shall be in accordance with the first four sentences of this Section.

ARTICLE TEN: MISCELLANEOUS

10.1 Recording. Unless a Party expressly objects to a recording at the beginning of a telephone conversation, each Party consents to the creation of a tape or electronic recording of all telephone conversations between Buyer's employees or representatives performing a Scheduling Coordinator function as provided in Section 3.4[(b)][(c)] and any representative of Seller. The Parties agree that any such recordings will be retained in confidence, secured from improper access, and may be submitted in evidence in any proceeding or action relating to this Agreement. Each Party waives any further notice of such monitoring or recording, and agrees to notify its officers and employees of such monitoring or recording and to obtain any necessary consent of such officers and employees.

10.2 Representations and Warranties.

(a) General Representations and Warranties. On the Execution Date, each Party represents and warrants to the other Party that:

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

(ii) it has all regulatory authorizations necessary for it to perform its obligations under this Agreement, except for (A) CPUC Approval in the case of Buyer, and (B) all permits necessary to install, operate and maintain the Project in the case of Seller;

(iii) the execution, delivery and performance of this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Laws applicable to it;

(iv) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses;

(v) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

(vi) there is not pending or, to its knowledge, threatened against it or any of its Affiliates, any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;

(vii) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

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

(ix) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or the ability to make or take delivery of the Product as provided in this Agreement.

(b) **Seller Representations and Warranties.** 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.

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.

(c) The term “commercially reasonable efforts” as used in Section 10.2(b) of this Agreement shall not require Seller to incur Compliance Costs in excess of the Compliance Cost Cap.

10.3 Covenants.

(a) General Covenants. Each Party covenants that throughout the Delivery Term:

(i) it shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation;

(ii) it shall maintain (or obtain from time to time as required, including through renewal, as applicable) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement and the Transaction; and

(iii) it shall perform its obligations under this Agreement and the Transaction in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Law, rule, regulation, order or the like applicable to it.

(b) Seller Covenants.

(i) Seller covenants throughout the Delivery Term that it will take no action or permit any other person or entity (other than Buyer) to take any action that would impair in any way Buyer's ability to rely on the Project in order to satisfy its Resource Adequacy Requirements; and

(ii) Seller covenants that it shall comply with all CAISO Tariff requirements and/or Participating TO tariff requirements, as applicable, that are applicable to an Interconnection Customer (as defined in the CAISO Tariff or Participating TO's tariff, as applicable) and shall take any other necessary action, including payment of fees and submission of requests, applications or other documentation, to promote the completion of the Electric System Upgrades prior to the Commercial Operation Date.

[The following clause (iii) applies to Existing Projects only:]

[(iii) Seller covenants that the Initial Energy Delivery Date shall occur no later than the Expected Initial Energy Delivery Date specified on the Cover Sheet, except as provided pursuant to Section 11.1(a)(ii).]

10.4 Title and Risk of Loss. Title to and risk of loss related to the Product shall transfer from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Product free and clear of all liens, security interests, Claims and encumbrances or any interest therein or thereto by any person or entity arising prior to or at the Delivery Point.

10.5 Indemnities.

(a) Indemnity by Seller. Seller shall release, indemnify and hold harmless Buyer or Buyers' respective directors, officers, agents, and representatives against and from any and all loss, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of or in any way connected with (i) the Product delivered under this Agreement to the Delivery Point, or (ii) Seller's operation and/or maintenance of the Project, including any loss, Claim, action or suit, for or on account of injury to, bodily or otherwise, or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only such loss, Claim, action or suit as may be caused solely by the willful misconduct or gross negligence of Buyer, its Affiliates, or Buyers' and Affiliates' respective agents, employees, directors, or officers.

(b) Indemnity by Buyer. Buyer shall release, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of or in any way connected with the Product delivered by Seller under this Agreement after the Delivery Point, including any loss, Claim, action or suit, for or on account of injury to, bodily or otherwise, or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only such loss, Claim, action or suit as may be caused solely by the willful misconduct or gross negligence of Seller, its Affiliates, or Seller's and Affiliates' respective agents, employees, directors, or officers.

(c) No Dedication. Without limitation of each Party's obligations under Sections 10.5(a) and 10.5(b) herein, nothing in this Agreement shall be construed to create any duty to, any

standard of care with reference to, or any liability to any person or entity not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or the public, nor affect the status of Buyer as an independent public utility corporation or Seller as an independent individual or entity.

10.6 Assignment.

(a) General Assignment. Except as provided in Sections 10.6(b) and (c), neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld so long as among other things (i) the assignee assumes the transferring Party's payment and performance obligations under this Agreement, (ii) the assignee agrees in writing to be bound by the terms and conditions hereof, (iii) the transferring Party delivers evidence satisfactory to the non-transferring Party of the proposed assignee's technical and financial capability to fulfill the assigning Party's obligations hereunder and (iv) the transferring Party delivers such tax and enforceability assurance as the other Party may reasonably request. Notwithstanding the foregoing and except as provided in Section 10.6(b), consent shall not be required for an assignment of this Agreement where the assigning Party remains subject to liability or obligation under this Agreement, provided that (i) the assignee assumes the assigning Party's payment and performance obligations under this Agreement, (ii) the assignee agrees in writing to be bound by the terms and conditions hereof, and (iii) the assigning Party provides the other Party hereto with at least thirty (30) days' prior written notice of the assignment.

(b) Assignment to Financing Providers. Seller shall be permitted to assign this Agreement as collateral for any financing or refinancing of the Project (including any tax equity or lease financing) without the prior written consent of the Buyer; provided that the financing provider(s), enter(s) into a Consent to Assignment in form and substance substantially similar to the form attached hereto as Appendix VIII under which such financing provider(s) shall agree that upon exercising its rights to assume the Agreement, it shall be bound by the terms and conditions hereof; and provided further that Seller shall be responsible at Buyer's request for Buyer's reasonable costs associated with the review, execution and delivery of documents in connection with such assignment, including attorneys' fees.

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(c) Notice of Change in Control. Except in connection with public market transactions of the equity interests or capital stock of Seller or Seller's Affiliates', Seller shall provide Buyer notice of any direct change of control of Seller (whether voluntary or by operation of Law).

(d) Unauthorized Assignment. Any assignment or purported assignment in violation of this Section 10.6 is void.

10.7 Confidentiality.

(a) Neither Party shall disclose the non-public terms or conditions of this Agreement to a third party, other than as follows:

(i) to the Party's Affiliates, the Party's or its Affiliates' respective employees, lenders, investors, counsel, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential,

(ii) for disclosure to Buyer's Procurement Review Group, as defined in CPUC Decision D. 02-08-071, subject to a confidentiality agreement,

- (iii) to the CPUC under seal for purposes of review,
- (iv) for disclosure of those certain terms specified in and pursuant to Section 10.8 of this Agreement;
- (v) in order to comply with any applicable Law, regulation, or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over the disclosing Party (“Disclosing Party”), other than to those entities set forth in subsection (vi); or
- (vi) in order to comply with any applicable regulation, rule, or order of the CPUC, CEC, or the FERC.

(b) The Parties agree that the confidentiality provisions under this Section 10.7 are separate from, and shall not impair or modify any other confidentiality agreements that may be in place between the Parties or their Affiliates; provided however, that the confidentiality provisions of this Section 10.7 shall govern confidential treatment of all information exchanged between the Parties as of and after the Effective Date.

10.8 RPS Confidentiality. Notwithstanding Section 10.7(a) of this Agreement, at any time on or after the date on which the Buyer makes its advice filing letter seeking CPUC Approval of this Agreement, either Party shall be permitted to disclose the following terms with respect to such Transaction: Party names, the number of bids per company, Project size, resource type, Delivery Term, Project location, Contract Capacity and Contract Capacity, Commercial Operation Date, Expected Initial Energy Delivery Date, Contract Quantity, Delivery Point, and the achievement of project development milestones.

10.9 Audit. Each Party has the right, at its sole expense and during normal working hours, after reasonable Notice, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement including amounts of Delivered Energy. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid; provided, however, that no adjustment for any statement or payment will be made unless objection to the accuracy thereof was made prior to the lapse of twelve (12) months from the rendition thereof, and thereafter any objection shall be deemed waived.

10.10 Insurance. Throughout the Term, Seller shall, at its sole cost and expense, obtain and maintain the following insurance coverages and be responsible for its subcontractors, including Seller’s EPC Contractors, maintaining sufficient limits of the appropriate insurance coverage.

- (a) Workers’ Compensation and Employers’ Liability.
 - (i) Workers’ Compensation insurance indicating compliance with any applicable labor codes, acts, Laws or statutes, state or federal, where Seller performs Work.
 - (ii) Employers’ Liability insurance shall not be less than one million dollars (\$1,000,000.00) for injury or death occurring as a result of each accident.

(b) Commercial General Liability.

(i) Coverage shall be at least as broad as the Insurance Services Office Commercial General Liability Coverage “occurrence” form, with no alterations to the coverage form.

(ii) The limit shall not be less than three million dollars (\$3,000,000.00) each occurrence for bodily injury, property damage, personal injury and products/completed operations. Defense costs shall be provided as an additional benefit and not included within the limits of liability. Coverage limits may be satisfied using an umbrella or excess liability policy or an Owners Contractors Protective (OPC) policy. Limits shall be on a per project basis.

(iii) Coverage shall:

(A) by “Additional Insured” endorsement add as insured PG&E, its directors, officers, agents and employees with respect to liability arising out of the Work performed by or for the Seller. In the event the Commercial General Liability policy includes a “blanket endorsement by contract,” the following language added to the certificate of insurance will satisfy Buyer’s requirement: “PG&E, its directors, officers, agents and employees with respect to liability arising out of the Work performed by or for the Seller has been endorsed by blanket endorsement;”

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(B) be endorsed to specify that the Seller’s insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it; and

(C) include a severability of interest clause.

(c) Business Auto.

(i) Coverage shall be at least as broad as the Insurance Services Office Business Auto Coverage form covering Automobile Liability, code 1 “any auto”.

(ii) The limit shall not be less than one million dollars (\$1,000,000.00) each accident for bodily injury and property damage.

(iii) If scope of Work involves hauling hazardous materials, coverage shall be endorsed in accordance with Section 30 of the Motor Carrier Act of 1980 (Category 2) and the CA 99 48 endorsement.

(d) Professional Liability Insurance.

(i) Errors and Omissions Liability insurance appropriate to the Seller’s profession. Coverage shall be for a professional error, act or omission arising out of the scope of services shown in the Agreement, including coverage for bodily injury, property damage, and consequential financial loss.

(ii) The limit shall not be less than two million dollars (\$2,000,000.00) per claim,

(iii) Coverage shall:

(A) be endorsed to specify that the Seller’s insurance is primary and that any Insurance or self-insurance maintained by PG&E shall not contribute with it; and

(B) be endorsed to specify that the selection of counsel, paid for by the insurer, to defend PG&E and its officers, directors, agents, and employees against covered or potentially covered claims shall be by mutual consent of PG&E and insurer.

(e) Additional Insurance Requirements.

(i) Before commencing performance of the Work, Seller shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Seller.

(ii) The documentation shall state that coverage shall not be cancelled except after thirty (30) days prior written Notice has been given to PG&E.

(iii) PG&E uses a third-party vendor, Exigis, to confirm and collect insurance documents. Certificates of insurance and endorsements shall be signed and submitted by a person authorized by that insurer to issue certificates of insurance and endorsements on its behalf, and submitted via email or fax to:

Certificate Holder:
PG&E
c/o EXIGIS LLC
support@exigis.com
Fax: 646-755-3327

(iv) Reviews of such insurance may be conducted by PG&E on an annual basis and, in addition, PG&E may inspect the original policies or require complete certified copies at any time.

(v) Upon request, Seller shall furnish Buyer evidence of insurance for its subcontractors.

(f) Form And Content.

All policies or binders with respect to insurance maintained by Seller shall waive any right of subrogation of the insurers hereunder against PG&E, its officers, directors, employees, agents and representatives of each of them, and any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under such policy. 10.11 Access to Financial Information. The Parties agree that Generally Accepted Accounting Principles and SEC rules require Buyer to evaluate if Buyer must consolidate Seller's financial information. Buyer will require access to financial records and personnel to determine if consolidated financial reporting is required. If Buyer determines that consolidation is required, Buyer shall require the following during every calendar quarter for the Term:

(a) Complete financial statements and notes to financial statements; and

(b) Financial schedules underlying the financial statements, all within fifteen (15) days after the end of each fiscal quarter.

Any information provided to Buyer pursuant to this Section 10.11 shall be considered confidential in accordance with the terms of this Agreement and shall only be disclosed on an aggregate basis with other similar entities for which Buyer has power purchase agreements. The information will

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(A) .

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(B) . with respect to any additional insured, provide that such insurance will not be invalidated by any action or inaction of each such insured and will insure each such insured regardless of any breach or violation of any warranty, declaration or condition contained in such insurance by the primary named insured.¶

only be used for financial statement purposes and shall not be otherwise shared with internal or external parties.

10.12 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.

10.13 General. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of drafting or execution hereof. The term “including” when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation. Except to the extent provided for, no amendment or modification to this Agreement shall be enforceable unless reduced to writing and executed by both Parties. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

The headings used herein are for convenience and reference purposes only. Facsimile or PDF transmission will be the same as delivery of an original document; provided that at the request of either Party, the other Party will confirm facsimile or PDF signatures by signing and delivering an original document; provided, however, that the execution and delivery of this Agreement and its counterparts shall be subject to Section 10.15. This Agreement shall be binding on each Party’s successors and permitted assigns.

10.14 Severability. If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

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

10.16 Mobile Sierra. Notwithstanding any 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 the FERC pursuant to the 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, a non-Party, or the FERC acting *sua sponte* shall be the “public interest” standard of review set forth in *United States 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).

ARTICLE ELEVEN: TERMINATION EVENT

11.1 Force Majeure Termination Event.

(a) Force Majeure Failure. Buyer shall have the right, but not the obligation, to terminate this Agreement after the occurrence of the following:

(i) if after the Initial Energy Delivery Date, the Project fails to deliver at least forty percent (40%) of the Contract Quantity (as may be adjusted pursuant to Sections 3.1(e)(ii) or 3.9(d)) to the Delivery Point for a period of twelve (12) consecutive rolling months following a Force Majeure event that materially and adversely impacts the Project (“Force Majeure Project Failure”); provided that:

(A) if the Project may be capable of resuming normal production, then Seller shall be entitled to an additional period of time (not to exceed six (6) months) to remedy the Force Majeure if within forty-five (45) days of receipt of Notice from Buyer that a Force Majeure Project Failure has occurred, Seller presents Buyer with a plan for mitigation of the effect of the Force Majeure which plan is commercially reasonable and satisfactory to Buyer, as evidenced by Buyer’s written acknowledgement of such plan, and Seller diligently pursues such mitigation plan throughout said additional period; or

(B) if the Project is destroyed or rendered inoperable by a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third-party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.

[The following bracketed clause (ii) is applicable to New Projects:]

[(ii) if prior to the Commercial Operation Date Seller is unable, due solely to a Force Majeure event, to place the Project into Commercial Operation by the Guaranteed Commercial Operation Date, as set forth Section 3.9(c)(iii) (a “Force Majeure Development Failure”); provided that in the event of a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third-party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.]

[The following bracketed clause (ii) is applicable to Existing Projects:]

[(ii) if prior to the Expected Initial Energy Delivery Date, Seller is unable, due solely to a Force Majeure event, to achieve the Initial Energy Delivery Date on or prior to the Expected Initial Energy Delivery Date (a “Force Majeure Development Failure”); provided that in the event of a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third-party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.]

(b) Right of First Offer.

(i) If Buyer exercises its termination right in connection with the Force Majeure Failure, then for a period of two (2) years from the date on which Buyer Notifies Seller of such

termination (“Exclusivity Period”), neither Seller, its successors and assigns, nor its Affiliates shall enter into an obligation or agreement to sell or otherwise transfer any Products from the Project to any third party, unless Seller first offers, in writing, to sell to Buyer such Products from the Project on the same terms and conditions as this Agreement, subject to permitted modifications identified in subpart (ii) below, (the “First Offer”) and Buyer either accepts or rejects such First Offer in accordance with the provisions herein.

(ii) If Buyer accepts the First Offer, Buyer shall Notify Seller within thirty (30) days of receipt of the First Offer subject to Buyer’s management approval and CPUC Approval (“Buyer’s Notice”), and then the Parties shall have not more than ninety (90) days from the date of Buyer’s Notice to enter into a new power purchase agreement, in substantially the same form as this Agreement, or amend this Agreement, subject to CPUC Approval, if necessary; provided that the Contract Price may only be increased to reflect Seller’s documented incremental costs in overcoming the Force Majeure event.

(iii) If Buyer rejects or fails to accept Seller’s First Offer within thirty (30) days of receipt of such offer, Seller shall thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, any Products from the Project to any third party, so long as the material terms and conditions of such sale or transfer are not more favorable to the third party than those of the First Offer to Buyer. If, during the Exclusivity Period, Seller desires to enter into an obligation or agreement with a third party, Seller shall deliver to Buyer a certificate of an authorized officer of Seller (A) summarizing the material terms and conditions of such agreement and (B) certifying that the proposed agreement with the third party will not provide Seller with a lower rate of return than that offered in the First Offer to Buyer. If Seller is unable to deliver such a certificate to Buyer, then Seller may not sell or otherwise transfer, or enter into an agreement to sell or otherwise transfer, the Products from the Project without first offering to sell or otherwise transfer such Products to Buyer on such more favorable terms and conditions (the “Revised Offer”) in accordance with subpart (ii) above. If within thirty (30) days of receipt of Seller’s Revised Offer the Buyer rejects, or fails to accept by Notice to Seller, the Revised Offer, then Seller will thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, such Products from the Project to any third party on such terms and conditions as set forth in the certificate.

ARTICLE TWELVE: DISPUTE RESOLUTION

12.1 Intent of the Parties. Except as provided in the next sentence, the sole procedure to resolve any claim arising out of or relating to this Agreement is the dispute resolution procedure set forth in this Article Twelve. The lone exception to the foregoing is that either Party may seek an injunction in Superior Court in San Francisco, California if such action is necessary to prevent irreparable harm, in which case both Parties nonetheless will continue to pursue resolution of all other aspects of the dispute by means of this procedure.

12.2 Management Negotiations.

(a) The Parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement by prompt negotiations between each Party’s Authorized Representative, or such other person designated in writing as a representative of the Party (each a “Manager”). Either Manager may request a meeting, to be held in person or telephonically, to initiate negotiations to be held within ten (10) Business Days of the other Party’s receipt of such request, at a mutually agreed time and place. If the matter is not resolved within fifteen (15) Business Days of their first meeting (“Initial Negotiation End Date”), the Managers shall refer the matter to the designated senior officers of their respective companies (“Executive(s)”, who shall have authority to settle the dispute.

Within five (5) Business Days of the Initial Negotiation End Date (“Referral Date”), each Party shall provide one another written Notice confirming the referral and identifying the name and title of the Executive who will represent the Party.

(b) Within five (5) Business Days of the Referral Date, the Executives shall establish a mutually acceptable location and date to meet, which date shall not be greater than thirty (30) days from the Referral Date. After the initial meeting date, the Executives shall meet, as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute.

(c) All communication and writing exchanged between the Parties in connection with these negotiations shall be deemed confidential and subject to the confidentiality provisions of this Agreement. All such communication and writing shall be inadmissible as evidence such that it cannot be used or referred to in any subsequent binding adjudicatory process between the Parties, whether with respect to this dispute or any other.

(d) If the matter is not resolved within forty-five (45) days of the Referral Date, or if the Party receiving the written request to meet, pursuant to Section 12.2(a), refuses or does not meet within the ten (10) Business Day period specified in Section 12.2(a), either Party may initiate mediation of the controversy or claim according to the terms of the following Section 12.3.

12.3 Arbitration Initiation. If the dispute cannot be resolved by negotiation as set forth in Section 12.2 above, then the Parties shall resolve such controversy through Arbitration. The Arbitration shall be adjudicated by one retired judge or justice from the JAMS panel. The Arbitration shall take place in San Francisco, California, and shall be administered by and in accordance with JAMS’s Commercial Arbitration Rules (“Arbitration”). If the Parties cannot mutually agree on the arbitrator who will adjudicate the dispute, then JAMS shall provide the Parties with an arbitrator pursuant to its then-applicable Commercial Arbitration Rules. The arbitrator shall have no affiliation with, financial or other interest in, or prior employment with either Party and shall be knowledgeable in the field of the dispute. Either Party may initiate Arbitration by filing with the JAMS a notice of intent to arbitrate within one hundred and twenty (120) days of service of the Referral Date.

12.4 Arbitration Process. At the request of a Party, the arbitrator shall have the discretion to order depositions of witnesses to the extent the arbitrator deems such discovery relevant and appropriate. Depositions shall be limited to a maximum of three (3) per Party and shall be held within thirty (30) days of the making of a request. Additional depositions may be scheduled only with the permission of the arbitrator, and for good cause shown. Each deposition shall be limited to a maximum of six (6) hours duration unless otherwise permitted by the arbitrator for good cause shown. All objections are reserved for the Arbitration hearing except for objections based on privilege and proprietary and confidential information. The arbitrator shall also have discretion to order the Parties to exchange relevant documents. The arbitrator shall also have discretion to order the Parties to answer interrogatories, upon good cause shown.

(a) Each of the Parties shall submit to the arbitrator, in accordance with a schedule set by the arbitrator, offers in the form of the award it considers the arbitrator should make. If the arbitrator requires the Parties to submit more than one such offer, the arbitrator shall designate a deadline by which time the Parties shall submit their last and best offer. In such proceedings the arbitrator shall be limited to awarding only one of the two “last and best” offers submitted, and shall not determine an alternative or compromise remedy.

(b) The arbitrator shall have no authority to award punitive or exemplary damages or any other damages other than direct and actual damages and the other remedies contemplated by this Agreement.

(c) The arbitrator's award shall be made within nine (9) months of the filing of the notice of intention to arbitrate (demand) and the arbitrator shall agree to comply with this schedule before accepting appointment. However, this time limit may be extended by agreement of the Parties or by the arbitrator, if necessary. The California Superior Court of the City and County of San Francisco may enter judgment upon any award rendered by the arbitrator. The Parties are aware of the decision in *Advanced Micro Devices, Inc. v. Intel Corp.*, 9 Cal. 4th 362 (1994) and, except as modified by this Agreement, intend to limit the power of the arbitrator to that of a Superior Court judge enforcing California Law.

(d) The prevailing Party in this dispute resolution process is entitled to recover its costs and reasonable attorneys' fees.

(e) The arbitrator shall have the authority to grant dispositive motions prior to the commencement of or following the completion of discovery if the arbitrator concludes that there is no material issue of fact pending before him or her.

(f) Except as may be required by Law, neither a Party nor an arbitrator may disclose the existence, content, or results of any Arbitration hereunder without the prior written consent of both Parties.

ARTICLE THIRTEEN: NOTICES

Whenever this Agreement requires or permits delivery of a "Notice" (or requires a Party to "notify"), the Party with such right or obligation shall provide a written communication in the manner specified herein; provided, however, that notices of Outages or other Scheduling or dispatch information or requests, as provided in Appendix VI, shall be provided in accordance with the terms set forth in the relevant section of this Agreement. Notices may be sent by facsimile or e-mail. A Notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5:00 p.m. (and if received after 5:00 p.m., on the next Business Day) and a Notice of overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party. Either Party may periodically change any address, phone number, e-mail, or contact to which Notice is to be given it by providing Notice of such change to the other Party.

SIGNATURES

Agreement Execution

In WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the dates provided below:

[SELLER, a (*include place of formation and business type*)]

**PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation**

Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

APPENDIX I

FORM OF LETTER OF CREDIT

Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXX

Date: [insert issue date]

Beneficiary: Pacific Gas and Electric Company
77 Beale Street, Mail Code B28L
San Francisco, CA 94105
Attention: Credit Risk Management

Applicant: [Insert name and address of Applicant]

Letter of Credit Amount: [insert amount]

Expiry Date: [insert expiry date]

Ladies and Gentlemen:

By order of **[insert name of Applicant]** (“Applicant”), we hereby issue in favor of Pacific Gas and Electric Company (the “Beneficiary”) our irrevocable standby letter of credit No. **[insert number of letter of credit]** (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ **[insert amount in figures followed by (amount in words)]** (“Letter of Credit Amount”). This Letter of Credit is available with **[insert name of issuing bank, and the city and state in which it is located]** by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on **[insert expiry date]** (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. **[insert number]** and stating the amount of the demand; and
2. One of the following statements signed by an authorized representative or officer of Beneficiary:
 - A. “Pursuant to the terms of that certain **[insert name of the agreement]** (the “Agreement”), dated **[insert date of the Agreement]**, between Beneficiary and **[insert name of Seller under the Agreement]**, Beneficiary is entitled to draw under Letter of Credit No. **[insert number]** amounts owed by **[insert name of Seller under the Agreement]** under the Agreement; or
 - B. “Letter of Credit No. **[insert number]** will expire in thirty (30) days or less and **[insert name of Seller under the Agreement]** has not provided replacement security acceptable to Beneficiary.

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable; and
4. The Expiry Date of this Letter of Credit shall be automatically extended without a written amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to extend the Expiry Date of this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at our offices at **[insert issuing bank's address for drawings]**.

All demands for payment shall be made by presentation of originals or copies of documents; or by facsimile transmission of documents to **[insert fax number]**, Attention: **[insert name of issuing bank's receiving department]**, with originals or copies of documents to follow by overnight mail. If presentation is made by facsimile transmission, you may contact us at **[insert phone number]** to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the sixth (6th) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at **[insert number and any other necessary details]**.

Very truly yours,

[insert name of issuing bank]

By: _____
Authorized Signature

Name: _____ **[print or type name]**

Title: _____

Exhibit A SIGHT DRAFT

TO
[INSERT NAME AND ADDRESS OF PAYING BANK]

AMOUNT: \$ _____ DATE: _____

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC
COMPANY THE AMOUNT OF U.S.\$ _____ (_____ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO. XXXXXX.

REMIT FUNDS AS FOLLOWS:

[INSERT PAYMENT INSTRUCTIONS]

DRAWER

BY: _____
NAME AND TITLE

APPENDIX II

INITIAL ENERGY DELIVERY DATE CONFIRMATION LETTER

In accordance with the terms of that certain Power Purchase Agreement dated _____ (“Agreement”) by and between _____ (“Buyer”) and _____ (“Seller”), this letter (“Initial Energy Delivery Date Confirmation Letter”) serves to document the Parties’ further agreement that (i) the Conditions Precedent to the occurrence of the Initial Energy Delivery Date have been satisfied, and (ii) Seller has scheduled and Buyer has received the Product, as specified in the Agreement, as of this _____ day of _____, _____ (the “Initial Energy Delivery Date”). All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

Seller represents to Buyer that it has been granted status as an [Exempt Wholesale Generator] [Qualifying Facility]. Additionally Seller provides the following FERC Tariff information for reference purposes only:

Tariff: Dated: Docket Number:

IN WITNESS WHEREOF, each Party has caused this Initial Energy Delivery Date Confirmation Letter to be duly executed by its authorized representative as of the date of last signature provided below:

[SELLER]

PACIFIC GAS AND ELECTRIC COMPANY

Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

APPENDIX III

**FORM OF MONTHLY
PROGRESS REPORT**

**Monthly Progress Report
For:**

[Project Name]

By:

[Seller Name]

(“Seller”)

On:

[Report Date]

For month of:

[Report Month]

**Provided to
Pacific Gas and Electric Company
 (“Buyer”)**

GENERAL PROJECT SPECIFICATIONS

Site Address, City, State:

Facility Description (*Technology type, number of units, etc*):

Generator nameplate capacity:

Site size (*acres, square miles, square feet*):

1. Instructions

- 1.1. Please complete the form monthly and forward it to your PG&E Contract Manager by the 15th of each month.
- 1.2. You may add new information to the prior month's report without editing the prior month's information to reflect current status. For ease of review, please add a date in parenthesis in front of each new entry.

ie: (11/4/09) Grading has started for the roads and turbine sites.

(10/4/09) Construction of maintenance buildings has been completed.
- 1.3. See the Requirements for this report in Section 15.

2. Executive Summary

Please provide a general Project overview statement.

2.1 Major activities Performed and/or Completed – Inception to Date

Please provide a cumulative summary of the major activities completed for each of the following aspects of the Project (provide details in subsequent sections of this report):

- 2.1.1 Financing
- 2.1.2 Permitting and Governmental Approvals
- 2.1.3 Site Control
- 2.1.4 Design and Engineering
- 2.1.5 Major Equipment Procurement
- 2.1.6 Construction
- 2.1.7 Interconnection
- 2.1.8 Startup Testing and Commissioning

2.2 Major Activities Planned for Next Month

Please provide a summary of the major activities to be performed during the current month for each of the following aspects of the Project (provide details in subsequent sections of this report):

- 2.2.1 Financing
- 2.2.2 Permitting and Governmental Approvals
- 2.2.3 Site Control
- 2.2.4 Design and Engineering
- 2.2.5 Major Equipment Procurement
- 2.2.6 Construction
- 2.2.7 Interconnection
- 2.2.8 Startup Testing and Commissioning

3. Guaranteed Commercial Operation Date

	Guaranteed Commercial Operation Date Specified in the Agreement	Status (e.g., on schedule, delayed due to [specify reason]; current expected completion date)

4. Financing

Please provide the schedule Seller intends to follow to obtain financing for the Project. Include information about each stage of financing.

Activity (e.g., obtain \$xx for yy stage from zz)	Completion Date
	___/___/___ (expected / actual)
	___/___/___ (expected / actual)

5. Project Schedule

Please provide a copy of the current version of the overall Project development schedule (e.g., Work Breakdown Structure, Gantt chart, MS Project report, etc.). Include all major activities for Governmental Approvals, design and engineering, procurement, construction, interconnection and testing.

6. Permitting and Governmental Approvals

6.1 Environmental Impact Review

Please provide information about the primary environmental impact review for the Project. Indicate whether dates are expected or actual.

Agency [e.g., the lead agency as required under the California Environmental Quality Act (CEQA)]

Date of application/submission ___/___/___ (expected / actual)

Date application/submission deemed complete by agency ___/___/___ (expected / actual)

Date of initial study (if applicable) ___/___/___ (expected / actual)

Process (e.g., Notice of Exemption, Negative Declaration, Mitigated Negative Declaration, Environmental Impact Report)

Date of Notice of Preparation ___/___/___ (expected / actual)

Date of Draft Negative Declaration – Mitigated Negative Declaration - Environmental Impact Report ___/___/___ (expected / actual)

Date Notice of Determination filed at CA Office of Planning and Research or County Clerk ___/___/___ (expected / actual)

6.2 Federal, State, Regional, County or Local Governmental Approvals

Please describe each of the major Governmental Approvals to be obtained by Seller and the status of each:

Agency / Approval <i>e.g., California Energy Commission (CEC) / Application for Certification (AFC)</i> <i>[name] County / Conditional Use Permit (CUP)</i>	Status Summary <i>e.g., dates of application / hearing / notice / etc. (note whether dates are anticipated or actual); major activities (indicate whether planned, in progress and/or completed); primary reasons for possible delay, etc.</i>

6.3 Governmental Approval activities recently performed

Please list all Governmental Approval activities that occurred since the previous report.

6.4 Governmental Approval activities expected during the current month

Please list all Governmental Approval activities that are expected to occur during the current month.

6.5 Governmental Approval Notices received from EPC Contractor

Please attach to this Monthly Progress Report copies of any notices related to Governmental Approval activities received since the previous report, whether from EPC Contractor or directly from Governmental Agencies.

7. Site Control

7.1 Table of Site Control schedule

If not obtained prior to execution of the Agreement, please provide the schedule Seller intends to follow to obtain control of the Project Site (e.g., purchase, lease).

Activity	Completion Date
	__/__/____ (expected / actual)
	__/__/____ (expected / actual)

7.2 Site Control activities recently performed

Please explain in detail the property acquisition activities that were performed since the previous report.

7.3 Site Control activities expected during the current month.

Please explain in detail the site control activities that are expected to be performed during the current month.

8. Design and Engineering

8.1 Design and engineering schedule

Please provide the name of the EPC Contractor, the date of execution of the EPC Contract, and the date of issuance of a full notice to proceed (or equivalent).

Please list all major design and engineering activities, both planned and completed, to be performed by Seller and the EPC Contractor.

Name of EPC Contractor / Subcontractor	Activity	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

8.2 Design and engineering activities recently performed

Please explain in detail the design and engineering activities that were performed since the previous report.

8.3 Design and engineering activities expected during the current month

Please explain in detail the design and engineering activities that are expected to be performed during the current month.

9. Major Equipment Procurement

9.1 Major equipment to be procured

Please list all major equipment to be procured by Seller or the EPC Contractor:

Equipment Description	Manufacturer	Delivery Date (indicate whether expected or actual)	Installation Date (indicate whether expected or actual)
		__/__/____ (expected / actual)	__/__/____ (expected / actual)
		__/__/____ (expected / actual)	__/__/____ (expected / actual)

Equipment Description	No. Ordered	No. Made	No. On-Site	No. Installed	No. Tested

9.2 Major Equipment procurement activities recently performed

Please explain in detail the major equipment procurement activities that were performed since the previous report.

9.3 Major Equipment procurement activities expected during the current month.

Please explain in detail the major equipment procurement activities that are expected to be performed during the current month.

10. Construction

10.1 Construction activities

Please list all major construction activities, both planned and completed, to be performed by Seller or the EPC contractor.

Activity	EPC Contractor / Subcontractor	Completion Date
		//____ (expected / actual)
		//____ (expected / actual)

10.2 Construction activities recently performed

Please explain in detail the construction activities that were performed since the previous report.

10.3 Construction activities expected during the current month

Please explain in detail the construction activities that are expected to be performed during the current month.

10.4 EPC Contractor Monthly Construction Progress Report

Please attach a copy of the Monthly Construction Progress Reports received since the previous report from the EPC Contractor pursuant to the construction contract between Seller and EPC Contractor, if any, certified by the EPC Contractor as being true and correct as of the date issued.

11. Interconnection and Transmission

11.1 Interconnection activities

Please list all major interconnection activities, both planned and completed, to be performed by Seller or the EPC Contractor.

Activity	Name of EPC Contractor / Subcontractor	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

11.2 Interconnection activities recently performed

Please explain in detail the interconnection activities that were performed since the previous report.

11.3 Interconnection activities expected during the current month

Please explain in detail the interconnection activities that are expected to be performed during the current month.

12. Startup Testing and Commissioning

12.1 Startup testing and commissioning activities

Please list all major startup testing and commissioning activities, both planned and completed, to be performed by Seller or the EPC Contractor.

Activity	Name of EPC Contractor / Subcontractor	Completion Date
		__/__/____ (expected / actual)
		__/__/____ (expected / actual)

12.2 Startup testing and commissioning activities recently performed

Please explain in detail the startup testing and commissioning activities that were performed since the previous report.

12.3 Startup testing and commissioning activities expected during the current month

Please explain in detail the startup testing and commissioning activities that are expected to be performed during the current month.

13. Safety and Health Reports

13.1 Accidents

Please describe all Project-related accidents reported since the previous report.

13.2 Work stoppages

Please describe all Project-related work stoppages from that occurred since the previous report.

Please describe the effect of work stoppages on the Project schedule.

14. Certification

I, _____, on behalf of and as an authorized representative of [_____], do hereby certify that any and all information contained in this Seller's Monthly Progress Report is true and accurate, and reflects, to the best of my knowledge, the current status of the construction of the Units as of the date specified below.

By: _____

Name: _____

Title: _____

Date: _____

15. Requirements

Any capitalized terms used in this report which are not defined herein shall have the meaning ascribed to them in the Power Purchase Agreement by and between _____, (“Seller”) and Pacific Gas and Electric Company dated _____, (the “Agreement”).

Seller shall review the status of each major activity performed of the construction schedule (the “Schedule”) for the Project and identify such matters referenced in clauses (i)-(v) below as known to Seller and which in Seller’s reasonable judgment are expected to adversely affect the Schedule, and with respect to any such matters, shall state the actions which Seller intends to take to ensure that the project development milestones will be attained by their required dates, as set forth in the Cover Sheet. Such matters may include:

- (i) Any material matter or issue arising in connection with a Governmental Approval, or compliance therewith, with respect to which there is an actual or threatened dispute over the interpretation of a Law, actual or threatened opposition to the granting of a necessary Governmental Approval, any organized public opposition, any action or expenditure required for compliance or obtaining approval that Seller is unwilling to take or make, or in each case which could reasonably be expected to materially threaten or prevent financing of the Units or related Project, attaining any milestone, or obtaining any contemplated agreements with other parties which are necessary for attaining any milestone or which otherwise reasonably could be expected to materially threaten Seller’s ability to attain any milestone.
- (ii) Any development or event in the financial markets or the independent power industry, any change in taxation or accounting standards or practices or in Seller’s business or prospects which reasonably could be expected to materially threaten financing of the Units or related Project, attainment of any milestone or materially threaten any contemplated agreements with other parties which are necessary for attaining any milestone or could otherwise reasonably be expected to materially threaten Seller’s ability to attain any milestone;
- (iii) A change in, or discovery by Seller of, any legal or regulatory requirement which would reasonably be expected to materially threaten Seller’s ability to attain any milestone;
- (iv) Any material change in the Seller’s schedule for initiating or completing any material aspect of Project;
- (v) The status of any matter or issue identified as outstanding in any prior Monthly Construction Progress Report and any material change in the Seller’s proposed actions to remedy or overcome such matter or issue.

For the purpose of this report, “EPC Contractor” means the contractor responsible for engineering, procurement and construction of the Project, including Seller if acting as contractor, and including all subcontractors.

APPENDIX IV

CONSTRUCTION START AND COMMERCIAL OPERATION CERTIFICATION FORMS AND PROCEDURES

Appendix IV-1: CONSTRUCTION START FORM OF CERTIFICATION [*This applies to BOTH As-Available and Baseload Product*]

Appendix IV-2: COMMERCIAL OPERATION CERTIFICATION FORM AND PROCEDURES [*Use the version designated for either As-Available or Baseload Product*]

[Appendix IV-1 applies to BOTH As-Available and Baseload Products]

APPENDIX IV-1

**CONSTRUCTION START
FORM OF CERTIFICATION**

This certification ("Certification") is delivered by _____ LLC ("Seller") to Pacific Gas and Electric Company ("Buyer") in accordance with the terms of that certain Power Purchase and Sale Agreement dated _____ ("Agreement") by and between Seller and Buyer. 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 that the Construction Start Date has been achieved on _____:

Seller attaches hereto a copy of the Final Notice to Proceed that Seller delivered to the EPC Contractor.

_____, LLC
("Seller")

Signature: _____

Name: _____

Title: _____

Date: _____

[Use the version designated for either As-Available or Baseload Product]

APPENDIX IV-2

COMMERCIAL OPERATION CERTIFICATION FORM AND PROCEDURES

[This version of Appendix IV-2 only applies to As-Available Product]

APPENDIX IV-2 –Attachment A

**COMMERCIAL OPERATION
FORM OF CERTIFICATION**

This certification (“Certification”) of Commercial Operation is delivered by _____ (“Seller”) to Pacific Gas and Electric Company (“Buyer”) in accordance with the terms of that certain Power Purchase Agreement dated as of the Execution Date (“Agreement”) by and between Seller and Buyer. 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. The Unit or Units representing at least ninety-five percent (95%) of the Contract Capacity are capable of generating energy in accordance with the manufacturer’s specifications (“Unit Mechanical Completion”), as certified by the manufacturer, and provided to Buyer.
2. The electrical collection system related to the Unit or Units referenced in (1) above is complete, functional, and energized for the Project.
3. Seller’s collector substation is complete and capable of delivering Product as described in the Agreement.
4. The Participating Transmission Provider or distribution provider has provided documentation supporting; (1) full unrestricted release for Commercial Operation, (2) Seller’s ability to deliver the Product to the Delivery Point. If applicable, the CAISO has provided notification of Commercial Operation, in accordance with the CAISO tariff. Such documentation and notification shall be provided to Buyer.

A certified statement of the Licensed Professional Engineer, attached hereto, has been provided as evidence of Commercial Operation of the Project to provide an As-Available Product and meet, at a minimum, the requirements indicated herein.

EXECUTED by SELLER this _____ day of _____, 20__.

By: _____

Name: _____

Title: _____

[LICENSED PROFESSIONAL ENGINEER]

By: _____

Name: _____

Title: _____

[This version of Appendix IV-2 only applies to Baseload Product]

APPENDIX IV-2

COMMERCIAL OPERATION CERTIFICATION PROCEDURE

AND PROCEDURE FOR CAPACITY TESTING

During the period of initial start-up operations of the Facility, Seller shall conduct a performance test of the Facility to demonstrate that the Facility is capable of delivering the Contract Capacity as of the Commercial Operation Date (“Capacity Test”). The Capacity Test shall consist of the following:

1. The Facility must deliver an average instantaneous net plant generation of at least ninety-five percent (95%) of the Contract Capacity, as metered by the plant's CAISO revenue meter, which shall be calculated as the total metered generation delivered to the Delivery Point divided by the number of hours in performance test period,
2. The performance test period shall consist of seventy-two (72) consecutive hours of continuous plant generation,
3. With all plant equipment operating normally for the duration of the performance test,
4. The CAISO meter reads shall not be corrected for ambient conditions,
5. The Buyer has the right but not the obligation to witness the performance test, including inspection of the plant equipment, systems, and records, to assess normal operations,
6. The Seller will deliver written results of the performance test to Buyer within (5) business days of completing the performance test, which include the result of the performance test, CAISO raw meter reads for the performance test period in electronic file format approved by the Buyer, and a copy of the latest CAISO meter calibration certificate.

APPENDIX V

GEP DAMAGES CALCULATION

In accordance with the provisions in Section 3.1(e)(ii), GEP Damages means the liquidated damages payment due by Seller to Buyer, calculated as follows:

$$[(A-B) \times (C-D)]$$

Where:

A = the Guaranteed Energy Production for the Performance Measurement Period, in MWh

B = Sum of Delivered Energy over the Performance Measurement Period, in MWh

C = Replacement price for the Performance Measurement Period, in \$/MWh, which is the sum of (a) the simple average of the Integrated Forward Market hourly price, as published by the CAISO, for the Existing Zone Generation Trading Hub (as defined in the CAISO Tariff), in which the PNode resides, plus (b) \$50/MWh

D = the unweighted Contract Price specified in the Cover Sheet for the Performance Measurement Period, in \$/MWh

The Parties agree that in the above calculation of GEP Damages, the result of “(C-D)” shall not be less than \$20/MWh.

APPENDIX VI

NOTIFICATION REQUIREMENTS FOR AVAILABLE CAPACITY AND PROJECT OUTAGES

A. NOTIFICATION REQUIREMENTS FOR ROUTINE START-UP AND SHUTDOWNS

Prior to paralleling or after disconnecting from the electric system, notify the applicable Participating Transmission Owner's (PTO) switching center

- Call the applicable Participating Transmission Owner's (PTO) switching center and advise of the intent to parallel.
- Call the applicable Participating Transmission Owner's (PTO) switching center after the unit has been paralleled and report the parallel time and intended unit output.
- Call the applicable Participant Transmission Owner's (PTO) switching center after any routine separation.

B. SUBMISSION OF AVAILABLE CAPACITY AND PLANNED OUTAGES

1. Submit information by posting on PG&E's current website.
2. If the website is unavailable, implement the procedures set forth below:
 - a. **For all email correspondence, enter the following in the email subject field: Company Name, Contract Name, Email Purpose, Date Range (For example: "XYZ Company Project #2, Daily Forecast of Available Capacity, dd/mm/yyyy through dd/mm/yyyy")**
 - b. For Annual Forecasts of Available Capacity, email to DAenergy@pge.com and Bilat Settlements@pge.com.
 - c. For Monthly and Daily Forecasts of Available Capacity, email to DAenergy@pge.com.
 - d. For Daily Forecasts of Available Capacity after fourteen (14) hours before the WECC Preschedule Day, but before the CAISO deadline for submitting schedules into the Day-Ahead Market, call primary phone (415) 973-1971 or backup phone (415) 973-4500. Also send email to DAenergy@pge.com.
 - e. For Hourly Forecasts of Available Capacity, call PG&E's Real Time Desk at (415) 973-4500 and email to RealTime@pge.com.
 - f. For Planned Outages and Prolonged Outages, complete the specifics below and submit by email to PGOutageCoordination@pge.com, DAenergy@pge.com and Bilat_Settlements@pge.com.
 - i. **Email subject field: Company Name, Contract Name, Email Purpose, Date Range (For example: "XYZ Company Project #2, Daily Forecast of Available Capacity, dd/mm/yyyy through dd/mm/yyyy")**

ii. *Email body:*

1. *Type of Outage: Planned Outage or Prolonged Outage*
2. *Start Date and Start Time*
3. *Estimated or Actual End Date and End Time*
4. *Date and time when reported to PG&E and name(s) of PG&E representative(s) contacted*
5. *Text description of additional information as needed, including, but not limited to, changes to a Planned Outage or Prolonged Outage.*

C. FORCED OUTAGE REPORTING

1. Forced Outages – Seller shall notify PG&E Merchant Generation desk verbally within ten (10) minutes of event or as soon as reasonably possible, after the safety of all personnel and securing of all facility equipment.
 - a. Verbal notification shall include time of forced outage, cause, current availability and estimated return date and time.
 - b. After verbally notifying PG&E Merchant Generation desk of the forced outage, Seller shall also put forth commercially reasonable efforts to notify PG&E Settlements via PG&E's website.
 - c. If the PG&E website is unavailable, submit the following information via email to Bilat_Settlements@pge.com.
 - i. ***Email subject field: Company Name, Contract Name, Email Purpose, Date Range (For example: "XYZ Company Project #2, Daily Forecast of Available Capacity, dd/mm/yyyy through dd/mm/yyyy")***

ii. *Email body:*

1. *Type of Outage: Forced Outage*
2. *Start Date and Start Time*
3. *Estimated or Actual End Date and End Time*
4. *Date and time when reported to PG&E and name(s) of PG&E representative(s) contacted.*
5. *Text description of additional information as needed.*

APPENDIX VII
RESOURCE ADEQUACY

All capitalized terms not defined in this appendix shall have the meaning set forth in the Agreement and if not defined in the Agreement, the term shall have the meaning set forth in the CAISO Tariff.

1. Seller and Buyer agree that the Parties shall take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to enable Buyer to use the RA Capacity to satisfy Buyer's Resource Adequacy Requirements.
 - A. Such commercially reasonable actions may include the following:
 - (i) Cooperating with and encouraging the regional entity, including the CAISO, if applicable, responsible for Resource Adequacy administration to certify or qualify the Contract Capacity for Resource Adequacy Requirements purposes. This includes following requirements the CAISO and/or CPUC has established and may establish in the future, including calculation of RA Capacity over all hours required for Resource Adequacy Requirement eligibility, and delivery of the RA Capacity to the Interconnection Point; and
 - (ii) Negotiating in good faith to make necessary amendments, if any, to this Agreement to conform this Agreement to subsequent clarifications, revisions or decisions of the CPUC or any other entity, including the CAISO, with respect to Resource Adequacy.
 - B. For EOS Sellers only, such commercially reasonable actions do not include any actions for the sole purpose of pursuing or obtaining a Full Capacity Deliverability Status Finding such as participating in deliverability studies and funding Deliverability Network Upgrades.
2. Seller shall comply with the Resource Adequacy reporting requirements set forth in Section 40 of the CAISO Tariff as may be changed from time to time, including the following:
 - A. Taking all actions to register the Project with the CAISO to ensure that the Project's Capacity Attributes and/or Contract Capacity is able to be recognized and counted as RA Capacity;
 - B. Coordinating with Buyer on the submission to the CAISO of the Resource Adequacy Plan, as defined in the CAISO Tariff;
 - C. Complying with the dispatch requirements applicable to the Project's resource type, as set forth in Section 40 of the CAISO Tariff; and
 - D. Complying with the applicable reporting requirements, such as submitting Supply Plan to the CAISO.
3. RA Capacity Delivery Point. The delivery point for the Project, with respect to Buyer's Resource Adequacy Requirements, shall be the Interconnection Point for the Project.

APPENDIX VIII

FORM OF CONSENT TO ASSIGNMENT

CONSENT AND AGREEMENT

This CONSENT AND AGREEMENT (“Consent and Agreement”) is entered into as of [_____, 2___], between PACIFIC GAS AND ELECTRIC COMPANY (“PG&E”), and [_____] , as collateral agent (in such capacity, “Financing Provider”), for the benefit of various financial institutions (collectively, the “Secured Parties”) providing financing to [_____] (“Seller”). PG&E, Seller, and the Financing Provider shall each individually be referred to a “Party” and collectively as the “Parties”.

Recitals

A. Pursuant to that certain Power Purchase Agreement dated as of _____, 2___ (as amended, modified, supplemented or restated from time to time, as including all related agreements, instruments and documents, collectively, the “Assigned Agreement”) between PG&E and Seller, PG&E has agreed to purchase energy from Seller.

B. The Secured Parties have provided, or have agreed to provide, to Seller financing (including a financing lease) pursuant to one or more agreements (the “Financing Documents”), and require that Financing Provider be provided certain rights with respect to the “Assigned Agreement” and the “Assigned Agreement Accounts,” each as defined below, in connection with such financing.

C. In consideration for the execution and delivery of the Assigned Agreement, PG&E has agreed to enter into this Consent and Agreement for the benefit of Seller.

Agreement

1. **Definitions.** Any capitalized term used but not defined herein shall have the meaning specified for such term in the Assigned Agreement.
2. **Consent.** Subject to the terms and conditions below, PG&E consents to and approves the pledge and assignment by Seller to Financing Provider pursuant to the Loan Agreement and/or Security Agreement of (a) the Assigned Agreement, and (b) the accounts, revenues and proceeds of the Assigned Agreement (collectively, the “Assigned Agreement Accounts”).
3. **Limitations on Assignment.** Financing Provider acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Financing Document executed by Seller, Financing Provider shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Financing Provider or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured and which are not personal to the Seller, (b) executes and delivers to PG&E a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to PG&E, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, (d) provides such tax and enforceability assurance as PG&E may reasonably request, and (e) is a Permitted Transferee (as defined below). Financing Provider further acknowledges that the assignment of the Assigned Agreement and the Assigned Agreement Accounts is for security purposes only and that Financing Provider has no

rights under the Assigned Agreement or the Assigned Agreement Accounts to enforce the provisions of the Assigned Agreement or the Assigned Agreement Accounts unless and until an event of default has occurred and is continuing under the Financing Documents between Seller and Financing Provider (a “Financing Default”), in which case Financing Provider shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Financing Provider were an original party to the Assigned Agreement.

“Permitted Transferee” means any person or entity who is reasonably acceptable to PG&E. Financing Provider may from time to time, following the occurrence of a Financing Default, notify PG&E in writing of the identity of a proposed transferee of the Assigned Agreement, which proposed transferee may include Financing Provider, in connection with the enforcement of Financing Provider’s rights under the Financing Documents, and PG&E shall, within thirty (30) business days of its receipt of such written notice, confirm to Financing Provider whether or not such proposed transferee is a “Permitted Transferee” (together with a written statement of the reason(s) for any negative determination) it being understood that if PG&E shall fail to so respond within such thirty (30) business day period such proposed transferee shall be deemed to be a “Permitted Transferee”.

4. Cure Rights.

(a) Notice to Financing Provider by PG&E. PG&E shall, concurrently with the delivery of any notice of an event of default under the Assigned Agreement (each, an “Event of Default”) to Seller (a “Default Notice”), provide a copy of such Default Notice to Financing Provider pursuant to Section 9(a) of this Consent and Agreement. In addition, Seller shall provide a copy of the Default Notice to Financing Provider the next business day after receipt from PG&E, independent of any agreement of PG&E to deliver such Default Notice.

(b) Cure Period Available to Financing Provider Prior to Any Termination by PG&E. Upon the occurrence of an Event of Default, subject to (i) the expiration of the relevant cure periods provided to Seller under the Assigned Agreement, and (ii) Section 4(a) above, PG&E shall not terminate the Assigned Agreement unless it or Seller provides Financing Provider with notice of the Event of Default and affords Financing Provider an Additional Cure Period (as defined below) to cure such Event of Default. For purposes of this Agreement “Additional Cure Period” means (i) with respect to a monetary default, ten (10) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement, and (ii) with respect to a non-monetary default, thirty (30) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement.

(c) Failure by PG&E to Deliver Default Notice. If neither PG&E nor Seller delivers a Default Notice to Financing Provider as provided in Section 4(a), the Financing Provider’s applicable cure period shall begin on the date on which notice of an Event of Default is delivered to Financing Provider by either PG&E or Seller. Except for a delay in the commencement of the cure period for Financing Provider and a delay in PG&E’s ability to terminate the Assigned Agreement (in each case only if both PG&E and Seller fail to deliver notice of an Event of Default to Financing Provider), failure of PG&E to deliver any Default Notice shall not waive PG&E’s right to take any action under the Assigned Agreement and will not subject PG&E to any damages or liability for failure to provide such notice.

(d) Extension for Foreclosure Proceedings. If possession of the Project (as defined in the Assigned Agreement) is necessary for Financing Provider to cure an Event of Default and Financing Provider commences foreclosure proceedings against Seller within thirty (30) days of receiving notice of an Event of Default from PG&E or Seller, whichever is received first, Financing Provider shall be

allowed a reasonable additional period to complete such foreclosure proceedings, such period not to exceed ninety (90) days; provided, however, that Financing Provider shall provide a written notice to PG&E that it intends to commence foreclosure proceedings with respect to Seller within ten (10) business days of receiving a notice of such Event of Default from PG&E or Seller, whichever is received first. In the event Financing Provider succeeds to Seller's interest in the Project as a result of foreclosure proceedings, the Financing Provider or a purchaser or grantee pursuant to such foreclosure shall be subject to the requirements of Section 3 of this Consent and Agreement.

5. Setoffs and Deductions. Each of Seller and Financing Provider agrees that PG&E shall have the right to set off or deduct from payments due to Seller each and every amount due PG&E from Seller whether or not arising out of or in connection with the Assigned Agreement. Financing Provider further agrees that it takes the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts subject to any defenses or causes of action PG&E may have against Seller.

6. No Representation or Warranty. Seller and Financing Provider each recognizes and acknowledges that PG&E makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement or the Assigned Agreement Accounts. Financing Provider is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement, and Financing Provider releases PG&E from any liability resulting from the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts.

7. Amendment to Assigned Agreement. Financing Provider acknowledges and agrees that PG&E may agree with Seller to modify or amend the Assigned Agreement, and that PG&E is not obligated to notify Financing Provider of any such amendment or modification to the Assigned Agreement. Financing Provider hereby releases PG&E from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

8. Payments under Assigned Agreement. PG&E shall make all payments due to Seller under the Assigned Agreement from and after the date hereof to [____], as depository agent, to ABA No. [____], Account No. [____], and Seller hereby irrevocably consents to any and all such payments being made in such manner. Each of Seller, PG&E and Financing Provider agrees that each such payment by PG&E to such depository agent of amounts due to Seller from PG&E under the Assigned Agreement shall satisfy PG&E's corresponding payment obligation under the Assigned Agreement.

9. Miscellaneous.

(a) Notices. All notices hereunder shall be in writing and shall be deemed received (i) at the close of business of the date of receipt, if delivered by hand or by facsimile or other electronic means, or (ii) when signed for by recipient, if sent registered or certified mail, postage prepaid, provided such notice was properly addressed to the appropriate address indicated on the signature page hereof or to such other address as a party may designate by prior written notice to the other parties, at the address set forth below:

If to Financing Provider:	
Name:	
Address:	
Attn:	
Telephone:	
Facsimile:	
Email:	

If to PG&E:	
Name:	
Address:	
Attn:	
Telephone:	
Facsimile:	
Email:	

(b) No Assignment. This Consent and Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of PG&E, and shall be binding on and inure to the benefit of the Financing Provider, the Secured Parties and their respective successors and permitted transferees and assigns under the loan agreement and/or security agreement.

(c) No Modification. This Consent and Agreement is neither a modification of nor an amendment to the Assigned Agreement.

(d) Choice of Law. The parties hereto agree that this Consent and Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

(e) No Waiver. No term, covenant or condition hereof shall be deemed waived and no breach excused unless such waiver or excuse shall be in writing and signed by the party claimed to have so waived or excused.

(f) Counterparts. This Consent and Agreement may be executed in one or more duplicate counterparts, and when executed and delivered by all the parties listed below, shall constitute a single binding agreement.

(g) No Third Party Beneficiaries. There are no third party beneficiaries to this Consent and Agreement.

(h) Severability. The invalidity or unenforceability of any provision of this Consent and Agreement shall not affect the validity or enforceability of any other provision of this Consent and Agreement, which shall remain in full force and effect.

(i) Amendments. This Consent and Agreement may be modified, amended, or rescinded only by writing expressly referring to this Consent and Agreement and signed by all parties hereto.

IN WITNESS WHEREOF, each of PG&E and Financing Provider has duly executed this Consent and Agreement as of the date first written above.

PACIFIC GAS AND ELECTRIC COMPANY (PG&E)

By: _____
Name: _____
Title: _____

[_____]]
(Financing Provider), as collateral agent

By: _____
Name: _____
Title: _____

ACKNOWLEDGEMENT

The undersigned hereby acknowledges the Consent and Agreement set forth above, makes the agreements set forth therein as applicable to Seller, including the obligation of Seller to provide a copy of any Default Notice it receives from PG&E to Financing Provider the next business day after receipt by Seller, and confirms that the Financing Provider identified above and the Secured Parties have provided or are providing financing to the undersigned.

[_____] [name of Seller]

By: _____
Name: _____
Title: _____

APPENDIX IX

SELLER DOCUMENTATION CONDITION PRECEDENT

Seller shall provide to Buyer all of the following documentation no later than two (2) Business Days after the Execution Date:

1. A copy of each of (A) the articles of incorporation, certificate of incorporation, operating agreement or similar applicable organizational document of Seller and (B) the by-laws or other similar document of Seller (collectively, "Charter Documents") as in effect on the Execution Date.
2. A certificate signed by an authorized officer of Seller, dated the Execution Date, certifying (A) that attached thereto is a true and complete copy of the Charter Documents of the Seller, as in effect at all times from the date on which the resolutions referred to in clause (B) below were adopted to and including the date of such certificate; (B) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors (or other equivalent body) or evidence of all corporate or limited liability company action, as the case may be, of Seller, authorizing the execution, delivery and performance of this Agreement, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, and (C) as to the name, incumbency and specimen signature of each officer of Seller executing this Agreement.
3. A certificate from the jurisdiction of Seller's incorporation or organization certifying that Seller is duly organized, validly existing and in good standing under the laws of such jurisdiction.
4. Evidence of Site control (e.g. lease with redacted price terms) satisfactory to Buyer.
5. Evidence of CEC Certification and Verification (pre-certification) satisfactory to Buyer.
6. A copy of the most recent financial statements (which may be unaudited) from Seller together with a certificate from the Chief Financial or equivalent officer of Seller, dated the Execution Date, to the effect that, to the best of such officer's knowledge, (A) such financial statements are true, complete and correct in all material respects and (B) there has been no material adverse change in the financial condition, operations, Properties, business or prospects of Seller since the date of such financial statements.
7. An executed Letter of Concurrence substantially in the form specified in Appendix XII.

[Only include this Appendix for As-Available Product]

APPENDIX X

FORM OF ACTUAL AVAILABILITY REPORT

Pursuant to Section 3.1(l)(i), Seller shall prepare an Actual Availability Report in accordance with the procedures described in this Appendix X.

- (a) Availability Workbook. Seller shall (i) collect the measurement data, listed in (b) below, in one (1) or more Microsoft Excel Workbooks (the “Availability Workbook”) provided in a form and naming convention approved by Buyer and (ii) electronically send the Availability Workbook to an address provided by Buyer. The Actual Availability Report shall reflect the sum of the Settlement Interval Actual Available Capacity of all generators as measured by such generator’s internal turbine controller.
- (b) Log of Availability. The Availability Workbook shall be created on a single, dedicated Excel worksheet and shall be in the form of Attachment A to this Appendix X.

APPENDIX X

Attachment A

Form of Actual Availability Report

Seller's Actual Availability Report

All amounts are in MWs

<u>Settlement Interval No.</u>	<u>Date</u>	<u>HE1</u>	<u>HE2</u>	<u>HE3</u>	<u>HE4</u>	<u>HE5</u>	<u>HE6</u>	<u>HE7</u>	<u>HE8</u>	<u>HE9</u>	<u>HE10</u>	<u>HE11</u>	<u>HE12</u>	<u>HE13</u>	<u>HE14</u>	<u>HE15</u>	<u>HE16</u>	<u>HE17</u>	<u>HE18</u>	<u>HE19</u>	<u>HE20</u>	<u>HE21</u>	<u>HE22</u>	<u>HE23</u>	<u>HE24</u>
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Date/Time of Submittal _____

APPENDIX XI

TELEMETRY PARAMETERS FOR WIND OR SOLAR FACILITY

Technology Type	Telemetry Parameters	Units	
Solar Photovoltaic	Back Panel Temperature	°C	
	Global Horizontal Irradiance	W/m ²	
	Plane of Array Irradiance (If PV is fixed) Direct Normal Irradiance (If PV is Tracking)	W/m ²	
	Wind Speed	m/s	
	Peak Wind Speed (Within 1 minute)	m/s	
	Wind Direction	Degrees	
	Ambient Air Temperature	°C	
	Dewpoint Air Temperature or Relative Humidity	°C	
	Horizontal Visibility	m	
	Precipitation (Rain Rate)	mm/hr	
	Precipitation (Running 30 day total)	mm	
	Barometric Pressure	Millibars Or Hecto Pascals (HPa)	
	Solar Thermal or Solar Trough	Global Horizontal Irradiance	W/m ²
		Plane of Array Irradiance (If PV is fixed) Direct Normal Irradiance (If PV is Tracking)	W/m ²
Wind Speed		m/s	
Peak Wind Speed (Within 1 minute)		m/s	
Wind Direction		Degrees	
Ambient Air Temperature		°C	
Dewpoint Air Temperature or Relative Humidity		°C	
Horizontal Visibility		m	
Precipitation (Rain Rate)		mm/hr	
Precipitation (Running 30 day total)		mm	
Barometric Pressure		Millibars Or Hecto Pascals (HPa)	
Wind			
Wind Speed		m/s	
Peak Wind Speed (Within 1 minute)		m/s	
Wind Direction	Degrees		
Wind Speed Standard Deviation	--		
Wind Direction Standard Deviation	--		
Barometric Pressure	Millibars Or Hecto Pascals (HPa)		
Ambient Temperature	°C		

APPENDIX XII

FORM OF LETTER OF CONCURRENCE

[Date]

[Name]
[Position]
[Company]
[Address]

Re: Letter of Concurrence Regarding Control of [Name] Facility

This letter sets forth the understanding of the degree of control exercised by Pacific Gas and Electric Company (“PG&E”) and [Company Name] with respect to [Facility Name (the “Facility”)] for the purposes of facilitating compliance with the requirements of the Federal Energy Regulatory Commission’s (“Commission”) Order No. 697.¹ Specifically, Order No. 697 requires that sellers filing an application for market-based rates, an updated market power analysis, or a required change in status report with regard to generation specify the party or parties they believe have control of the generation facility and extent to which each party holds control.² The Commission further requires that “a seller making such an affirmative statement seek a ‘letter of concurrence’ from other affected parties identifying the degree to which each party controls a facility and submit these letters with its filing.”³

PG&E and [Company Name] have executed a [power purchase and sale agreement (the “Agreement”)] with regard to the Facility. The Facility is a [XX] MW [description] facility located in [County, State]. Pursuant to the Agreement, [Company Name] maintains sole control of the Facility. [Company Name] agrees to provide subsequent Letters of Concurrence as may be necessary should any of the information provided herein change after the execution date of this letter.

If you concur with the statements made in this letter, please countersign the letter and send a copy to me.

Best regards,

[Author]
[Position]
Pacific Gas and Electric Company

¹ *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697 at P 186-187, FERC Stats. & Regs. ¶ 31,252, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh’g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 (2008), *clarified*, 124 FERC ¶ 61,055 (2008), *order on reh’g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh’g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh’g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010).

² Order No. 697 at P 186.

³ Order No. 697 at P 187.

Concurring Statement

On behalf of [Company Name], I am authorized to countersign this letter in concurrence with its content.

By: _____
[Name]
[Company Position]
[Company Name]

APPENDIX XIII

SUPPLIER DIVERSITY PROGRAM

1. Women-, Minority-, and service Disabled Veteran-owned Business Enterprises, as verified pursuant to the procedures prescribed in Section 2 of CPUC General Order 156 (“WMDVBE”), shall have the maximum practicable opportunity to participate in the performance of work supporting Seller’s development of the Project.
2. Upon request from Buyer, Seller shall provide a separate “Supplier Plan” consisting of a specific list of suppliers that may participate in the performance of the work supporting development of the Project, and a statement setting forth any additional efforts Seller will employ to increase the participation of WMDVBE suppliers supporting development of the Project.
3. Upon request from Buyer, but no less than once per 365 day period of time between the execution of the PPA and the Commercial Operation Date, Seller shall report its spend with WMDVBE owned suppliers per instructions to be provided by PG&E.
4. Seller’s supplier diversity spend target for work supporting the Project is ___%.
5. Seller agrees that the obligations established through this Appendix XIII are material obligations.

Deleted: XI

[Bracketed language applicable to WMDVBE Sellers only]

6. Seller is a WMDVBE, as certified by _____ *[please identify the certifying agency]*.

Renewable Auction Mechanism (RAM) Request for Offers

Full Legal Project Name:

Project Location:

Street Address:

City, State, Zip:

Description of land control, project permit plan, and whether the project is consistent with local land use zoning ordinances.

- a. If you have site control, how is it exercised, e.g. ownership, leasehold interest, site option, etc. Documents demonstrating site control and ability to operate project as proposed will be required prior to contract execution.
- b. Describe the permit plan for the project, including permits necessary for electric interconnection and plans to mitigate environmental impacts. List all environmental and land use permits and discretionary approvals required from local, state, federal, and/or tribal authorities, application filing date, status of approvals, permit duration, and schedule to complete permits (i.e., conditional use permit, endangered species act permits, etc).
- c. Is the project consistent with local land use zoning ordinances and General Plan, including General Plan Energy Elements? If the project requires zoning changes or variances, describe the plan to obtain approval of the zoning changes.
- d. Describe plans to obtain project support from local land use authorities and the nearby community/residents, including whether the project needs any specific planning commission, city council or board of supervisor approvals.
- e. Is the project located on designated agricultural land or within an agricultural preserve? If so, please indicate the classification (e.g., Prime Farmland, Farmland of Statewide Importance, Unique Farmland, Farmland of Local Importance, or Grazing Land).
- f. Does the project have a Williamson Act Contract? If yes, describe how the Williamson Act Contract will be cancelled or terminated, as applicable.

Provide the following information describing the site and site location:

- a. Provide map showing site location and key project facilities. Please provide the map in either one of the following formats:
 - i. Google kml/kmz, ESRI shape or other GIS data file of the project boundary. Specify projection information for GIS files or

Renewable Auction Mechanism (RAM) Request for Offers

- ii. A digital map (.pdf, .jpg, tiff, etc.) of the project boundary, access roadways and the rights-of-way for all interconnecting utilities on aerial street or USGS topo background.
- b. Provide at least one of the following sets of information for GIS mapping:
 - i. County Assessor’s parcel number for the proposed site; or
 - ii. Coordinates and parcel size of the project

Site Control Attestation

Participant hereby represents warrants and covenants that:

1. Participant has site control of the site where the project is located or will be located, which is: [\[insert project address\]](#);
2. Participant is the entity that will execute the PPA with PG&E if PG&E enters into a PPA with the Participant as a result of the Solar PV PPA RFO;
3. Participant will promptly notify PG&E in writing of any changes in the status of the Participant’s site control; and
4. Execution and delivery of this attestation are within Participant’s powers and have been duly authorized by all necessary action.

“Site control” has the meaning set forth in section III.B.2 of the RAM RFO Protocol Document dated [June 3, 2013](#).

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Very Truly Yours,

By: _____
Authorized Signature

Name: [\[print or type name\]](#)

Title: _____

Supplier Diversity Questionnaire: Appendix E

Renewable Auction Mechanism (RAM)

Please answer the questions below about the Participating Company (or Leading Participant in the case of a Team of Participants).

- Is Participant a certified California woman, minority or disabled veteran business enterprise (WMDVBE)? If so, please identify the certifying agency:
- If your company is woman, minority or service disabled veteran-owned but not certified by the CPUC or Department of General Services, does your company hold a Women’s Business Enterprise National Council (WBENC), National Minority Supplier Development Council (NMSDC) or United States Small Business Administration 8(a) certification. Please provide certification number and expiration date.
- Does Participant commit to PG&E's Supplier Diversity Program which can be found at <http://www.pge.com/b2b/purchasing/supplierdiversity/>
- Does Participant intend to use WMDVBE suppliers in Participant's materials and services supply chain?
- Does your company have a supplier diversity program? If so, describe efforts your company has made to increase business with WMDVBE firms (i.e. does your company have a policy statement, participate in outreach activities, promote diverse firm subcontracting, publicize contract opportunities, provide certification assistance, etc.?). Please provide examples.
- If your company has a supplier diversity program, does your company mentor WMDVBE suppliers? Please provide examples.

If Participant is not a WMDVBE supplier, and if Participant intends to use WMDVBE suppliers to support its RAM RFO project if its Offer is executed, then Participant shall list in the table below a plan for how the total cost of each RAM project proposed would be split among those WMDVBE subcontracts. Please provide a separate table for each Offer submitted, if more than one. Where applicable, Participant shall also indicate names of subcontractors that may perform those categories of work. Include all potential spend from subcontractor relationships and partnerships.

Component	Planned Spend % by Category	Supplier Names
Installation	%	
Engineering	%	
Major Equipment (modules, inverters, transformers, switchgear)	%	
Other Materials	%	

Supplier Diversity Questionnaire: Appendix E

Renewable Auction Mechanism (RAM)		
Freight, Delivery and Logistics	%	
Other (please specify below)	%	
Total Planned WMDVBE Spend as a % of Total Program Spend (%)	%	

- If you used the "Other" category, please define what materials and services these firms will provide.
- How much was your company's overall spend with WMDVBE firms over your total purchasing spend in the U.S. in 2012 (%)?
- Please describe in detail how you will assist PG&E in reaching its enterprise-wide diversity spend goal (WMDVBE participation) of 30% in 2012.

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**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

1st Light Energy	Downey & Brand	OnGrid Solar
AT&T	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
Alcantar & Kahl LLP	G. A. Krause & Assoc.	Praxair
Anderson & Poole	GenOn Energy Inc.	Regulatory & Cogeneration Service, Inc.
BART	GenOn Energy, Inc.	SCD Energy Solutions
Barkovich & Yap, Inc.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCE
Bartle Wells Associates	Green Power Institute	SDG&E and SoCalGas
Bear Valley Electric Service	Hanna & Morton	SPURR
Braun Blaising McLaughlin, P.C.	In House Energy	San Francisco Public Utilities Commission
CENERGY POWER	International Power Technology	Seattle City Light
California Cotton Ginners & Growers Assn	Intestate Gas Services, Inc.	Sempra Utilities
California Energy Commission	Kelly Group	SoCalGas
California Public Utilities Commission	Lawrence Berkeley National Lab	Southern California Edison Company
Calpine	Linde	Spark Energy
Casner, Steve	Los Angeles Dept of Water & Power	Sun Light & Power
Center for Biological Diversity	MAC Lighting Consulting	Sunshine Design
City of Palo Alto	MRW & Associates	Tecogen, Inc.
City of San Jose	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Clean Power	Marin Energy Authority	TransCanada
Coast Economic Consulting	McKenna Long & Aldridge LLP	Utility Cost Management
Commercial Energy	McKenzie & Associates	Utility Power Solutions
Consumer Federation of California	Modesto Irrigation District	Utility Specialists
Crossborder Energy	Morgan Stanley	Verizon
Davis Wright Tremaine LLP	NLine Energy, Inc.	Water and Energy Consulting
Day Carter Murphy	NRG Solar	Wellhead Electric Company
Defense Energy Support Center	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Dept of General Services	North America Power Partners	
Douglass & Liddell	Occidental Energy Marketing, Inc.	